

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

Form 10-K

(Mark One)

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

For the fiscal year ended December 31, 2020

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 in its charter)

Maryland

(State or other jurisdiction of
incorporation of organization)

27-5466153

(I.R.S. Employer
Identification Number)

20 Custom House St, 11th Floor

Boston, MA 02110

(Address of principal executive offices)

Registrant's telephone number, including area code: (617) 340-3814

Securities registered pursuant to Section 12(b) of the Act:

<u>Title of Each Class</u>	<u>Trading Symbol</u>	<u>Name of Each Exchange on Which Registered</u>
Common Stock, par value \$0.01 per share	PLYM	New York Stock Exchange
7.50% Series A Cumulative Redeemable Preferred Stock, par value \$0.01 per share	PLYM-PrA	NYSE American

Securities registered pursuant to Section 12(g) of the Act:

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

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 every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act) Yes No

The aggregate market value of the registrant's common stock held by non-affiliates of the registrant (based on the closing price reported on the NYSE on June 30, 2020) was \$200,308,467.

Shares held by all executive officers and directors of the registrant have been excluded from the foregoing calculation because such persons may be deemed to be affiliates of the registrant.

The number of shares of the registrant's common stock outstanding as of February 22, 2021 was 28,113,917.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement relating to its 2021 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K. The registrant expects to file its Definitive Proxy Statement with the Securities and Exchange Commission within 120 days after December 31, 2020.

Plymouth Industrial REIT, Inc.

Table of Contents

<u>ITEM</u>		<u>PAGE</u>
<u>PART I</u>		
<u>1.</u>	<u>Business</u>	1
<u>1A.</u>	<u>Risk Factors</u>	4
<u>1B.</u>	<u>Unresolved Staff Comments</u>	25
<u>2.</u>	<u>Properties</u>	26
<u>3.</u>	<u>Legal Proceedings</u>	29
<u>4.</u>	<u>Mine Safety Disclosures</u>	29
<u>PART II</u>		
<u>5.</u>	<u>Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities</u>	30
<u>6.</u>	<u>Selected Financial Data</u>	31
<u>7.</u>	<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	31
<u>7A.</u>	<u>Quantitative and Qualitative Disclosures about Market Risk</u>	42
<u>8.</u>	<u>Consolidated Financial Statements and Supplementary Data</u>	42
<u>9.</u>	<u>Changes in and Disagreements with Accountants on Accounting and Financial Disclosure</u>	42
<u>9A.</u>	<u>Controls and Procedures</u>	42
<u>9B.</u>	<u>Other Information</u>	42
<u>PART III</u>		
<u>10.</u>	<u>Directors, Executive Officers and Corporate Governance</u>	43
<u>11.</u>	<u>Executive Compensation</u>	43
<u>12.</u>	<u>Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters</u>	43
<u>13.</u>	<u>Certain Relationships and Related Transactions and Director Independence</u>	43
<u>14.</u>	<u>Principal Accountant Fees and Expenses</u>	43
<u>PART IV</u>		
<u>15.</u>	<u>Exhibits and Financial Statement Schedules</u>	44
<u>16.</u>	<u>Form 10-K Summary</u>	46

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

We make statements in this Annual Report on Form 10-K that are forward-looking statements, which are usually identified by the use of words such as “anticipates,” “believes,” “estimates,” “expects,” “intends,” “may,” “plans” “projects,” “seeks,” “should,” “will,” and variations of such words or similar expressions. Our forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by our forward-looking statements are reasonable, we can give no assurance that our plans, intentions, expectations, strategies or prospects will be attained or achieved and you should not place undue reliance on these forward-looking statements. Additionally, unforeseen factors emerge from time to time, and we cannot predict which factors will arise or their ultimate impact on our business or the extent to which any such factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. One of these factors is the outbreak of the novel coronavirus (COVID-19), the impact of which is difficult to fully assess at this time due to, among other factors, uncertainty regarding the severity and duration of the outbreak domestically and internationally and the effectiveness of efforts to contain the spread of the virus and its resulting direct and indirect impact on the U.S. economy and economic activity. Furthermore, actual results may differ materially from those described in the forward-looking statements and may be affected by a variety of risks and factors including, without limitation:

- uncertainty surrounding the social and economic impacts of the current COVID-19 pandemic, including, without limitation, its impact on the Company’s ability to pay common stock dividends and/or the amount and frequency of those dividends;
- the competitive environment in which we operate;
- real estate risks, including fluctuations in real estate values and the general economic climate in local markets and competition for tenants in such markets;
- decreased rental rates or increasing vacancy rates;
- potential defaults on or non-renewal of leases by tenants;
- potential bankruptcy or insolvency of tenants;
- acquisition risks, including failure of such acquisitions to perform in accordance with projections;
- the timing of acquisitions and dispositions;
- potential natural disasters such as earthquakes, wildfires or floods;
- national, international, regional and local economic conditions;
- the general level of interest rates;
- potential changes in the law or governmental regulations that affect us and interpretations of those laws and regulations, including changes in real estate and zoning or real estate investment trust, or REIT, tax laws, and potential increases in real property tax rates;
- financing risks, including the risks that our cash flows from operations may be insufficient to meet required payments of principal and interest and we may be unable to refinance our existing debt upon maturity or obtain new financing on attractive terms or at all;
- lack of or insufficient amounts of insurance;
- our ability to maintain our qualification as a REIT;
- litigation, including costs associated with prosecuting or defending claims and any adverse outcomes; and
- possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently owned or previously owned by us.

