

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of The  
Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): March 31, 2022**

**Ares Industrial Real Estate Income Trust Inc.**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation)

**000-56032**  
(Commission  
File Number)

**47-1592886**  
(IRS Employer  
Identification No.)

**518 Seventeenth Street, 17<sup>th</sup> Floor**  
**Denver, CO 80202**  
(Address of principal executive offices)

**(303) 228-2200**  
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act: None

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

## Item 8.01 Other Events.

Ares Industrial Real Estate Income Trust Inc. (referred to herein as the “Company,” “we,” “our,” or “us”) is filing this Current Report on Form 8-K in order to disclose the most recent transaction price and net asset value (“NAV”) per share, as determined in accordance with the Company’s valuation procedures, for each of its classes of common stock and to provide an update on our assets.

### Most Recent Transaction Price and Net Asset Value Per Share

#### May 1, 2022 Transaction Price

The transaction price for each share class of our common stock for subscriptions to be accepted as of May 1, 2022 (and distribution reinvestment plan issuances following the close of business on April 29, 2022 and share redemptions as of April 30, 2022) is as follows:

Share Class	Transaction Price (per share)
Class T	\$ 14.4934
Class D	\$ 14.4934
Class I	\$ 14.4934

The transaction price for each of our share classes is equal to such class’s net asset value (“NAV”) per share as of March 31, 2022. A calculation of the NAV per share is set forth below. The purchase price of our common stock for each share class equals the transaction price of such class, plus applicable upfront selling commissions and dealer manager fees.

#### March 31, 2022 NAV Per Share

Our board of directors, including a majority of our independent directors, has adopted valuation procedures, as amended from time to time, that contain a comprehensive set of methodologies to be used in connection with the calculation of our NAV. Our most recent NAV per share for each share class, which is updated as of the last calendar day of each month, is posted on our website at [www.blackcreekgroup.com/investment-solutions/AIREIT](http://www.blackcreekgroup.com/investment-solutions/AIREIT) and is also available on our toll-free, automated telephone line at (888) 310-9352. With the approval of our board of directors, including a majority of our independent directors, we have engaged Altus Group U.S. Inc., a third-party valuation firm, to serve as our independent valuation advisor (“Altus Group” or the “Independent Valuation Advisor”) with respect to providing monthly real property appraisals, reviewing annual third-party real property appraisals, reviewing the internal valuations of debt-related assets and liabilities performed by BCI IV Advisors LLC for periods prior to July 1, 2021 and Ares Commercial Real Estate Management LLC for periods thereafter (the “Advisor”), helping us administer the valuation and review process for the real properties in our portfolio, and assisting in the development and review of our valuation procedures. As part of this process, our Advisor reviews the estimates of the values of our real property portfolio, real estate-related assets, and other assets and liabilities within our portfolio for consistency with our valuation guidelines and the overall reasonableness of the valuation conclusions, and informs our board of directors of its conclusions. Although third-party appraisal firms, the Independent Valuation Advisor, or other pricing sources may consider any comments received from us or our Advisor or other valuation sources for their individual valuations, the final estimated fair values of our real properties are determined by the Independent Valuation Advisor and the final estimates of fair values of our real estate-related assets, our other assets, and our liabilities are determined by the applicable pricing source (which may, in certain instances be our Advisor or an affiliate of Ares), subject to the oversight of our board of directors. With respect to the valuation of our real properties, the Independent Valuation Advisor provides our board of directors with periodic valuation reports and is available to meet with our board of directors to review valuation information, as well as our valuation guidelines and the operation and results of the valuation and review process generally. Excluding real properties that are bought or sold during a given calendar quarter, unconsolidated real properties held through joint ventures or partnerships are valued by a third-party appraiser at least once per calendar year. For valuations during interim periods, either the Advisor will determine the estimated fair value of the real properties owned by unconsolidated affiliates or we will utilize interim valuations determined pursuant to valuation policies and procedures for such joint ventures or partnerships. All parties engaged by us in connection with our valuation procedures, including the Independent Valuation Advisor, ALPS Fund Services Inc. (“ALPS”), and our Advisor, are subject to the oversight of our board of directors. Our board of directors has the right to engage additional valuation firms and pricing sources to review the valuation process or valuations, if deemed appropriate. At least once each calendar year our board of directors, including a majority of our independent directors, reviews the appropriateness of our valuation procedures with input from the Independent Valuation Advisor. From time to time our board of directors, including a majority of our independent directors, may adopt changes to the valuation procedures if it: (1) determines that such changes are likely to result in a more accurate reflection of NAV or a more efficient or less costly procedure for the determination of NAV without having a material adverse effect on the accuracy of such determination; or (2) otherwise reasonably believes a change is appropriate for the determination of NAV. We will publicly announce material changes to our valuation procedures. Please see our valuation procedures filed as an exhibit to our Annual Report on Form

