UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)
☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Quarter Ended September 30, 2017

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the Transition Period From _______to ________

Commission File Number: **001-38106**

PLYMOUTH INDUSTRIAL REIT, INC.

(Exact name of registrant as specified in its charter)

Maryland	**27-5466153**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
260 Franklin Street, Suite 600 Boston, MA 02110	**(617) 340-3814**
(Address of principal executive offices)	(Registrant's telephone number)

Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES ☐ NO ☑

Indicate by check mark whether the Registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (Section 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). YES ☐ NO ☑

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☑ Smaller reporting company ☐ 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. ☑

Indicate by check mark whether the Registrant is a shell company (as defined in Exchange Act Rule 12b-2). YES☐ NO ☑

As of November 8, 2017 the Registrant had outstanding 3,812,886 shares of common stock.

PLYMOUTH INDUSTRIAL REIT, INC.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

PLYMOUTH INDUSTRIAL REIT, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
UNAUDITED
(In thousands, except share and per share amounts)

	September 30, 2017	December 31, 2016
Assets		
Real estate properties	$ 190,135	$ 139,086
Less accumulated depreciation	(22,094)	(16,027)
Real estate properties, net	168,041	123,059
Cash	6,473	941
Restricted cash	878	6,353
Cash held in escrow	3,467	2,907
Deferred lease intangibles, net	16,446	10,533
Other assets	2,286	1,953
Total assets	$ 197,591	$ 145,746
Liabilities and Equity (Deficit)		
Liabilities:		
Senior secured debt, net	$ 116,547	$ 116,053
Mezzanine debt to investor, net	29,346	29,262
Borrowings under line of credit, net	23,303	—
Deferred interest	765	207
Accounts payable, accrued expenses and other liabilities	7,476	5,352
Deferred lease intangibles, net	1,911	1,405
Redeemable preferred member interest in subsidiary	—	31,043
Total	179,348	183,322
Commitments and contingencies		
Equity (Deficit):		
Plymouth Industrial REIT, Inc. Stockholders' Equity (Deficit):		
Preferred stock, $0.01 par value; 100,000,000 shares authorized; none issued and outstanding.		
Common stock, $0.01 par value; 900,000,000 shares authorized; 3,812,886 and 331,965 shares issued and outstanding at September 30, 2017 and December 31, 2016, respectively	39	3
Additional paid in capital	125,231	12,477
Accumulated deficit	(114,789)	(110,506)
Total Plymouth Industrial REIT, Inc. stockholders' equity (deficit)	10,481	(98,026)
Non-controlling interest	7,762	60,450
Total equity (deficit)	18,243	(37,576)
Total liabilities and equity (deficit)	$ 197,591	$ 145,746

The accompanying notes are an integral part of the condensed consolidated financial statements.

PLYMOUTH INDUSTRIAL REIT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
UNAUDITED
(In thousands, except share and per share amounts)

	For the Nine Months Ended September 30,		For the Quarter Ended September 30,	
	2017	2016	2017	2016
Rental revenue	$ 16,407	$ 14,629	$ 6,442	$ 4,949
Other income	226	119	224	114
Total revenues	16,633	14,748	6,666	5,063
Operating expenses:				
Property	5,084	4,364	2,159	1,496
Depreciation and amortization	9,056	8,796	3,499	2,885
General and administrative	3,159	2,653	1,224	933
Acquisition costs	86	33	4	—
Total operating expenses	17,385	15,846	6,886	5,314
Operating loss	(752)	(1,098)	(220)	(251)
Other expense:				
Interest expense	(8,362)	(36,087)	(2,619)	(11,460)
Total other expense	(8,362)	(36,087)	(2,619)	(11,460)
Net loss	$ (9,114)	$ (37,185)	$ (2,839)	$ (11,711)
Net loss attributable to non-controlling interest	(4,831)	$ —	(157)	—
Net loss attributable to Plymouth Industrial REIT, Inc.	$ (4,283)	$ (37,185)	$ (2,682)	$ (11,711)
Net loss per share attributable to Plymouth Industrial REIT, Inc. common stockholders	$ (2.61)	$ (112.01)	$ (0.74)	$ (35.28)
Weighted-average common shares outstanding basic and diluted	1,642,394	331,965	3,636,023	331,965

The accompanying notes are an integral part of the condensed consolidated financial statements.

PLYMOUTH INDUSTRIAL REIT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (DEFICIT)
UNAUDITED
(In thousands, except share and per share amounts)

	Common Stock, $0.01 Par Value		Additional Paid in Capital	Accumulated Deficit	Stockholders' Equity (Deficit)	Non-controlling Interest	Total Equity (Deficit)
	Shares	Amount					
Balance January 1, 2017	331,965	$ 3	$ 12,477	$ (110,506)	$ (98,026)	$ 60,450	$ (37,576)
Non cash capital contribution by investor related to redemption of redeemable preferred interest	—	—	—	—	—	1,019	1,019
Proceeds from sale of common stock, net of $5,581 of offering costs	3,060,000	31	52,528	—	52,559	—	52,559
Shares issued in private placement for redemption of redeemable preferred interest	263,158	3	4,997	—	5,000	—	5,000
Warrants issued to acquire 250,000 shares at $23 per share	—	—	(140)		(140)	—	(140)
Restricted shares issued	157,763	2	(2)	—	—	—	—
Stock based compensation	—	—	243	—	243	—	243
Dividends and distributions	—	—	(1,667)		(1,667)	(88)	(1,755)
Issuance of partnership units						8,007	8,007
Net loss	—	—	—	(4,283)	(4,283)	(4,831)	(9,114)
Redemption of non-controlling interest related to redeemable preferred interest			56,795		56,795	(56,795)	—
Balance September 30, 2017	3,812,886	$ 39	$ 125,231	$ (114,789)	$ 10,481	$ 7,762	$ 18,243

The accompanying notes are an integral part of the condensed consolidated financial statements.

PLYMOUTH INDUSTRIAL REIT, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
UNAUDITED
(In thousands)

	For the Nine Months Ended September 30,	
	2017	**2016**
Operating activities		
Net loss	$ (9,114)	$ (37,185)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	9,056	8,796
Straight line rent adjustment	(108)	(228)
Intangible amortization in rental revenue, net	(256)	(263)
Change in fair value of warrant derivative	32	—
Gain on sale of investment in joint venture	(224)	(119)
Accretion of interest and deferred interest	1,240	33,496
Stock based compensation	243	—
Changes in operating assets and liabilities:		
Security deposits	(107)	(13)
Other assets	(225)	49
Cash held in escrow	281	—
Deferred leasing costs	(69)	21)
Accounts payable, accrued expenses and other liabilities	(270)	(434)
Net cash provided by operating activities	479	4,120
Investing activities		
Acquisition of properties	(49,801)	—
Real estate improvements	(681)	(872)
Increase in cash held in escrow	(841)	—
Proceeds from sale of investment in joint ventures	224	143
Net cash used in investing activities	(51,099)	(729)
Cash flows from financing activities		
Proceeds from issuance of common stock, net of offering costs	53,117	—
Redemption of Preferred Member Interest	(20,000)	—
Borrowings under line of credit	23,825	—
Debt issuance costs	(553)	(750)
Dividends paid	(237)	
Net cash provided by (used in) financing activities	56,152	(750)
Net increase in cash	5,532	2,641
Cash at beginning of period	941	698
Cash at end of period	$ 6,473	$ 3,339
Supplemental Cash Flow Disclosures:		
Interest paid	$ 7,122	$ 2,591
Supplemental Non-cash Financing and Investing Activities:		
Application of restricted cash to redeemable preferred membership interest	$ 5,582	$ —
Offering costs included in accounts payable, accrued expenses and other liabilities	$ 558	$ —
Non cash capital contribution by investor related to adjustment of Redemption Price of redeemable preferred interest	$ 1,019	$ —
Shares issued in Private Placement for Redemption of Redeemable Preferred Interest	$ 5,000	$ —
Dividends declared included in dividends payable	$ 1,430	$ —
Distributions payable to non-controlling interest holder	$ 88	
Warrants issued	$ 140	$ —
Redemption of non-controlling interest related to preferred interest	$ 56,795	$ —
Issuance of partnership units in exchange for acquisition of property	$ 8,007	$ —
Fixed asset acquisitions included in accounts payable, accrued expenses and other liabilities	$ 630	$ —

The accompanying notes are an integral part of the condensed consolidated financial statements.

Plymouth Industrial REIT, Inc.
Notes to Condensed Consolidated Financial Statements
Unaudited
(*all dollar amounts in thousands, except share and per share data*)

1. Nature of the Business and Basis of Presentation

Business

Plymouth Industrial REIT, Inc., (the “Company” or the “REIT”) is a Maryland corporation formed on March 7, 2011. The Company is a full service, vertically integrated, self-administered and self-managed organization. The Company is focused on the acquisition, ownership and management of single and multi-tenant Class B industrial properties, including distribution centers, warehouses and light industrial properties, primarily located in secondary and select primary markets across the U.S. As of September 30, 2017, the Company through its subsidiaries owns 29 industrial properties comprising approximately 5.8 million square feet.

The Company completed its initial public offering (IPO) of common stock (Offering) on June 14, 2017, which resulted in the issuance of 3,060,000 shares of common stock, at $19.00 per share in exchange for gross proceeds of $58,140 or $52,559, net of offering costs. This issuance of 3,060,000 shares of common stock included 160,000 of the underwriters’ over-allotment, which was exercised on July 12, 2017.

In anticipation of the IPO, on May 1, 2017 the Company amended its charter and affected a 1-for-4 reverse stock split with respect to all then-outstanding shares of the Company’s common stock. All per share amounts and number of shares in the financial statements and related notes were retroactively restated to reflect the reverse stock split.

The Company utilized a portion of the proceeds from the Offering to redeem $20,000 of $25,000 non-controlling interest held by Torchlight. The Company issued 263,158 shares at $19.00 per share issued in a private placement with Torchlight, which occurred contemporaneously with the Offering, for the redemption of the remaining $5,000 non-controlling interest.