10-K filed with the SEC on March 9, 2022, for a more detailed description of our valuation procedures, including important disclosure regarding real property valuations provided by the Independent Valuation Advisor.

Our valuation procedures, which address specifically each category of our assets and liabilities and are applied separately from the preparation of our financial statements in accordance with generally accepted accounting principles (“GAAP”), involve adjustments from historical cost. There are certain factors which cause NAV to be different from total equity or stockholders’ equity on a GAAP basis. Most significantly, the valuation of our real assets, which is the largest component of our NAV calculation, is provided to us by the Independent Valuation Advisor. For GAAP purposes, these assets are generally recorded at depreciated or amortized cost. Another example that will cause our NAV to differ from our GAAP total equity or stockholders’ equity is the straight-lining of rent, which results in a receivable for GAAP purposes that is not included in the determination of our NAV. The fair values of our assets and certain liabilities are determined using widely accepted methodologies and, as appropriate, the GAAP principles within the FASB Accounting Standards Codification under Topic 820, Fair Value Measurements and Disclosures and are used by ALPS in calculating our NAV per share. However, our valuation procedures and our NAV are not subject to GAAP and will not be subject to independent audit. We did not develop our valuation procedures with the intention of complying with fair value concepts under GAAP and, therefore, there could be differences between our fair values and the fair values derived from the principal market or most advantageous market concepts of establishing fair value under GAAP.

As used below, “Fund Interests” means our outstanding shares of common stock, along with the partnership units in our operating partnership (“OP Units”), which may be or were held directly or indirectly by the Advisor, our former sponsor, members or affiliates of our former sponsor, and third parties, and “Aggregate Fund NAV” means the NAV of all the Fund Interests.

The following table sets forth the components of Aggregate Fund NAV as of March 31, 2022 and February 28, 2022:

<b>(in thousands)</b>	<b>As of</b>	
	<b>March 31, 2022</b>	<b>February 28, 2022</b>
Investments in industrial properties	\$ 6,860,200	\$ 6,505,500
Investment in unconsolidated joint venture partnership	20,441	14,695
DST Program Loans	81,338	81,240
Cash and cash equivalents	277,374	270,667
Other assets	58,220	48,076
Line of credit, term loans and mortgage notes	(2,352,726)	(2,416,140)
Financing obligations associated with our DST Program	(681,045)	(625,568)
Other liabilities	(105,351)	(85,418)
Accrued performance participation allocation	(83,300)	(45,007)
Accrued fixed component of advisory fee	(4,955)	(4,548)
<b>Aggregate Fund NAV</b>	<b>\$ 4,070,196</b>	<b>\$ 3,743,497</b>
<b>Total Fund Interests outstanding</b>	<b>280,832</b>	<b>275,827</b>

The following table sets forth the NAV per Fund Interest as of March 31, 2022 and February 28, 2022:

<b>(in thousands, except per Fund Interest data)</b>	<b>Total</b>	<b>Class T Shares</b>	<b>Class D Shares</b>	<b>Class I Shares</b>	<b>OP Units</b>
<b>As of March 31, 2022</b>					
Monthly NAV	\$ 4,070,196	\$ 3,115,681	\$ 220,639	\$ 668,181	\$ 65,695
Fund Interests outstanding	280,832	214,973	15,223	46,103	4,533
NAV Per Fund Interest	\$ 14.4934	\$ 14.4934	\$ 14.4934	\$ 14.4934	\$ 14.4934
<b>As of February 28, 2022</b>					
Monthly NAV	\$ 3,743,497	\$ 2,887,144	\$ 200,875	\$ 593,960	\$ 61,518
Fund Interests outstanding	275,827	212,729	14,801	43,764	4,533
NAV Per Fund Interest	\$ 13.5719	\$ 13.5719	\$ 13.5719	\$ 13.5719	\$ 13.5719

The NAV per Fund Interest increased by approximately \$0.92, or 6.8%, compared to our NAV per Fund Interest as of February 28, 2022, primarily as a result of strong leasing, above-average market rent growth, and strengthening capital markets.

Under GAAP, we record liabilities for ongoing distribution fees that (i) we currently owe the Dealer Manager under the terms of the dealer manager agreement and (ii) we estimate we may pay to the Dealer Manager in future periods for shares of our common stock. As of March 31, 2022, we estimated approximately \$88.7 million of ongoing distribution fees were potentially payable to the Dealer

Manager. We do not deduct the liability for estimated future distribution fees in our calculation of NAV since we intend for our NAV to reflect our estimated value on the date that we determine our NAV. Accordingly, our estimated NAV at any given time does not include consideration of any estimated future distribution fees that may become payable after such date.

We include no discounts to our NAV for the illiquid nature of our shares, including the limitations on our stockholders' ability to redeem shares under our share redemption program and our ability to suspend our share redemption program at any time. Our NAV generally does not reflect the potential impact of exit costs (e.g. selling costs and commissions related to the sale of a property) that would likely be incurred if our assets and liabilities were liquidated or sold today. While we may use market pricing concepts to value individual components of our NAV, our per share NAV is not derived from the market pricing information of open-end real estate funds listed on stock exchanges.

Our NAV is not a representation, warranty or guarantee that: (i) we would fully realize our NAV upon a sale of our assets; (ii) shares of our common stock would trade at our per share NAV on a national securities exchange; and (iii) a stockholder would be able to realize the per share NAV if such stockholder attempted to sell his or her shares to a third party.

The valuations of our real properties as of March 31, 2022 excluding certain newly acquired properties that are currently held at cost which we believe reflects the fair value of such properties, were provided by the Independent Valuation Advisor in accordance with our valuation procedures. Certain key assumptions that were used by the Independent Valuation Advisor in the discounted cash flow analysis are set forth in the following table:

	<b>Weighted-Average Basis</b>
Exit capitalization rate	4.7 %
Discount rate / internal rate of return	5.7 %
Average holding period (years)	10.3

A change in the exit capitalization and discount rates used would impact the calculation of the value of our real property. For example, assuming all other factors remain constant, the changes listed below would result in the following effects on the value of our real properties, excluding certain newly acquired properties that are currently held at cost which we believe reflects the fair value of such properties:

<b>Input</b>	<b>Hypothetical Change</b>	<b>Increase (Decrease) to the NAV of Real Properties</b>
Exit capitalization rate (weighted-average)	0.25 % decrease	4.0 %
	0.25 % increase	(3.6)%
Discount rate (weighted-average)	0.25 % decrease	2.2 %
	0.25 % increase	(2.1)%