The accompanying condensed consolidated financial statements include the following entities:

Name	Relationship	Formation
Plymouth Industrial REIT, Inc.	Parent	2011
Plymouth Industrial OP LP	90.5%-owned subsidiary*	2011
Plymouth Industrial 20 Financial LLC	Wholly-owned subsidiary	2016
Plymouth Industrial 20 LLC (20 LLC)	Wholly-owned subsidiary *	2016
20 individual property LLCs	Wholly-owned subsidiary *	2014
5 individual property LLCs	Wholly-owned subsidiary	2017

* See note 9 for discussion of non-controlling interests prior to completion of our Offering.

Basis of Presentation

The Company’s condensed consolidated financial statements include its financial statements, and those of its wholly-owned subsidiaries and controlling interests. All intercompany accounts and transactions have been eliminated in consolidation.

These interim condensed consolidated financial statements include the accounts of the Company and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). All significant intercompany transactions have been eliminated in consolidation. These interim condensed consolidated financial statements include adjustments of a normal and recurring nature considered necessary by management to fairly present the Company's financial position and results of operations. These interim condensed consolidated financial statements may not be indicative of financial results for the full year. It is suggested that these interim condensed consolidated financial statements and notes thereto should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the years ended December 31, 2016 and 2015 included in the Company’s Prospectus as filed June 8, 2017.

Use of Estimates

The preparation of the condensed consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes significant estimates regarding the allocation of tangible and intangible assets or business acquisitions, impairments of long-lived assets, stock-based compensation and its common stock warrants liability. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. Management adjusts such estimates when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from those estimates and assumptions.

Risks and Uncertainties

The state of the overall economy can significantly impact the Company's operational performance and thus impact its financial position. Should the Company experience a significant decline in operational performance, it may affect the Company's ability to make distributions to its stockholders, service debt, or meet other financial obligations.

Liquidity and Going Concern

The accompanying financial statements have been prepared on a basis which assumes that the Company will continue as a going concern and which contemplates the realization of assets and the satisfaction of liabilities and commitments in the ordinary course of business. The Company's financial statements for the years ended December 31, 2016 and 2015 and March 31, 2017 included in the prospectus filed June 8, 2017 included a statement indicating substantial doubt with regard to the Company's ability to continue as a going concern. The Company believes the net proceeds of the Offering along with borrowings of $23,825 under the line of credit obtained during the third quarter of 2017 and $43,533 of net proceeds from the issuance of preferred stock in October 2017 (Note 11 Subsequent Event) will provide sufficient liquidity for it to operate through at least twelve months from the filing of this Form 10-Q.

2. Summary of Significant Accounting Policies

The accounting policies underlying the accompanying unaudited condensed consolidated financial statements are those set forth in the Company's audited financial statements for the years ended December 31, 2016 and 2015 included in the Company's Prospectus as filed June 8, 2017. Additional information regarding the Company's significant accounting policies related to the accompanying interim financial statements is as follows:

Segments

The Company has one reportable segment–industrial properties. These properties have similar economic characteristics and also meet the other criteria that permit the properties to be aggregated into one reportable segment.

Revenue Recognition and Tenant Receivables and Rental Revenue Components

Minimum rental income from real estate operations is recognized on a straight-line basis. The straight-line rent calculation on leases includes the effects of rent concessions and scheduled rent increases, and the calculated straight-line rent income is recognized over the lives of the individual leases. The Company maintains allowances for doubtful accounts receivable and straight-line rents receivable, based upon estimates determined by management. Management specifically analyzes aged receivables, tenant credit-worthiness and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. At September 30, 2017 and at December 31, 2016 the Company did not recognize an allowance for doubtful accounts.

For the nine months ended September 30, 2017 and 2016, rental income was derived from various tenants. As such, future receipts are dependent upon the financial strength of the lessees and their ability to perform under the lease agreements.

Rental revenue is comprised of the following:

	Period Ended September 30, 2017	Period Ended September 30, 2016
Income from leases	$ 11,630	$ 10,352
Straight-line rent adjustment	108	228
Reimbursable expenses	4,413	3,786
Amortization of above market leases	(163)	(134)
Amortization of below market leases	419	397
Total	$ 16,407	$ 14,629

Cash Equivalents and Restricted Cash

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. There were no cash equivalents at September 30, 2017 and December 31, 2016. The Company maintains cash and restricted cash, which includes tenant security deposits and cash collateral for its borrowings discussed in Note 5, cash held in escrow for real estate tax, insurance and tenant capital improvement and leasing commissions, in bank deposit accounts, which at times may exceed federally insured limits. As of September 30, 2017, the Company has not realized any losses in such cash accounts and believes it is not exposed to any significant risk of loss.

Fair Value of Financial Instruments

The Company applies various valuation approaches in determining the fair value of its financial assets and liabilities within a hierarchy that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability based on market data obtained from sources independent of the Company. Unobservable inputs are inputs that reflect the Company’s assumptions about the inputs that market participants would use in pricing the asset or liability and are developed based on the best information available in the circumstances. The fair value hierarchy is broken down into three levels based on the source of inputs as follows:

Level 1— Quoted prices for identical instruments in active markets.

Level 2— Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations whose inputs are observable or whose significant value drivers are observable.

Level 3— Significant inputs to the valuation model are unobservable.

The availability of observable inputs can vary among the various types of financial assets and liabilities. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for financial statement disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is based on the lowest level input that is significant to the overall fair value measurement. Level 3 inputs are applied in determining the fair value of warrants to purchase common stock in the amount of $172 at September 30, 2017. See note 6.

Financial instruments include cash, restricted cash, cash held in escrow and reserves, accounts receivable, senior secured debt, mezzanine debt to investor and deferred interest, accounts payable and accrued expenses and other current liabilities. The values of these financial instruments approximate their fair value due to their relatively short maturities and prevailing interest rates.

Debt Issuance Costs

The Company adopted ASU 2015-03, *Interest—Imputation of Interest* (Subtopic 835-30) ("ASU 2015-03") in 2016. In accordance with the adoption of ASU No. 2015-03, debt issuance costs are reflected as a reduction to the respective loan amounts in the form of a debt discount. Amortization of this expense is included in interest expense in the condensed consolidated statements of operations.

Debt issuance costs amounted to $5,352 and $4,799 at September 30, 2017 and December 31, 2016, and related accumulated amortization amounted to $722 and $113 at September 30, 2017 and December 31, 2016, respectively. Unamortized debt issuance costs amounted to $4,630 and $4,686 at September 30, 2017 and December 31, 2016, respectively.

Stock Based Compensation

The Company grants stock based compensation awards to our employees and directors typically in the form of restricted shares of common stock. The Company accounts for its stock-based employee compensation in accordance with ASU 2016-09, *Compensation — Stock Compensation Improvements to Employee Share-Based Payment Accounting*. The Company measures stock-based compensation expense based on the fair value of the awards on the grant date and recognizes the expense ratably over the vesting period.

Comprehensive Loss

Comprehensive loss includes net loss as well as other changes in equity (deficit) that result from transactions and economic events other than those with members. There was no difference between net loss and comprehensive loss for the three and nine months ended September 30, 2017 and 2016.

Earnings per Share

Basic net loss per share is computed by dividing net loss attributable to common stockholders of Plymouth Industrial REIT, Inc. by the weighted average shares of common stock outstanding for the period, which is also presented on the condensed consolidated statements of operations. Diluted net loss per share is the same as basic net loss per share since the Company does not have any common stock equivalents such as stock options. The warrants are not included in the computation of diluted net loss per share as they are anti-dilutive for the periods presented.

Recently Issued Accounting Standards

In March 2016, the FASB issued ASU 2016-09,*Stock Compensation – Improvements to Employee Share-Based Payment Accounting,* ("ASU 2016-09"), which simplifies several aspects of the accounting for share-based payment transactions, including the income tax consequences, classification of awards as either equity or liabilities, classification on the statement of cash flows and policy elections on the impact for forfeitures. The Company adopted ASU 2016-09 in fiscal 2017 and its adoption had no material impact on the Company's condensed consolidated financial statements.

In January 2017, the FASB issued ASU 2017-01*Business Combinations (Topic 805) Clarifying the Definition of a Business.* The ASU clarifies the definition of a business with the objective of adding guidance to assist entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. Key differences between business combinations and asset acquisitions include: Transaction costs are capitalized in an asset acquisition but expensed in a business combination. Identifiable assets, liabilities assumed and any non-controlling interests are generally recognized and measured as of the acquisition date at fair value in a business combination, but are measured by allocating the cost of the acquisition on a relative fair value basis in an asset acquisition. Public business entities should apply the amendments to annual periods beginning after December 15, 2017, including interim periods within those periods. Early adoption is permitted. The Company early adopted ASU 2017-01 for acquisitions subsequent to June 30, 2017.

Other accounting standards that have been issued or proposed by the FASB or other standards-setting bodies that do not require adoption until a future date are not expected to have a material impact on the Company's financial statements.

3. Real Estate Properties

Real estate properties consisted of the following at September 30, 2017 and December 31, 2016:

	September 30, 2017	December 31, 2016
Land and improvements	$ 25,069	$ 18,117
Buildings	149,301	110,142
Site improvements	15,743	10,442
Construction in process	22	385
	190,135	139,086
Less accumulated depreciation	(22,094)	(16,027)
Real estate properties	$ 168,041	$ 123,059

Depreciation expense was $6,067 and $5,621 for the nine months ended September 30, 2017 and 2016, respectively.

4. Acquisition of Properties

The Company made the following acquisitions of properties during the three months ended September 30, 2017:

On July 20, 2017 the Company acquired a six-property portfolio of Class A and Class B industrial buildings totaling 667,000 square feet in South Bend, Indiana for approximately $26,000 in cash. The buildings are 100% leased as of September 30, 2017.

On August 11, 2017 the Company acquired two Class B industrial properties in Indianapolis, Indiana , the "Shadeland Portfolio", totaling approximately 606,871 square feet for approximately $16,875. The purchase price includes approximately $8,868 in cash, and the issuance of 421,438 units of Plymouth's Operating Partnership units at $19.00 per unit for approximately $8,007. The properties are 94% leased as of September 30, 2017.

On August 16, 2017 the Company acquired a Class B industrial property in Columbus, Ohio consisting of 121,440 square feet for approximately $3,700 in cash. The building is 100% leased as of September 30, 2017.

On August 16, 2017 the Company acquired a 8 building portfolio of Class B industrial/flex space in Memphis, Tennessee, for approximately $7,825 totaling approximately 235,000 square feet. The buildings are 57% occupied as of September 30, 2017.