From November 1, 2017 through January 31, 2020, we valued our debt-related investments and real estate-related liabilities generally in accordance with fair value standards under GAAP. Beginning with our valuation for February 29, 2020, our property-level mortgages and corporate-level credit facilities that are intended to be held to maturity (which for fixed rate debt not subject to interest rate hedges may be the date near maturity at which time the debt will be eligible for prepayment at par for purposes herein), including those subject to interest rate hedges, were valued at par (i.e. at their respective outstanding balances). In addition, because we utilize interest rate hedges to stabilize interest payments (i.e. to fix all-in interest rates through interest rate swaps or to limit interest rate exposure through interest rate caps) on individual loans, each loan and associated interest rate hedge is treated as one financial instrument which is valued at par if intended to be held to maturity. This policy of valuing at par applies regardless of whether any given interest rate hedge is considered as an asset or liability for GAAP purposes. Notwithstanding, if we acquire an investment and assume associated in-place debt from the seller that is above or below market, then consistent with how we recognize assumed debt for GAAP purposes when acquiring an asset with pre-existing debt in place, the liabilities used in the determination of our NAV will include the market value of such debt based on market value as of the closing date. The associated premium or discount on such debt as of closing that is reflected in our liabilities will then be amortized through loan maturity. Per our valuation policy, the corresponding investment is valued on an unlevered basis for purposes of determining NAV. Accordingly, all else equal, we would not recognize an immediate gain or loss to our NAV upon acquisition of an investment whereby we assume associated pre-existing debt that is above or below market. As of March 31, 2022, we classified all of our debt as intended to be held to maturity, and our liabilities included mark-to-market adjustments for pre-existing debt that we assumed upon acquisition.

### March 2022 Distributions

We have declared monthly distributions for each class of our common stock. To date, each class of our common stock has received the same gross distribution per share. Monthly gross distributions were \$0.0454 per share for each share class for the month of March 2022 and were paid to all stockholders of record as of the close of business on March 31, 2022. The net distribution per share is calculated as the gross distribution per share less any distribution fees that are payable monthly with respect to Class T shares and Class D shares (formerly designated as Class W shares). Since distribution fees are not paid with respect to Class I shares, the net distributions payable with respect to Class I shares are equal to the gross distributions payable with respect to Class I shares. The table below details the net distributions for each class of our common stock for the period presented:

Month	Pay Date	Net Distributions per Share		
		Class T Share	Class D Share	Class I Share
March 2022	4/1/2022	\$ 0.036	\$ 0.043	\$ 0.045

### Update on Assets

As of March 31, 2022, our leverage ratio was approximately 30.2% (calculated as outstanding principal balance of our borrowings less cash and cash equivalents, divided by the fair value of our real property and our net investment in an unconsolidated joint venture partnership).

As of March 31, 2022, we directly owned and managed a real estate portfolio that included 202 industrial buildings totaling approximately 39.3 million square feet located in 29 markets throughout the U.S., with 354 customers, and was 97.3% occupied (99.0% leased) with a weighted-average remaining lease term (based on square feet) of 4.4 years. The occupied rate reflects the square footage with a paying customer in place. The leased rate includes the occupied square footage and additional square footage with leases in place that have not yet commenced.

The following table sets forth the top ten geographic allocations of our real estate portfolio based on fair value as of March 31, 2022:

(\$ and square feet in thousands)	Number of Buildings	Fair Value of Real Property	% of Fair Value
Southern California	16	\$ 862,450	12.5 %
New Jersey	15	800,900	11.7
Seattle	14	546,900	8.0
Atlanta	19	525,700	7.7
Pennsylvania	17	489,400	7.1
Dallas	12	421,050	6.1
Central Valley	9	334,250	4.9
Bay Area	3	264,550	3.9
Las Vegas	7	237,600	3.5
San Diego	7	227,700	3.3
Other	83	2,149,700	31.3
Total Portfolio	202	\$ 6,860,200	100.0 %

### Pro Forma Financial Information

Filed herewith as Exhibit 99.2 to this Current Report on Form 8-K is an unaudited pro forma consolidated statement of operations for the Company for the year ended December 31, 2021.

### Item 9.01 Financial Statements and Exhibits.

(b) Pro Forma Financial Information.

The pro forma financial information required by Item 9.01(b) is filed herewith as an exhibit under Item 9.01(d) and such exhibit is incorporated herein by reference.

(d) Exhibits

Exhibit Number	Description
99.1	<a href="#">Consent of Altus Group U.S. Inc.</a>
99.2	<a href="#">Pro Forma Financial Information—Ares Industrial Real Estate Income Trust Inc.</a> <a href="#">Pro Forma Consolidated Statement of Operations for the Year Ended December 31, 2021 (unaudited)</a> <a href="#">Notes to the Pro Forma Consolidated Statement of Operations for the Year Ended December 31, 2021 (unaudited)</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

### Forward-Looking Statements

This Current Report on Form 8-K includes certain statements that are intended to be deemed “forward-looking statements” within the meaning of, and to be covered by the safe harbor provisions contained in, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements are generally identifiable by the use of the words “may,” “will,” “should,” “expect,” “anticipate,” “estimate,” “believe,” “intend,” “project,” “continue,” or other similar words or terms and include, without limitation, statements regarding the estimates and assumptions used in the calculation of our NAV per Fund Interest. These statements are based on certain assumptions and analyses made in light of our experience and our perception of historical trends, current conditions, expected future developments and other factors we believe are appropriate. Such statements are subject to a number of assumptions, risks and uncertainties that may cause our actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by these forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements. Among the factors that may cause results to vary are the negative impact of COVID-19 and the conflict between Russia and Ukraine on our financial condition and results of operations being more significant than expected, general economic and business (particularly real estate and capital market) conditions being less favorable than expected, the business opportunities that may be presented to and pursued by us,

changes in laws or regulations (including changes to laws governing the taxation of real estate investment trusts (“REITs”)), risk of acquisitions, availability and creditworthiness of prospective customers, availability of capital (debt and equity), interest rate fluctuations, competition, supply and demand for properties in current and any proposed market areas in which we invest, our customers’ ability and willingness to pay rent at current or increased levels, accounting principles, policies and guidelines applicable to REITs, environmental, regulatory and/or safety requirements, customer bankruptcies and defaults, the availability and cost of comprehensive insurance, including coverage for terrorist acts, and other factors, many of which are beyond our control. For a further discussion of these factors and other risk factors that could lead to actual results materially different from those described in the forward-looking statements, see “Risk Factors” under Item 1A of Part 1 of our Annual Report on Form 10-K for the year ended December 31, 2021 and subsequent periodic and current reports filed with the SEC. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of future events, new information or otherwise.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

**ARES INDUSTRIAL REAL ESTATE INCOME TRUST INC.**

April 14, 2022

By: /s/ SCOTT A. SEAGER

Name: Scott A. Seager

Title: Principal, Chief Financial Officer and  
Treasurer



**CONSENT OF INDEPENDENT VALUATION ADVISOR**

We hereby consent to the references to our name and the description of our role in the valuation process described in the heading “March 31, 2022 NAV Per Share” in the Current Report on Form 8-K of Ares Industrial Real Estate Income Trust Inc. (the “Company”), filed by the Company with the Securities and Exchange Commission on the date hereof, being included or incorporated by reference in the Company’s Registration Statement on Form S-8 (File No. 333-228818). We also hereby consent to the same information and the reference to our name in the heading “Experts” being included or incorporated by reference in the Company’s Registration Statement on Form S-11 (File No. 333-255376) and the related prospectus and prospectus supplements that are a part thereof. In giving such consent, we do not thereby admit that we are in the category of persons whose consent is required under Section 7 of the Securities Act of 1933.

April 14, 2022

/s/ Altus Group U.S. Inc.  
Altus Group U.S. Inc.