On September 8, 2017 the Company acquired a Class B industrial property in Memphis, Tennessee consisting of 131,904 square feet for approximately $3,700 in cash. The building is 100% leased as of September 30, 2017.

The allocation of purchase price in accordance with Financial Accounting Standards Board, (FASB), ASU 2017-01 (Topic 805) "Business Combinations," of the assets and liabilities acquired at their fair values as of the acquisition date is as follows:

Purchase price allocation

	Memphis, TN Airport Business Park	Indianapolis, IN Shadeland	Columbus, OH New World	South Bend, IN	Memphis, TN Knight Road	Totals
Total Purchase Price						
Purchase Price	$ 7,825	$ 16,875	$ 3,700	$ 26,000	$ 3,700	$ 58,100
Acquisition Costs	123	109	44	36	27	339
Total	$ 7,948	$ 16,984	$ 3,744	$ 26,036	$ 3,727	$ 58,439
Allocation of Purchase Price						
Land	$ 1,511	$ 2,114	$ 400	$ 2,503	$ 422	$ 6,950
Building	2,849	11,372	2,578	18,813	2,548	38,160
Site Improvements	1,501	1,252	390	1,875	241	5,259
Total real estate properties	5,861	14,738	3,368	23,191	3,211	50,369
Deferred lease intangibles						
Tenant relationships	403	473	89	485	109	1,559
Leasing Commissions	199	368	48	287	56	958
Above Market Lease Value	562	77	—	115	—	754
Lease in Place Value	998	1,402	373	2,564	387	5,724
Total deferred lease intangibles	2,162	2,320	510	3,451	552	8,995
Deferred lease intangibles-						
Below Market Lease Value	(75)	(74)	(135)	(605)	(36)	(925)
Totals	$ 7,948	$ 16,984	$ 3,743	$ 26,037	$ 3,727	$ 58,439

5. Borrowing Arrangements

On October 17, 2016, the Company completed a reorganization of its subsidiary structure in connection with the refinancing of the Company's existing debt. The Company issued non-controlling interests to a financial investor and lender, Torchlight, in newly established legal entities to hold the properties owned by the REIT.

Specifically, the Company refinanced its Senior Loan with Torchlight, which had a carrying value of $237,751 as of that date, through the following steps:

- The Company, through its newly created subsidiary 20 LLC, borrowed $120,000 in the form of a senior secured loan from investment entities managed by AIG Asset Management (the "AIG Loan"). The Company used the net proceeds of these borrowings to reduce the Senior Loan with Torchlight.
- The Company, through 20 LLC, issued a mezzanine term loan ("Mezzanine Loan") in the amount of $30,000 to an investment fund controlled by Torchlight, in satisfaction of $30,000 of the Senior Loan with Torchlight.
- The Company, through 20 LLC, issued a 99.5% redeemable preferred member interest in 20 LLC in the amount of $30,553 to an affiliate of Torchlight in satisfaction of $30,553 of the Senior Loan with Torchlight.

The value of the consideration transferred by the Company to Torchlight totaled $175,000 which consisted of (a) net cash transferred of $114,447, (b) debt satisfied in the amount of $30,000 through the issuance of the Mezzanine Loan and (c) the debt satisfied in the amount of $30,553 through the issuance of the redeemable preferred member interest.

The Company accounted for the difference between the carrying value of the Senior Loan of $237,751 and the value of the consideration transferred of $175,000, or $62,751 as a capital contribution pursuant to the guidelines of ASC 470-50-40-2 since the refinancing was between the Company and Torchlight, a related party.

The terms of the refinanced debt are discussed below and the terms of the redeemable preferred member interest in 20 LLC are discussed in Note 9.

$120,000 AIG Loan

Certain indirect subsidiaries of our Operating Partnership have entered into a senior secured loan agreement with investment entities managed by AIG Asset Management (the “AIG Loan”).

As of September 30, 2017 and December 31, 2016, there was $120,000 of indebtedness outstanding under the AIG Loan. The AIG Loan bears interest at 4.08% per annum and has a seven-year term. The AIG Loan provides for monthly payments of interest only for the first three years of the term and thereafter monthly principal and interest payments based on a 27-year amortization period.

The borrowings under the AIG Loan are secured by first lien mortgages on the 20 LLC properties. The obligations under the AIG Loan are also guaranteed by our Company and each of our Operating Partnership’s wholly-owned subsidiaries.

The AIG Loan agreement contains customary representations and warranties, as well as affirmative and negative covenants. The negative covenants include restrictions on additional indebtedness, restrictions on liens, fundamental changes, dispositions, restricted payments, change in nature of business, transactions with affiliates and burdensome agreements. The AIG Loan contains financial covenants that require minimum liquidity and Net Worth. The AIG Loan is subject to acceleration upon certain specified events of defaults, including breaches of representations or covenants, failure to pay other material indebtedness, failure to pay taxes or a change of control of our company, as defined in the senior secured loan agreement. The Company is in compliance with the respective covenants. The Company has no right to prepay all or any part of the AIG Loan before November 1, 2019. Following that date, the AIG Loan can only be paid in full, and a prepayment penalty would be assessed, as defined in the agreement.

The borrowings amounted to $116,547 and $116,053, net of $3,453 and $3,947 of unamortized debt issuance costs at September 30, 2017 and December 31, 2016, respectively.

$30,000 Mezzanine Loan

20 LLC has entered into a mezzanine loan agreement with Torchlight as partial payment of its prior Senior Loan. The Mezzanine Loan has an original principal amount of $30,000, and bears interest at 15% per annum, of which 7% percent is paid currently during the first four years of the term and 10% is paid for the remainder of the term, and is due on October 17, 2023. Unpaid interest accrues and is added to the outstanding principal amount of the loan. The Mezzanine Loan requires borrower to pay a prepayment premium equal to the difference between (1) the sum of 150% of the principal being repaid (excluding the accrued interest) and (2) the sum of the actual principal amount being repaid and current and accrued interest paid through the date of repayment. This repayment feature operates as a prepayment feature since the difference between (1) and (2) will be zero at maturity.

As additional consideration for the Mezzanine Loan, 20 LLC granted Torchlight under the Mezzanine Loan, a profit participation in the form of the right to receive 25% of net income and capital proceeds generated by the Company Portfolio following debt service payments and associated costs (the “TL Participation”). The TL Participation was terminated as of June 14, 2017 in consideration of the Company issuing warrants to Torchlight to acquire 250,000 shares of the Company’s common stock at a price of $23.00 per share. The warrants have a five year term and are more fully discussed in Note 6. The profit participation was zero for the nine months ended September 30, 2017 and the year ended December 31, 2016.

The borrowings under the Mezzanine Loan are secured by, among other things, pledges of the equity interest in 20 LLC and each of its property-owning subsidiaries.

Borrowings under the Mezzanine Loan amounted to $29,346, net of unamortized debt issuance costs of $654 at September 30, 2017. Borrowings under the Mezzanine Loan amounted to $29,262, net of unamortized debt issuance costs of $738 at December 31, 2016.

Deferred interest amounted to $765 at September 30, 2017 and $207 at December 31, 2016, and is presented separately in the condensed consolidated balance sheets.

Line of Credit Agreement

On August 11, 2017 the Company’s operating partnership entered into a secured line of credit agreement (Line of Credit Agreement) with KeyBank National Association, or KeyBank and the other lenders, which matures in August 2020 with an optional extension through August 2021, subject to certain conditions. Borrowings under the Line of Credit Agreement bear interest at either (1) the base rate (determined from the highest of (a) KeyBank’s prime rate, (b) the federal funds rate plus 0.50% and (c) the one month LIBOR rate plus 1.0%) or (2) LIBOR, plus, in either case, a spread between 250 and 300 basis points depending on our total leverage ratio.

The Line of Credit Agreement requires the Company to maintain certain coverage and leverage ratios and certain amounts of minimum net worth as well meet certain affirmative and negative covenants for credit facilities of this type, including limitations with respect to use of proceeds, indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The Company is in compliance with all covenants at September 30, 2017. The Line of Credit Agreement is secured by certain assets of the Company’s operating partnership and certain of its subsidiaries and includes a Company’s guarantee for the payment of all indebtedness under the Secured Line of Credit Agreement. Borrowings outstanding amounted to $23,303, net of unamortized debt issuance costs of $522 at September 30, 2017. Borrowings available under the Line of Credit Agreement amounted to $10,027 at September 30, 2017.

6. **Common Stock Warrants**

On June 14, 2017, the Company issued warrants to Torchlight to acquire 250,000 shares of the Company's common stock at a strike price of $23.00 per share, which expire in 2022.

The warrants were accounted for as a liability on the accompanying condensed consolidated balance sheet as they contain provisions that are considered outside of the Company's control, such as the holders' option to receive cash in lieu and other securities in the event of a reorganization of the Company's common stock underlying such warrants. The fair value of these warrants is remeasured at each financial reporting period with any changes in fair value recognized as a change in fair value of warrant liability in the accompanying condensed consolidated statements of operations.

A roll-forward of the common stock warrants is as follows:

Balance at December 31, 2016	$	—
Issuance of common stock warrant		140
Change in fair value		32
Balance at September 30, 2017	$	172

The fair value of each option award is estimated on the date of grant using the Monte-Carlo option-pricing model using the assumptions noted in the following table:

	June 14, 2017	September 30, 2017
Expected volatility	19.8%	19.3%
Expected dividends	7.5%	7.5%
Expected term	5.0 years	4.69 years
Risk-free rate	1.75%	1.88%

7. Stock Based Compensation

Concurrently with the closing of the Offering, the Company made grants of restricted shares of our common stock to the independent directors and certain employees of the Company for a total of 157,763 restricted shares that are subject to time-based vesting with an aggregate fair value of $2,997. The awards subject to time-based vesting will vest, subject to the recipient's continued employment or service on the board, in four and three equal annual installments respectively, on each anniversary of the date of grant. Holders of restricted stock have voting rights and rights to receive dividends. Restricted stock may not be sold, assigned, transferred, pledged or otherwise disposed of and is subject to a risk of forfeiture prior to the expiration of the applicable vesting period. The restricted stock fair value on the date of grant is amortized on a straight-line basis as stock based compensation expense over the service period during which the stock fully vests. Unrecognized stock-based compensation was $2,755 at September 30, 2017 and is expected to be recognized over a weighted average period of approximately four years. Stock based compensation for the three and nine months ended September 30, 2017 was $207 and $243 respectively, and is included in general and administrative expenses. There was no stock-based compensation recorded during the three and nine months ended September 30, 2016.