---

**ARES INDUSTRIAL REAL ESTATE INCOME TRUST INC.**  
**PRO FORMA FINANCIAL INFORMATION**  
**(Unaudited)**

The following pro forma consolidated financial statements has been prepared to provide pro forma information with regard to the real estate property acquisition described below. The unaudited pro forma consolidated financial statement should be read in conjunction with the Annual Report on Form 10-K for the year ended December 31, 2021 (the “Form 10-K”) of Ares Industrial Real Estate Income Trust Inc. (the “Company”), filed with the Securities and Exchange Commission (the “SEC”) on March 9, 2022.

The accompanying unaudited pro forma consolidated statement of operations for the year ended December 31, 2021, combines the Company’s historical operations with the operations of the real estate properties described below, as if the acquisition of those properties had occurred as of January 1, 2021. An unaudited pro forma consolidated balance sheet is not presented because the real estate property acquisition described below occurred prior to December 31, 2021 and was reflected in the Company’s audited consolidated balance sheet as of December 31, 2021.

On July 14, 2021, the Company, through an indirect wholly-owned subsidiary, acquired a 100% fee interest in 48 industrial buildings totaling approximately 8.3 million square feet on approximately 480.7 acres (the “Key Logistics Portfolio”). The Key Logistics Portfolio is located in 13 geographic markets throughout the United States and was 98.6% occupied by 84 customers with a weighted-average lease term (based on square feet) of approximately 3.2 years as of December 31, 2021. The total purchase price was \$920.0 million, subject to customary prorations. The sellers of the Key Logistics Portfolio are not affiliated with the Company or its affiliates. The Company funded the acquisition using proceeds from the Company’s public offering and funds from its credit facility and term loans.

The unaudited pro forma consolidated financial statement has been prepared by the Company’s management based upon the Company’s historical financial statements, certain historical financial information of the acquired real estate properties, and certain purchase accounting entries of the acquired real estate properties. These pro forma statements may not be indicative of the results that actually would have occurred if the acquisition of the Key Logistics Portfolio had been completed as of January 1, 2021, nor do they purport to represent our future financial results. The accompanying unaudited pro forma consolidated financial statement does not contemplate certain amounts that are not readily determinable, such as additional general and administrative expenses that are probable, or interest income that would be earned on cash balances.

**ARES INDUSTRIAL REAL ESTATE INCOME TRUST INC.**  
**PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(Unaudited)**

(in thousands)	Company Historical <sup>(1)</sup>	Acquisitions	Pro Forma Adjustments	Consolidated Pro Forma
<b>Revenues:</b>				
Rental revenues	\$ 177,069	\$ 26,243 <sup>(2)</sup>	\$ 1,592 <sup>(4)</sup>	\$ 204,904
Total revenues	<u>177,069</u>	<u>26,243</u>	<u>1,592</u>	<u>204,904</u>
<b>Operating expenses:</b>				
Rental expenses	42,719	6,818 <sup>(3)</sup>	—	49,537
Real estate-related depreciation and amortization	112,201	—	25,653 <sup>(5)</sup>	137,854
General and administrative expenses	8,886	—	—	8,886
Advisory fees	28,558	—	5,390 <sup>(6)</sup>	33,948
Performance participation allocation	81,185	—	—	81,185
Acquisition costs and reimbursements	3,735	—	—	3,735
Total operating expenses	<u>277,284</u>	<u>6,818</u>	<u>31,043</u>	<u>315,145</u>
<b>Other (income) expenses:</b>				
Equity in income from unconsolidated joint venture partnerships	(54,296)	—	—	(54,296)
Interest expense	30,463	—	4,609 <sup>(7)</sup>	35,072
Other income	(555)	—	—	(555)
Net expenses	<u>252,896</u>	<u>6,818</u>	<u>35,652</u>	<u>295,366</u>
<b>Net (loss) income</b>	<u>(75,827)</u>	<u>19,425</u>	<u>(34,060)</u>	<u>(90,462)</u>
Net loss attributable to noncontrolling interests	498	—	—	498
Net income attributable to noncontrolling interests	(20)	—	—	(20)
<b>Net (loss) income attributable to common stockholders</b>	<u>\$ (75,349)</u>	<u>\$ 19,425</u>	<u>\$ (34,060)</u>	<u>\$ (89,984)</u>
Weighted-average shares outstanding	<u>201,169</u>			<u>201,169 <sup>(8)</sup></u>
Net loss per common share - basic and diluted	<u>(0.37)</u>			<u>(0.45)</u>

The accompanying notes are an integral part of this pro forma consolidated financial statement.