8. Common Stock Dividends

On June 26, 2017 the Company declared a quarterly cash dividend of $0.375 per share of common stock, which dividend has been pro-rated to $0.0650 per share to reflect the period commencing on June 14, 2017, the Offering closing date, and ending on June 30, 2017. The dividend is payable to the Company's stockholders of record as of July 7, 2017, and was paid on July 31, 2017. On September 14, 2017 the Company issued a press release announcing that its Board of Directors has declared a quarterly cash dividend of $0.375 per share of common stock for the third quarter of 2017. The dividend is payable to the Company's stockholders of record as of September 30, 2017, and was paid on October 31, 2017.

9. Non-Controlling Interests

Non-controlling Interests Previously Held by Torchlight

As discussed in Note 1, and in connection with the refinancing of the Company's debt on October 17, 2016, the Company established the following subsidiaries:

Plymouth Industrial 20 Financial LLC

The REIT through its operating partnership Plymouth Industrial OP, LP is the sole member of Plymouth Industrial 20 Financial LLC.

Plymouth Industrial 20 LLC (20 LLC)

The REIT through Plymouth Industrial 20 Financial LLC, is the managing member in 20 LLC with a 0.5% ownership interest. An affiliate of Torchlight held the remaining 99.5% interest in 20 LLC. This 99.5% interest was redeemed on June 14, 2017 by the REIT and 20 LLC is now a single member LLC with Plymouth Industrial 20 Financial LLC as the sole member. The proportionate share of the loss attributed to the non-controlling interest held by Torchlight was $4,674 for the nine months ended September 30, 2017 and $-0- for the three months ended September 30, 2017. The redemption resulted in elimination of the non-controlling interest and an adjustment to equity (deficit) in the amount of $56,795. An adjustment to the redemption price in the first quarter was deemed a non-cash capital contribution in the amount of $1,019. The Company included $5,582 in restricted cash in the condensed consolidated balance sheet at December 31, 2016 as it represented collateral for the preferred member interest. The amount was released from restricted cash in February, 2017 and was applied to the redeemable preferred member interest.

20 Individual LLC's for Properties

The individual LLC's which hold the properties associated with the partnership interests were wholly owned subsidiaries of 20 LLC.

In connection with the redemption of the preferred member interest on June 14, 2017 the Company acquired the non-controlling interest in Plymouth Industrial 20 LLC and therefore, the 20 individual properties.

Operating Partnership Units Acquisitions

In connections with the acquisition of the Shadeland Portfolio on August 11, 2017 as discussed in Note 4, the Company, through is Operating Partnership issued 421,438 Operating Partnership Units ("OP Units") at $19.00 per OP Unit for a total of approximately $8,007 to the former owners of the Shadeland Portfolio. The holders of the OP Units are entitled to receive distributions concurrent with the dividends paid on our common stock. A pro-rated distribution equal to a quarterly distribution of $.375 per OP Unit or $88 in the aggregate for the quarter ended September 30, 2017 was paid October 31, 2017. The proportionate share of the loss attributed to the partnership units was $157 for the nine and three months ended September 30, 2017.

10. Contingent Liability

In conjunction with the issuance of the OP Units for the Shadeland Portfolio acquisition, the agreement contains a provision for the Company to provide tax protection to the holders if the acquired properties are sold in a transaction that would result in the recognition of taxable income or gain prior to the sixth anniversary of the acquisition. The Company intends to hold this investment and has no plans to sell or transfer any interest that would give rise to a taxable transaction.

11. Subsequent Event

On October 16, 2017 the Company completed the Offering of 1,800,000 shares of Series A Preferred Stock at a price of $ 25.00 per share generating gross proceeds of $45,000 and net proceeds of approximately $43,533. The Series A Preferred Stock has an initial cumulative cash dividend yield of 7.5% payable on the last day of the quarter of each year commencing on December 31, 2017.

Item 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

We make statements in this report that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements provide our current expectations or forecasts of future events and are not statements of historical fact. These forward-looking statements include information about possible or assumed future events, discussion and analysis of our future financial condition, results of operations, funds from operations, adjusted funds from operations, our strategic plans and objectives, anticipated capital expenditures (and access to capital) and other matters. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates" and variations of these words and other similar expressions are intended to identify forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and/or could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. You are cautioned to not place undue reliance on forward-looking statements. Except as otherwise may be required by law, we undertake no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or actual operating results. Factors that may impact forward-looking statements include, among others, the following:

- our properties are concentrated in the industrial real estate sector, and our business would be materially and adversely affected by an economic downturn in that sector;
- our properties are geographically concentrated in seven states, which causes us to be especially susceptible to adverse developments in those markets;
- our properties are comprised almost entirely of Class B industrial properties in secondary markets, which subjects us to risk associated with concentrating on such assets;
- we are subject to risks associated with single-tenant leases, and the default by one or more tenants could materially and adversely affect our results of operations and financial condition;
- we are subject to risks related to tenant concentration, which could materially adversely affect our cash flows, results of operations and financial condition;
- we may be unable to renew leases, lease vacant space or re-lease space as leases expire;
- we may be unable to identify and complete acquisitions of properties that meet our investment criteria, which may have a material adverse effect on our growth prospects;
- we may be unable to source "off-market" or "lightly-marketed" deal flows in the future, which may have a material adverse effect on our growth;
- our success depends on key personnel whose continued service is not guaranteed, and the departure of one or more of our key personnel could adversely affect our ability to manage our business and to implement our growth strategies, or could create a negative perception in the capital markets;
- failure to maintain our qualification as a REIT and the risk of changes in laws governing REITs;
- availability of appropriate acquisition, development and redevelopment opportunities;
- fluctuations in mortgage and interest rates;
- risks and uncertainties associated with property ownership and development;
- failure to integrate acquisitions successfully;
- potential liability for uninsured losses and environmental liabilities; and
- the potential need to fund improvements or other capital expenditures out of operating cash flow.

This list of risks and uncertainties, however, is only a summary of some of the most important factors and is not intended to be exhaustive. You should carefully review the risk factors described in the section entitled “Risk Factors” in the prospectus related to our initial listed public offering (the “IPO”), which was filed with the Securities and Exchange Commission (the “SEC”) on June 8, 2017 in accordance with Rule 424(b) under the Securities Act, and the other documents we file from time to time with the SEC. New risks and uncertainties may also emerge from time to time that could materially and adversely affect us.

The following discussion and analysis is based on, and should be read in conjunction with, our unaudited financial statement and notes thereto as of September 30, 2017 and audited historical financial statements and related notes thereto as of and for the years ended December 31, 2016 and 2015.

Overview

We are a full service, vertically integrated, self-administered and self-managed REIT focused on the acquisition, ownership and management of single- and multi-tenant Class B industrial properties, including distribution centers, warehouses and light industrial properties. The Company Portfolio consists of 29 industrial buildings located in seven states with an aggregate of approximately 5.8 million rentable square feet leased to 55 different tenants.

Our strategy is to invest in single and multi-tenant Class B industrial properties located primarily in secondary markets across the U.S.; however, we may make opportunistic acquisitions of Class A industrial properties or industrial properties located in primary markets. We seek to generate attractive risk-adjusted returns for our stockholders through a combination of dividends and capital appreciation.

The Company completed its initial public offering (IPO) of common stock (Offering) on June 14, 2017, which resulted in the issuance of 3,060,000 shares of common stock, at $19.00 per share in exchange for gross proceeds of $58,140 or $52,559, net of offering costs. This issuance of 3,060,000 shares of common stock included 160,000 of the underwriters’ over-allotment, which was exercised on July 12, 2017.

The Company utilized a portion of the proceeds from the Offering to redeem the non-controlling interest held by Torchlight for $25,000 consisting of cash ($20,000) along with common stock ($5,000 or 263,158 shares at $19.00 per share issued in a private placement with Torchlight contemporaneously with the Offering).

Factors That May Influence Future Results of Operations

Business and Strategy

Our core investment strategy is to acquire primarily Class B industrial properties predominantly in secondary markets across the U.S. We expect to acquire these properties through third-party purchases and structured sale-leasebacks where we believe we can achieve high initial yields and strong ongoing cash-on-cash returns. In addition, we may make opportunistic acquisitions of Class A industrial properties or industrial properties in primary markets that offer similar return characteristics.

Our target markets are comprised primarily of secondary markets because we believe these markets tend to have less occupancy and rental rate volatility and less buyer competition relative to primary markets. We also believe that the systematic aggregation of such properties will result in a diversified portfolio that will produce sustainable risk-adjusted returns. Future results of operations may be affected, either positively or negatively, by our ability to effectively execute this strategy.

We also intend to pursue joint venture arrangements with institutional partners which could provide management fee income as well as residual profit-sharing income. Such joint ventures may involve investing in industrial assets that would be characterized as opportunistic or value-add investments. These may involve development or re-development strategies that may require significant up-front capital expenditures, lengthy lease-up periods and result in inconsistent cash flows. As such, these properties’ risk profiles and return metrics would likely differ from the non-joint venture properties that we target for acquisition.

Rental Revenue and Tenant Recoveries

We receive income primarily from rental revenue from our properties. The amount of rental revenue generated by the Company Portfolio depends principally on the occupancy levels and lease rates at our properties, our ability to lease currently available space and space that becomes available as a result of lease expirations and on the rental rates at our properties.

Occupancy Rates As of September 30, 2017, the Company Portfolio was approximately 97.0% occupied. Our occupancy rate is impacted by general market conditions in the geographic areas in which our properties are located and the financial condition of tenants in our target markets.

Rental Rates. We believe that rental rates for Class B industrial properties in our markets continue to recover from the 2008 financial crisis and subsequent economic recession, and accordingly we expect increases in lease rates upon renewal of upcoming lease expirations as market conditions continue to improve. Future economic downturns affecting our markets could impair our ability to renew or re-lease space, and adverse developments that affect the ability of our tenants to fulfill their lease obligations, such as tenant bankruptcies, could adversely affect our ability to maintain or increase occupancy or rental rates at our properties. Adverse developments or trends in one or more of these factors could adversely affect our rental revenue in future periods.

Scheduled Lease Expirations

Our ability to re-lease space subject to expiring leases will impact our results of operations and will be affected by economic and competitive conditions in the markets in which we operate and by the desirability of our individual properties. In the year ending December 31, 2017 through the year ending December 31, 2019, an aggregate of 43.3% of the annualized base rent leases in the Company Portfolio are scheduled to expire, which we believe will provide us an opportunity to adjust below market rates as market conditions continue to improve.

We have historically been able to quickly and efficiently lease vacant space in the Company Portfolio. During 2016 and the first nine months of 2017, leases for space totaling 430,782 square feet (7.5% of the Company Portfolio) either was subject to renewal or expired. All of the expired space was renewed and an additional 50,061 square feet was leased long term with new tenants. At September 30, 2017, the vacancy rate of the Company Portfolio was 3.1% factoring in the vacancy rate associated with the properties acquired in the third quarter of 2017.

Address	Metro	Status	Tenant	Start Date	Square Feet Expired	Square Feet Leased/ Renewed	Portfolio Vacancy	Portfolio Percent Vacant
6075 E Shelby	Memphis	Renewal	Dollar Tree	1/1/2016	20,400	20,400	84,894	2.10%
1755 Enterprise	Cleveland	Renewal	Technoform	3/1/2016	53,970	53,970	84,894	2.10%
4115 Thunderbird	Cincinnati	Renewal	Worldpac	4/1/2016	70,000	70,000	84,894	2.10%
6005 E Shelby	Memphis	New	Impact Innovations	6/9/2016		41,040	43,854	1.10%
6005 E Shelby	Memphis	Renewal	Libra Resources	8/1/2016	13,680	13,680	43,854	1.10%
6075 E Shelby	Memphis	New	Impact Innovations	9/13/2016		21,153	22,701	0.60%
8273 Green Meadows	Columbus	New	Signcaster Corporation	11/1/2016		19,473	3,228	0.10%
6005 E Shelby	Memphis	Expired	Impact Innovations	11/30/2016	41,040		44,268	1.10%
6075 E Shelby	Memphis	Expired	Impact Innovations	11/30/2016	21,153		65,421	1.60%
6045 E Shelby	Memphis	Renewal	RR Donnelly	10/30/2016	11,352	11,352	65,421	1.60%
6075 E Shelby	Memphis	Renewal	Dollar Tree	1/1/2017	20,400	20,400	65,421	1.60%
2401 Commerce	Chicago	Renewal	VW Credit	1/1/2017	18,309	18,309	65,421	1.60%
3490 Stern	Chicago	Renewal	Colony Displays	1/1/2017	146,798	146,798	65,421	1.60%
4 East Stow Rd	Philadelphia	New	Telissa R. Lindsey	2/18/2017		3,228	62,193	1.60%
6005 E Shelby	Memphis	Expired	Libra Resources	7/31/2017	13,680		79,101	2.00%
Vacancy associated with Q3 Acquisitions							217,864	3.80%
6005 E Shelby	Memphis	New	Discount Comic Books	9/15/2017		41,040	176,824	3.10%
					430,782	480,843		

During 2016 and the nine months ended June 30, 2017, we negotiated 12 leases with durations in excess of six months encompassing 418,650 square feet (excludes one property consisting of an aggregate of 21,153 square feet, for which the lease terms did not exceed six months). Renewed leases made up 77.2% of the square footage covered by the 12 leases, and the rent under the renewed leases increased an average of 6.3% over the prior leases. Leases to new tenants comprised the other 22.8% of the square footage covered by the 12 leases, and the rent under the new leases increase an average of 48.7% over the prior leases. The rental rates under the all leases entered into during 2016 and the first nine months of 2017, increased by an average of 11.9% over the rates of the prior leases.

The table below reflects certain data about our new and renewed leases with terms of greater than six months executed in 2016 and the nine months of 2017.

Year	Type	Square Footage	% of Total Square Footage	Expiring Rent	New Rent	% Change	Tenant Improvements $/SF/YR	Lease Commissions $/SF/YR
2016	Renewals	169,402	73.7%	$ 3.69	$ 3.83	3.8%	$ 0.29	$ 0.13
	New Leases	60,513	26.3%	$ 1.90	$ 2.98	57.1%	$ 0.34	$ 0.26
	Total	**229,915**	**100.0%**	**$ 3.22**	**$ 3.61**	**12.1%**	**$ 0.31**	**$ 0.16**
2017	Renewals	118,507	80.7%	$ 4.01	$ 4.34	8.4%	$ 0.09	$ 0.13
	New Leases	44,268	19.3%	2.16	$ 3.00	38.7	$ 0.45	$ 0.18
	Total	**229,775**	**100.0%**	$ 3.525	**$ 3.99**	**13.3%**	**$ 0.19**	**$ 0.20**
Total	Renewals	354,909	77.2%	$ 3.86	$ 4.10	6.3%	$ 0.19	$ 0.13
	New Leases	104,781	22.82%	$ 2..01	$ 2.99	48.7%	$ 0.39	$ 0.31
	Total	**459,690**	**100.0%**	**$ 3.44**	**$ 3.85**	**11.9%**	**$ 0.23**	**$ 0.17**

Conditions in Our Markets

The Company Portfolio is located primarily in various secondary markets in the Eastern half of the U.S. positive or negative changes in economic or other conditions, adverse weather conditions and natural disasters in these markets are likely to affect our overall performance.

Rental Expenses

Our rental expenses generally consist of utilities, real estate taxes, insurance and site repair and maintenance costs. For the majority of the Company Portfolio, rental expenses are controlled, in part, by either the triple net provisions or modified gross lease expense reimbursement provisions in tenant leases. However, the terms of our tenant leases vary and in some instances the leases may provide that we are responsible for certain rental expenses. Accordingly, our overall financial results will be impacted by the extent to which we are able to pass-through rental expenses to our tenants.

General and Administrative Expenses

With the completion of the Offering, we expect to incur increased general and administrative expenses, including legal, accounting and other expenses related to corporate governance, public reporting and compliance with various provisions of the Sarbanes-Oxley Act. In addition, we anticipate that our staffing levels will increase slightly from nine employees as of September 30, 2017 to between 10 and 12 employees during the next 12 to 24 months and, as a result, our general and administrative expenses will increase further.

Critical Accounting Policies

Our discussion and analysis of our company's historical financial condition and results of operations are based upon its consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these financial statements in conformity with GAAP requires management to make estimates and assumptions in certain circumstances that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenue and expenses in the reporting period. Actual amounts may differ from these estimates and assumptions.

We believe our most critical accounting policies are the regular evaluation of whether the value of a real estate asset has been impaired and accounting for joint ventures. Each of these items involves estimates that require management to make judgments that are subjective in nature. We rely on our experience, we collect historical data and current market data, and we analyze these assumptions in order to arrive at what we believe to be reasonable estimates. Under different conditions or assumptions, materially different amounts could be reported related to the accounting policies described below. In addition, application of these accounting policies involves the exercise of judgments on the use of assumptions as to future uncertainties and, as a result, actual results could materially differ from these estimates.

Use of Estimates

The preparation of the consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes significant estimates regarding the allocation of tangible and intangible assets in real estate acquisitions, impairments of long-lived assets, stock-based compensation and its common stock warrant liability. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. The current economic environment has increased the degree of uncertainty inherent in these estimates and assumptions. Management adjusts such estimates when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from those estimates and assumptions.

Going Concern

The consolidated financial statements have been prepared on a basis which assumes that the Company will continue as a going concern and which contemplates the realization of assets and the satisfaction of liabilities and commitments in the ordinary course of business. The Company's financial statements for the years ended December 31, 2016 and 2015 included a statement indicating substantial doubt with regard to the Company's ability to continue as a going concern. The Company's believes the net proceeds of the Offering along with borrowings of $23,825 under the line of credit obtained during the third quarter of 2017 and $43,533 of net proceeds from the issuance of preferred stock in October 2017 will provide sufficient liquidity for it to operate through at least the twelve months following the filing of this Form 10-Q.

Cash

We maintain our cash in bank deposit accounts, which at times may exceed federally insured limits. As of September 30, 2017, we had not realized any losses in such cash accounts and believe that we are not exposed to any significant risk of loss.

Income Taxes

We elected to be taxed as a REIT for U.S. federal income tax purposes commencing with our taxable year ended December 31, 2012 and we believe that our organization and method of operation enable us to continue to meet the requirements for qualification and taxation as a REIT. We had no taxable income prior to electing REIT status. To maintain our qualification as a REIT, we must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of our annual REIT taxable income to stockholders (which is computed without regard to the dividends-paid deduction or net capital gain and which does not necessarily equal net income as calculated in accordance with GAAP). As a REIT, we generally will not be subject to federal income tax on income that we distribute as dividends to our stockholders. If we fail to maintain our qualification as a REIT in any tax year, we will be subject to federal income tax on our taxable income at regular corporate income tax rates and generally will not be permitted to qualify for treatment as a REIT for federal income tax purposes for the four taxable years following the year during which qualification is lost, unless we are able to obtain relief under certain statutory provisions. Such an event could materially and adversely affect our net income and net cash available for distribution to stockholders.

Investments in Real Estate

We generally acquire individual properties, and, in some instances, a portfolio of properties. When we acquire individual operating properties with the intention to hold the investment for the long-term, we allocate the purchase price to the various components of the acquisition based upon the fair value of each component. Effective July 1, 2017, the Company adopted ASU 2017-01 *Business Combinations (Topic 805) Clarifying the Definition of a Business* and includes related acquisition costs in the purchase price of a real estate property. The components typically include land, building, debt, intangible assets related to above and below market leases, value of costs to obtain tenants, and other assumed assets and liabilities. We consider Level 3 inputs such as the replacement cost of such assets, appraisals, property condition reports, comparable market rental data and other related information in determining the fair value of the tangible assets. The recorded fair value of intangible lease assets or liabilities includes Level 3 inputs including the value associated with leasing commissions, legal and other costs, as well as the estimated period necessary to lease such property and lease commencement. An intangible asset or liability resulting from in-place leases that are above or below the market rental rates are valued based upon our estimates of prevailing market rates for similar leases. Intangible lease assets or liabilities are amortized over the estimated, reasonably assured lease term of the remaining in-place leases as an adjustment to “Rental revenues” or “Real estate related depreciation and amortization” depending on the nature of the intangible. The difference between the fair value and the face value of debt assumed in connection with an acquisition is recorded as a premium or discount and amortized to “Interest expense” over the life of the debt assumed. The valuation of assumed liabilities is based on our estimate of the current market rates for similar liabilities in effect at the acquisition date.