**ARES INDUSTRIAL REAL ESTATE INCOME TRUST INC.**  
**NOTES TO THE PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS**  
**FOR THE YEAR ENDED DECEMBER 31, 2021**  
**(Unaudited)**

- (1) Reflects the Company's historical consolidated statement of operations for the year ended December 31, 2021. Refer to the Company's historical consolidated financial statements and notes thereto included in the Form 10-K
- (2) Amounts represent the incremental impact of rental revenue of the Key Logistics Portfolio based on the historical operations of the properties in the portfolio for the periods prior to acquisition. The incremental rental revenue is determined based on the respective property's historical rental revenue and the purchase accounting entries and includes the incremental base rent adjustments calculated based on the terms of the acquired lease, presented on a straight-line basis. The incremental straight-line rent adjustment resulted in an increase to rental revenue of approximately \$0.8 million for the year ended December 31, 2021.
- (3) The table below sets forth the incremental impact of rental expense of the Key Logistics Portfolio based on the historical operations of the properties in the portfolio for the periods prior to acquisition. The incremental rental expense adjustment is determined based on the respective property's historical operating expenses, insurance expense, and property management fees.

(in thousands)	For the Year Ended December 31, 2021			
	Incremental Rental Expense		Incremental Real Estate Taxes	
Key Logistics Portfolio	\$	2,531	\$	4,287

- (4) Amount represents the incremental impact of rental revenue of the Key Logistics Portfolio, which includes the adjustments to reflect rents at market, as determined in purchase accounting, that consists of below-market lease assets and liabilities, which are amortized over the remaining lease term.
- (5) Amount represents the incremental depreciation and amortization expense of the Key Logistics Portfolio. Pursuant to the purchase price allocations, the amounts allocated to buildings are depreciated on a straight-line basis over a period of 40 years, commencing when the building is complete and ready for its intended use, and the amounts allocated to intangible in-place lease assets are amortized on a straight-line basis over the lease term.
- (6) Amount represents the fixed component of the advisory fee that was payable monthly to the Company's advisor for the year ended December 31, 2021 for asset management services provided to the Company. The fixed component of the advisory fee consists of a monthly fee of one-twelfth of 1.25% of the aggregate NAV and the consideration received by the Company or its affiliates for selling interests in properties that are part of the Company's Delaware statutory trust exchange program to third party investors. Prior to February 16, 2021, the fixed component of the advisory fee consisted of a monthly fee of one-twelfth of 0.80% of the aggregate cost of real property assets located in the U.S. within the Company's portfolio. Amount was calculated as though the Key Logistics Portfolio had been managed by the Company's advisor since January 1, 2021.
- (7) Amount represents the incremental interest expense related to the borrowings under the Company's corporate line of credit, term loan and mortgage note incurred in conjunction with the real estate property acquisition. The incremental interest expense is calculated based on the actual terms of the respective financing agreement as if these financings were outstanding as of January 1, 2021.

(in thousands)	Weighted-Average Interest Rate	Amount Financed	For the Year Ended December 31, 2021
Key Logistics Portfolio	1.60%	\$ 577,250	(a) \$ 4,609

- (a) Amount was borrowed under the Company's corporate line of credit, its \$600.0 million term loan, and its \$209.3 million mortgage note. The incremental interest expense was calculated using the interest rate in effect as of December 31, 2021.
- (8) The pro forma weighted-average shares of common stock outstanding for the year ended December 31, 2021 were calculated to reflect all shares sold through December 31, 2021 as if they had been issued on January 1, 2021.