In an acquisition of multiple properties, we must also allocate the purchase price among the properties. The allocation of the purchase price is based on our assessment of estimated fair value and often is based upon the expected future cash flows of the property and various characteristics of the markets where the property is located. The fair value may also include an enterprise value premium that we estimate a third party would be willing to pay for a portfolio of properties.

Capitalization of Costs and Depreciation and Amortization

We capitalize costs incurred in acquiring, developing, renovating, rehabilitating and improving real estate assets as part of the investment basis. Costs incurred in making repairs and maintaining real estate assets are expensed as incurred. During the land development and construction periods, we capitalize interest costs, insurance, real estate taxes and certain general and administrative costs of the personnel performing development, renovations and rehabilitation if such costs are incremental and identifiable to a specific activity to get the asset ready for its intended use. Capitalized costs are included in the investment basis of real estate assets. We also capitalize costs incurred to successfully originate a lease that result directly from, and are essential to, the acquisition of that lease. Leasing costs that meet the requirements for capitalization are presented as a component of other assets.

Real estate, including land, building and land improvements, tenant improvements, and furniture, fixtures and equipment, leasing costs and intangible lease assets and liabilities are stated at historical cost less accumulated depreciation and amortization, unless circumstances indicate that the cost cannot be recovered, in which case, the carrying value of the property is reduced to estimated fair value as discussed below in our policy with regards to impairment of long-lived assets. We estimate the depreciable portion of our real estate assets and related useful lives in order to record depreciation expense. Our ability to estimate the depreciable portions of our real estate assets and useful lives is critical to the determination of the appropriate amount of depreciation and amortization expense recorded and the carrying value of the underlying assets. Any change to the assets to be depreciated and the estimated depreciable lives of these assets would have an impact on the depreciation expense recognized.

As discussed above in investments in real estate, in connection with property acquisitions, we may acquire leases with rental rates above or below the market rental rates. Such differences are recorded as an intangible lease asset or liability and amortized to “Rental revenues” over the reasonably assured term of the related leases. The unamortized balances of these assets and liabilities associated with the early termination of leases are fully amortized to their respective revenue line items in our consolidated financial statements over the shorter of the expected life of such assets and liabilities or the remaining lease term.

Our estimate of the useful life of our assets is evaluated upon acquisition and when circumstances indicate a change in the useful life, which requires significant judgment regarding the economic obsolescence of tangible and intangible assets.

Impairment of Long-Lived Assets

We assess the carrying values of our respective long-lived assets, including goodwill, whenever events or changes in circumstances indicate that the carrying amounts of these assets may not be fully recoverable.

Recoverability of real estate assets is measured by comparison of the carrying amount of the asset to the estimated future undiscounted cash flows. In order to review our real estate assets for recoverability, we consider current market conditions, as well as our intent with respect to holding or disposing of the asset. Our intent with regard to the underlying assets might change as market conditions change, as well as other factors, especially in the current global economic environment. Fair value is determined through various valuation techniques, including discounted cash flow models, applying a capitalization rate to estimated net operating income of a property and quoted market values and third-party appraisals, where considered necessary. The use of projected future cash flows is based on assumptions that are consistent with our estimates of future expectations and the strategic plan we use to manage our underlying business. If our analysis indicates that the carrying value of the real estate asset is not recoverable on an undiscounted cash flow basis, we recognize an impairment charge for the amount by which the carrying value exceeds the current estimated fair value of the real estate property.

Assumptions and estimates used in the recoverability analyses for future cash flows, discount rates and capitalization rates are complex and subjective. Changes in economic and operating conditions or our intent with regard to our investment that occurs subsequent to our impairment analyses could impact these assumptions and result in future impairment of our real estate properties.

Valuation of Receivables

We are subject to tenant defaults and bankruptcies that could affect the collection of outstanding receivables. In order to mitigate these risks, we perform credit reviews and analyses on prospective tenants before significant leases are executed and on existing tenants before properties are acquired. We specifically analyze aged receivables, customer credit-worthiness, historical bad debts and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. As a result of our periodic analysis, we maintain an allowance for estimated losses that may result from the inability of our tenants to make required payments. This estimate requires significant judgment related to the lessees’ ability to fulfill their obligations under the leases. If a tenant is insolvent or files for bankruptcy protection and fails to make contractual payments beyond any allowance, we may recognize additional bad debt expense in future periods equal to the net outstanding balances, which include amounts recognized as straight-line revenue not realizable until future periods.

Consolidation

We consolidate all entities that are wholly owned and those in which we own less than 100% but control, as well as any variable interest entities in which we are the primary beneficiary. We evaluate our ability to control an entity and whether the entity is a variable interest entity and we are the primary beneficiary through consideration of the substantive terms of the arrangement to identify which enterprise has the power to direct the activities of a variable interest entity that most significantly impacts the entity’s economic performance and the obligation to absorb losses of the entity or the right to receive benefits from the entity. Investments in entities in which we do not control but over which we have the ability to exercise significant influence over operating and financial policies are presented under the equity method. Investments in entities that we do not control and over which we do not exercise significant influence are carried at the lower of cost or fair value, as appropriate. Our ability to correctly assess our influence and/or control over an entity affects the presentation of these investments in our consolidated financial statements.

Historical Results of Operations

Three and Nine Months Ended September 30, 2017 Compared to September 30, 2016

	Three Months Ended September 30, Historical Consolidated		Nine Months Ended September 30, Historical Consolidated	
	2017	2016	2017	2016
	(Unaudited)		(Unaudited)	
Rental revenue	$ 6,442	$ 4,949	$ 16,407	$ 14,629
Other income	224	114	226	119
Total revenues	6,666	5,063	16,633	14,748
Operating expenses:				
Property	2,159	1,496	5,084	4,364
Depreciation and amortization	3,499	2,885	9,056	8,796
General and administrative	1,224	933	3,159	2,653
Acquisition costs	4	—	86	33
Total operating expenses	6,886	5,314	17,385	15,846
Operating loss	(220)	(251)	(752)	(1,098)
Other expense:				
Interest expense	(2,619)	(11,460)	(8,362)	(36,087)
Total other expense	(2,619)	(11,460)	(8,362)	(36,087)
Net loss	$ (2,839)	$ (11,711)	$ (9,114)	$ (37,185)
Net loss attributable to non-controlling interest	$ (157)	$ —	$ (4,831)	$ —
Net loss attributable to Plymouth Industrial REIT, Inc. common stockholders	$ (2,682)	$ (11,711)	$ (4,283)	$ (37,185)

A discussion of operations for the three months ended September 30, 2017 and 2016 is presented below ($ in thousands).

Rental Revenue: Rental revenue increased by approximately $1,493 to $6,442 for the three months ended September 30, 2017 as compared to $4,949 for the three months ended September 30, 2016. The increase was primarily related to rental revenue from the new property acquisitions in the third quarter of 2017 of $1,405, an increase in base rent of $40 and an increase in real estate taxes reimbursement of $45 from existing properties for the three months ended September 30, 2017.

Property Expenses: Property expenses increased primarily for expenses related to the new property acquisitions of $554. Operating expense for the existing properties increased approximately $114 for the three months ended September 30, 2017 to $1,605 as compared to $1,496 for the three months ended September 30, 2016 primarily due to grounds and landscaping of $26, general property expenses of $20 and insurance of $16.

Depreciation and Amortization: Depreciation and amortization expense increased by approximately $614 to approximately $3,499 for the three months ended September 30, 2017 as compared to $2,885 for the three months ended September 30, 2016, primarily due to the new property acquisitions of $704 offset by lower amortization expense for the existing properties of $90.

General and Administrative: General and administrative expenses increased approximately $291 to $1,224 for the three months ended September 30, 2017 as compared to $933 for the three months ended September 30, 2016. The increase is attributable primarily to accounting costs of $123, and non-cash stock compensation of $207, partially offset by a decrease in legal and other professional expenses of $191.

Interest Expense: Interest expense decreased by approximately $8,841 to $2,619 for the three months ended September 30, 2017, as compared to $11,460 for the three months ended September 30, 2016 due to the refinancing of the Company's debt through the AIG Loan, the Torchlight Mezzanine Loan and the Preferred Interests with the resulting extinguishment of our prior senior loan in October, 2016. A comparative analysis of the components of interest expense for the three months ended September 30, 2017 and 2016 is as follows:

	Three Months Ended September 30, Historical Consolidated	
	2017	2016
	(Unaudited)	
Accrued interest payments	$ 694	$ 6,089
Make Whole payment at maturity(accretion)	—	135
Accretion of financing fees	202	—
Default interest	—	5,236
Total accretion of interest and deferred interest	$ 896	$ 11,460
Cash interest paid	1,723	—
Total interest expense	$ 2,619	$ 11,460

A discussion of operations for the nine months ended September 30, 2017 and 2016 is presented below ($ in thousands).

Rental Revenue: Rental revenue increased by approximately $1,778 to $16,407 for the nine months ended September 30, 2017 as compared to $14,629 for the nine months ended September 30, 2016. The increase was primarily related to rental revenue from the acquisitions made during the third quarter of 2017 of $1,405 and an increase in base rent of $223 and operating expense and real estate taxes reimbursement of $133 from existing properties for the nine months ended September 30, 2017.

Property Expenses: Property expenses increased $720 for the nine months ended September 30, 2017 to $5,084 as compared to $4,364 for the nine months ended September 30, 2016 primarily for expenses related to the new property acquisitions of $554. Operating expense for the existing properties increased approximately $166 primarily due to an increase in real estate taxes, utilities, and grounds and landscaping maintenance of $77, $68, and $15, respectively.

Depreciation and Amortization: Depreciation and amortization expense increased by approximately $260 to approximately $9,056 for the nine months ended September 30, 2017 as compared to $8,796 for the nine months ended September 30, 2016, primarily due to the addition of the new property acquisitions of $704 offset by lower amortization expense for the existing properties of $444.

General and Administrative: General and administrative expenses increased approximately $494 to $3,159 for the nine months ended September 30, 2017 as compared to $2,653 for the nine months ended September 30, 2016. The increase is attributable primarily to an increase in accounting, legal and other professional expenses costs of $341, non-cash stock compensation of $242, and Directors and Officers Insurance of $91, offset partially by decreased occupancy costs of $51.

Acquisition Expenses: Acquisition costs increased $53 to $86 for the nine months ended September 30, 2017 as compared to $33 for the nine months ended September 30, 2016. Acquisition expenses for the nine months ended September 30, 2017 and 2016 included costs for acquisitions we decided not to pursue.

Interest Expense: Interest expense decreased by approximately $27,725 to $8,362 for the nine months ended September 30, 2017, as compared to $36,087 for the nine months ended September 30, 2016 due to the refinancing of the Company's debt through the AIG Loan, the Torchlight Mezzanine Loan and the Preferred Interests and the resulting extinguishment of our prior senior loan in October, 2016. A comparative analysis of the components of interest expense for the nine months ended September 30, 2017 is as follows:

	Nine Months Ended September 30, Historical Consolidated	
	2017	2016
	(Unaudited)	
Accrued interest payments	$ 631	$ 15,268
Make Whole payment at maturity(accretion)	—	438
Accretion of financing fees	609	—
Default interest	—	17,790
Total accretion of interest and deferred interest	$ 1,240	$ 33,496
Cash interest paid	7,122	2,591
Total interest expense	$ 8,362	$ 36,087

Cash Flows for Nine Months Ended September 30, 2017 compared to Nine Months Ended September 30, 2016

A summary of our cash flows for the nine months ended September 30, 2017 and 2016 is as follows:

	Nine Months Ended September 30,	
	2017	2016
Net cash provided by operating activities	$ 479	$ 4,120
Net cash used in investing activities	$ (51,099)	$ (729)
Net cash provided by (used in) financing activities	$ 56,152	$ (750)

Operating Activities: Net cash provided by operating activities during the nine months ended September 30, 2017 decreased approximately $3,641 compared to the nine months ended September 30, 2016 primarily due to an increase in interest paid during the nine months ended September 30, 2017 compared to interest primarily being deferred during the nine months ended September 30, 2016.

Investing Activities: Net cash used in investing activities during the nine months ended September 30, 2017 increased approximately $50,370 compared to the nine months ended September 30, 2016 primarily due to the acquisitions of real estate properties.

Financing Activities: Net cash provided by financing activities increased approximately $56,902 due to the net cash proceeds of $53,117 from the Company's Offering, borrowings under our line of credit in the amount of $23,825, partially offset by the repayment of the preferred member interest of $20,000 as well as dividends paid of $237 and debt issuance costs paid of $553.

Liquidity and Capital Resources

At September 30, 2017 we have approximately $6,473 of cash available for future acquisitions and to meet operational needs of the company. We intend to make reserve allocations as necessary to aid our objective of preserving capital for our investors by supporting the maintenance and viability of properties we acquire in the future. Our short-term liquidity requirements consist primarily of funds to pay for operating expenses and other expenditures directly associated with our properties, including:

- property expenses that are not borne by our tenants under our leases;
- interest expense on outstanding indebtedness;
- general and administrative expenses; and
- capital expenditures for tenant improvements and leasing commissions.

In addition, we will require funds for future dividends expected to be paid to our common stockholders.

We intend to satisfy our short-term liquidity requirements through our existing cash and cash flow from operating activities.

Our long-term liquidity needs consist primarily of funds necessary to pay for acquisitions, recurring and non-recurring capital expenditures and scheduled debt maturities. We intend to satisfy our long-term liquidity needs through cash flow from operations, long-term secured and unsecured borrowings, future issuances of equity and debt securities, property dispositions and joint venture transactions, and, in connection with acquisitions of additional properties, issuance of OP units.

Existing Indebtedness

AIG Loan

Certain indirect subsidiaries of our Operating Partnership have entered into a senior secured loan agreement with investment entities managed by AIG Asset Management (the "AIG Loan").

As of September 30, 2017 and December 31, 2016, there was $120,000 of indebtedness outstanding under the AIG Loan. The AIG Loan bears interest at 4.08% per annum and has a seven-year term. The AIG Loan provides for monthly payments of interest only for the first three years of the term and thereafter monthly principal and interest payments based on a 27-year amortization period.

The borrowings under the AIG Loan are secured by first lien mortgages on all of the 20 properties. The obligations under the AIG Loan are also guaranteed by our Company and each of our Operating Partnership's wholly-owned subsidiaries.

The borrowings amounted to $116,547 and $116,053, net of $3,453 and $3,947 of unamortized debt issuance costs at September 30, 2017 and December 31, 2016, respectively.

Torchlight Mezzanine Loan

On October 17, 2016, Plymouth 20 LLC entered into a mezzanine loan agreement, or the Torchlight Mezzanine Loan Agreement, with Torchlight, which provides for a loan of $30,000, or the Torchlight Mezzanine Loan, and a seven-year term. The Torchlight Mezzanine Loan bears interest at 15% per annum, of which 7% percent is paid currently during the first four years of the term and 10% is paid for the remainder of the term. The Torchlight Mezzanine Loan requires Plymouth Industrial 20 to pay a repayment premium equal to the difference between (x) the sum of 150% of the principal being repaid (excluding accrued interest) and (y) the sum of the actual principal amount being repaid and current and accrued interest paid through the date of repayment. This repayment feature operates as a prepayment feature since the difference will be zero at maturity. The borrowings under the Torchlight Mezzanine Loan are secured by, among other things, pledges of the equity interest in Plymouth Industrial 20 and each of its property-owning subsidiaries. The proceeds of the Torchlight Mezzanine Loan were used to partially repay the outstanding principal and accrued interest under our then-existing senior secured loan agreement.

Borrowings under the mezzanine loan amounted to $29,346 and $29,262, net of unamortized debt issuance costs of $654 and $738 at September 30, 2017 and December 31, 2016 respectively.

Line of Credit Agreement

On August 11, 2017 the Company's operating partnership entered into a secured line of credit agreement (Line of Credit Agreement) with KeyBank National Association, or KeyBank and the other lenders, which matures in August 2020 with an optional extension through August 2021, subject to certain conditions. Borrowings under the Line of Credit Agreement bear interest at either (1) the base rate (determined from the highest of (a) KeyBank's prime rate, (b) the federal funds rate plus 0.50% and (c) the one month LIBOR rate plus 1.0%) or (2) LIBOR, plus, in either case, a spread between 250 and 300 basis points depending on our total leverage ratio.

The Line of Credit Agreement requires the Company to maintain certain coverage and leverage ratios and certain amounts of minimum net worth as well meet certain affirmative and negative covenants for credit facilities of this type, including limitations with respect to use of proceeds, indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The Company is in compliance with all covenants at September 30, 2017. The Line of Credit Agreement is secured by certain assets of the Company's operating partnership and certain of its subsidiaries and includes a Company's guarantee for the payment of all indebtedness under the Secured Line of Credit Agreement. Borrowings outstanding amounted to $23,303 at September 30, 2017. Borrowings available under the Line of Credit Agreement amounted to $10,027 at September 30, 2017.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Interest Rate Risk

ASC 815, *Derivatives and Hedging* (formerly known as SFAS No. 133, *Accounting for Derivative Instruments and hedging Activities*, as amended by SFAS No. 138, *Accounting for Certain Derivative Instruments and Certain Hedging Activities*), requires us to recognize all derivatives on the balance sheet at fair value. Derivatives that are not hedges must be adjusted to fair value and the changes in fair value must be reflected as income or expense. If the derivative is a hedge, depending on the nature of the hedge, changes in the fair value of derivatives are either offset against the change in fair value of the hedged assets, liabilities, or firm commitments through earnings or recognized in other comprehensive income, which is a component of stockholders equity. The ineffective portion of a derivative's change in fair value is immediately recognized in earnings.

Non-GAAP Financial Measures

We disclose NOI, EBITDA, FFO and AFFO, each of which meet the definition of "non-GAAP financial measure" set forth in Item 10(e) of Regulation S-K promulgated by the SEC. As a result we are required to include in this filing a statement of why management believes that presentation of these measures provides useful information to investors.

None of NOI, EBITDA, FFO or AFFO should be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further NOI, EBITDA, FFO, and AFFO should be compared with our reported net income or net loss and considered in addition to cash flows in accordance with GAAP, as presented in our consolidated financial statements.

We consider net operating income, or NOI, to be an appropriate supplemental measure to net income because it helps both investors and management understand the core operations of our properties. We define NOI as total revenue (including rental revenue, tenant reimbursements, management, leasing and development services revenue and other income) less property-level operating expenses including allocated overhead. NOI excludes depreciation and amortization, general and administrative expenses, impairments, gain/loss on sale of real estate, interest expense, and other non-operating items.

The following is a reconciliation from historical reported net loss, the most directly comparable financial measure calculated and presented in accordance with GAAP, to NOI:

NOI:	Three Months Ended September 30, 2017	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Net loss	$ (2,839)	$ (11,711)	$ (9,114)	$ (37,185)
General and administrative	1,224	933	3,159	2,653
Acquisition expense	4	—	86	33
Interest expense	2,619	11,460	8,362	36,087
Depreciation and amortization	3,499	2,885	9,056	8,796
Other income	(224)	—	(226)	—
NOI	$ 4,283	$ 3,567	$ 11,323	$ 10,384

EBITDA

We believe that earnings before interest, taxes, depreciation and amortization, or EBITDA, is helpful to investors as a supplemental measure of our operating performance as a real estate company because it is a direct measure of the actual operating results of our industrial properties. We also use this measure in ratios to compare our performance to that of our industry peers. The following table sets forth a reconciliation of our historical EBITDA for the periods presented.

EBITDA:	Three Months Ended September 30, 2017	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Net loss	$ (2,839)	$ (11,711)	$ (9,114)	$ (37,185)
Depreciation and amortization	3,499	2,885	9,056	8,796
Interest expense	2,619	11,460	8,362	36,087
EBITDA	$ 3,279	$ 2,634	$ 8,304	$ 7,698

FFO

Funds from operations, or FFO, is a non-GAAP financial measure that is widely recognized as a measure of REIT operating performance. We consider FFO to be an appropriate supplemental measure of our operating performance as it is based on a net income analysis of property portfolio performance that excludes non-cash items such as depreciation and non-cash stock compensation. The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, which implies that the value of real estate assets diminishes predictably over time. Since real estate values rise and fall with market conditions, presentations of operating results for a REIT, using historical accounting for depreciation, could be less informative. We define FFO, consistent with the National Association of Real Estate Investment Trusts, or NAREIT, definition, as net income, computed in accordance with GAAP, excluding gains (or losses) from sales of property, depreciation and amortization of real estate assets, impairment losses and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. Other equity REITs may not calculate FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. FFO should not be used as a measure of our liquidity, and is not indicative of funds available for our cash needs, including our ability to pay dividends.

The following table sets forth a reconciliation of historical net loss to FFO for the periods presented:

FFO:	Three Months Ended September 30, 2017	Three Months Ended September 30, 2016	Nine Months Ended September 30, 2017	Nine Months Ended September 30, 2016
Net loss	$ (2,839)	$ (11,711)	$ (9,114)	$ (37,185)
Depreciation and amortization	3,499	2,885	9,056	8,796
Stock based compensation	207	—	242	—
Gain on disposition of equity investment	(224)	(3)	(224)	(3)
Adjustment for unconsolidated joint ventures	—	126	—	367
FFO	$ 643	$ (8,703)	$ (40)	$ (28,025)

AFFO

Adjusted funds from operation, or AFFO, is presented in addition to FFO calculated in accordance the standards set forth by NAREIT. AFFO is defined as FFO, excluding acquisition and transaction related costs as well as certain other costs that we consider to be non-recurring. The purchase of properties, and the corresponding expenses associated with that process, is a key operational feature of our business plan to generate operational income and cash flows in order to make distributions to investors. In evaluating investments in real estate, we differentiate the costs to acquire the investment from the operations derived from the investment. By excluding expensed acquisition and transaction related costs (as of July 1, 2017 only to the extent an acquisition is not pursued) as well as other non-recurring costs, we believe AFFO provides a useful supplemental measure of our operating performance because it provides a consistent comparison of our operating performance across time periods that is comparable for each type of real estate investment and is consistent with management's analysis of the operating performance of our properties.

AFFO further adjusts FFO for certain other non-cash items, including the amortization or accretion of above or below market rents included in revenues, straight line rent adjustments, impairment losses and non-cash equity compensation. As with FFO, our reported AFFO may not be comparable to other REITs' AFFO, should not be used as a measure of our liquidity, and is not indicative of our funds available for our cash needs, including our ability to pay dividends.

The following table sets forth a reconciliation of our historical FFO to AFFO.

	Three Months Ended September 30,		Nine Months Ended September 30,	
AFFO:	**2017**	**2016**	**2017**	**2016**
FFO	$ 643	$ (8,703)	$ (40)	$ (28,025)
Amortization of above or accretion of below market lease rents	(89)	(88)	(256)	(263)
Acquisition costs	4	—	86	33
Distributions	—	81	—	142
Straight line rent	(32)	(71)	(108)	(228)
AFFO	$ 526	$ (8,781)	$ (318)	$ (28,341)

Inflation

The majority of our leases are either triple net or provide for tenant reimbursement for costs related to real estate taxes and operating expenses. In addition, most of the leases provide for fixed rent increases. We believe that inflationary increases may be at least partially offset by the contractual rent increases and tenant payment of taxes and expenses described above. We do not believe that inflation has had a material impact on our historical financial position or results of operations.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to market risk from changes in interest rates. Interest rate exposure relates primarily to the effect of interest rate changes on borrowings outstanding under our Line of Credit Agreement entered into in August 2017, which bear interest at a variable rate.

At September 30, 2017, we had borrowings outstanding of $23,825 under our Line of Credit Agreement, which were subject to a weighted average interest rate of 3.86% during the nine months ended September 30, 2017. Based on the borrowings outstanding under the Line of Credit Agreement during 2017, we estimate that had the average interest rate on our borrowings increased by 100 basis points from the period since we borrowed the $23,825 million through September 30, 2017, our interest expense for the year would have increased by approximately $142. This estimate assumes the interest rate of each borrowing is raised by 100 basis points. The impact on future interest expense as a result of future changes in interest rates will depend largely on the gross amount of our borrowings at that time.

The Company currently does not enter into derivatives or other market risk sensitive instruments for the purpose of hedging or for trading purposes. We may consider hedging our floating rate debt through an interest rate swap agreement.

An interest rate swap is a contractual agreement entered into by two counterparties under which each agrees to make periodic payments to the other for an agreed period of time based on a notional amount of principal. Under the most common form of interest rate swap, known from our perspective as a floating-to-fixed interest rate swap, a series of floating, or variable, rate payments on a notional amount of principal is exchanged for a series of fixed interest rate payments on such notional amount.

No assurance can be given that any future hedging activities by us will have the desired beneficial effect on our results of operations or financial condition.

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d–15(e) under the Exchange Act) are designed to provide reasonable assurance that information required to be disclosed in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the forms and rules of the SEC and that such information is accumulated and communicated to management, including the CEO and CFO, in a manner to allow timely decisions regarding required disclosures. In connection with the preparation of this Form 10–Q, our management, including the CEO and CFO, updated its evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2017.

As described below, management had previously identified a material weakness in our internal control over financial reporting, which is an integral component of our disclosure controls and procedures. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. As a result of the current review, our management has concluded that, as of September 30, 2017, our disclosure controls and procedures were not effective.

The specific material weakness that management identified as continuing in our internal controls as of September 30, 2017 is as follows:

- Due to limited financial and accounting resources we were unable to fully address our internal controls and procedures, including sufficiently documented procedures and risk assessment analysis or fully tested existing controls to meet the requirements of COSO’s 2013 framework.

In order to remediate this deficiency, the Company plans to undertake a full review and evaluation of key processes, procedures and completion of documentation that can be monitored and tested independently.

If the remedial measures described above are insufficient to address the identified material weaknesses or are not implemented effectively, or additional deficiencies arise in the future, material misstatements in our interim or annual financial statements may occur in the future. Among other things, any unremediated material weaknesses could result in material post-closing adjustments in future financial statements.

Changes in Internal Control and Financial Reporting

There were no changes in our internal control over financial reporting or in other factors during the quarter ended September 30, 2017, that have materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The nature of our business exposes our properties, us and our operating partnership to the risk of claims and litigation in the normal course of business. Other than routine litigation arising out of the ordinary course of business, we are not presently subject to any material litigation nor, to our knowledge, is any material litigation threatened against us.

Item 1A. Risk Factors

For a discussion of potential risks and uncertainties related to our Company see the information under the heading "Risk Factors" in the prospectus related to our IPO dated June 8, 2017 filed with the SEC on June 8, 2017 in accordance with Rule 424(b) of the Securities Act, which is accessible on the SEC's website at www.sec.gov. There have been no material changes risk factors previous disclosed in the prospectus.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Use of Proceeds from Registered Securities

On June 14, 2017, we completed our IPO of 2,900,000 shares our common stock and, on July 12, 2017, issued an additional 160,000 shares of common stock upon the underwriters' partial exercise of their over-allotment option. The public offering price of the shares sold in the IPO was $19.00 per share, resulting in aggregate net proceeds to us, after underwriters' discounts and commissions and other offering expenses of $5,581 payable by us, of approximately $52,559. All of the shares were sold pursuant to a registration statement on Form S-11, as amended (File No. 333-196798), that was declared effective by the SEC on June 8, 2017. D.A. Davidson & Co., BB&T Capital Markets and Oppenheimer & Co. served as joint-bookrunning managers for the offering.

We used $20,000 of the net proceeds from the IPO to redeem all the outstanding preferred interests in one of our subsidiaries and approximately $26,000 to acquire additional properties.

Unregistered Sales of Equity Securities

Concurrently with the closing of the IPO, we issued to affiliates of Torchlight Investors, LLC (i) 263,158 shares of our common stock in partial consideration for the redemption of the preferred interests in one of our subsidiaries and (ii) warrants to acquire 250,000 shares of our common stock in consideration for the termination of certain participation rights. We issued these shares of common stock and warrants to private transactions exempt from the registration requirements of the Securities Act pursuant to Section 4(a)(2) of the Securities Act and Regulation 506 promulgated thereunder.

As partial consideration of the purchase price of the Shadeland Portfolio the Company issued 421,438 partnership Units of our Operating Partnership valued at $19.00 per unit for a total value of approximately $8,007. The holders of the OP Units are entitled to receive distributions concurrent with the dividends paid on our common stock.

Issuer Repurchases of Equity Securities

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. 1350, as created by Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance
101.XSD	XBRL Schema
101.CAL	XBRL Calculation
101.DEF	XBRL Definition
101.LAB	XBRL Label
101.PRE	XBRL Presentation

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on our behalf by the undersigned, hereunto duly authorized.

PLYMOUTH INDUSTRIAL REIT, INC.

By: /s/ Jeffrey E. Witherell
Jeffrey E. Witherell,
Chief Executive Officer and Chairman of the Board of Directors

By: /s/ Daniel C. Wright
Daniel Wright,
Chief Financial Officer

Dated: November 9, 2017

Exhibit 31.1

Certification of Chief Executive Officer pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Jeffrey E. Witherell, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Plymouth Industrial REIT, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have :

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017

/s/ JEFFREY E. WITHERELL
Jeffrey E. Witherell
Chief Executive Officer and
Chairman of the Board of Directors

Exhibit 31.2

Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Daniel C. Wright, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Plymouth Industrial REIT, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have :

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2017

/s/ DANIEL C. WRIGHT
Daniel C. Wright
Chief Financial Officer

Exhibit 32.1

Certification pursuant to 18 U.S.C. Section 1350,
as Adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Plymouth Industrial REIT, Inc. (the "Registrant") for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Jeffrey E. Witherell, Chairman of the Board, Chief Executive Officer and Director of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 9, 2017

/s/ JEFFREY E. WITHERELL
Jeffrey E. Witherell
Chief Executive Officer and
Chairman of the Board of Directors

Exhibit 32.2

Certification pursuant to 18 U.S.C. Section 1350,
as Adopted pursuant to Section 906 of the
Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Plymouth Industrial REIT, Inc. (the "Registrant") for the quarter ended September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Daniel Wright, the Chief Financial Officer of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge and belief:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Registrant.

Date: November 9, 2017

/s/ DANIEL C. WRIGHT
Daniel C. Wright
Chief Financial Officer