Any forward-looking statement speaks only as of the date on which it is made. New risks and uncertainties arise over time, and it is not possible for us to predict those events or how they may affect us. Except as required by law, we are not obligated to, and do not intend to, update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Glossary

In this Annual Report on Form 10-K:

- “annualized rent” means the monthly base rent for the applicable property or properties as of December 31, 2020, multiplied by 12 and then multiplied by our percentage ownership interest for such property, where applicable, and “total annualized rent” means the annualized rent for the applicable group of properties;
- “capitalization rate” means the ratio of a property’s annual net operating income to its purchase price;
- “Company Portfolio” means the 107 distribution centers, warehouse, light industrial and small bay industrial properties which we wholly own as of December 31, 2020 and does not include properties held by unconsolidated joint ventures;
- “gateway markets” means gateway cities and the following four largest metropolitan areas in the U.S., each generally consisting of more than 300 million square feet of industrial space: Los Angeles, San Francisco, New York, Washington, DC, Miami and Seattle;
- “OP units” means units of limited partnership interest in our operating partnership;
- “our operating partnership” means Plymouth Industrial OP, LP, a Delaware limited partnership, and the subsidiaries through which we conduct substantially all of our business;
- “Plymouth,” “our company,” “we,” “us” and “our” refer to Plymouth Industrial REIT, Inc., a Maryland corporation, and its consolidated subsidiaries, except where it is clear from the context that the term only means Plymouth Industrial REIT, Inc., the issuer of the shares of Common and Preferred stock, in this annual report;
- “primary markets” means the following two metropolitan areas in the U.S., each generally consisting of more than 300 million square feet of industrial space: Chicago and Atlanta;
- “secondary markets” means for our purposes non-primary markets, each generally consisting of between 100 million and 300 million square feet of industrial space, including the following metropolitan areas in the U.S.: Austin, Baltimore, Boston, Charlotte, Cincinnati, Cleveland, Columbus, Dallas, Detroit, Houston, Indianapolis, Jacksonville, Kansas City, Memphis, Milwaukee, Nashville, Norfolk, Orlando, Philadelphia, Pittsburgh, Raleigh/Durham, San Antonio, South Florida, St. Louis and Tampa;

Our definitions of primary and secondary markets may vary from the definitions of these terms used by investors, analysts or other industrial REITs.

PART I

ITEM 1. BUSINESS

Overview

We are a full service, vertically integrated, self-administered and self-managed REIT focused on the acquisition, ownership, management, redevelopment and development of single and multi-tenant industrial properties, including distribution centers, warehouses, light industrial and small bay industrial properties, located in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States. The Company was founded in March 2011 by two of our executive officers, Jeffrey Witherell and Pendleton White, Jr., each of whom have over 25 years of experience acquiring, owning and operating commercial real estate properties. We are a Maryland corporation and our common stock is publicly traded on the New York Stock Exchange under the symbol "PLYM". Our headquarters and executive offices are located in Boston, Massachusetts. Additionally, we have regional offices in Columbus, Ohio and Jacksonville, Florida.

We are structured as an umbrella partnership REIT, commonly called an UPREIT, and own substantially all of our assets and conduct substantially all of our business through Plymouth Industrial OP, LP, a Delaware limited partnership (the "Operating Partnership"). As of December 31, 2020, the Company owned a 97.7% equity interest in the Operating Partnership. Any net proceeds from our public offerings will be contributed to the Operating Partnership in exchange for OP units. Our interest in the Operating Partnership will generally entitle us to share in cash distributions from, and in the profits and losses of, our Operating Partnership in proportion to our percentage ownership. As the sole general partner of the Operating Partnership, we generally have the exclusive power under the partnership agreement to manage and conduct its business and affairs, subject to certain limited approval and voting rights of the limited partners.

As of December 31, 2020, the Company's portfolio consists of 107 industrial properties (the "Company Portfolio") comprising of 141 buildings located in eleven states with an aggregate of approximately 23.3 million rentable square feet. The Company Portfolio was 96.4% leased to 351 different tenants across 34 industry types as of December 31, 2020. We also own a 20% equity interest in, and, provide various services to, a joint venture through a wholly owned subsidiary of the Operating Partnership. The joint venture is accounted for using the equity method of accounting. As such, the operating data of the joint venture is not consolidated with that of the Company.

Investment Strategy

We intend to continue to focus on the acquisition of industrial properties located in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States, which we refer to as our target markets. We believe industrial properties in such target markets will provide superior and consistent cash flow returns at generally lower acquisition costs relative to replacement cost and to industrial properties in gateway markets. Further, we believe there is a greater potential for higher rates of appreciation in the value of industrial properties in our target markets relative to industrial properties in gateway markets.

We believe our target markets provide us with opportunities to acquire both stabilized properties generating favorable cash flows, as well as properties where we can enhance returns through leasing, value-add renovations, value-add redevelopment and ground-up development. We focus primarily on the following investments:

- single-tenant and multi-tenant industrial properties where tenants are paying below-market rents with near-term lease expirations that we believe have a high likelihood of renewal at market rents; and
- multi-tenant industrial properties that we believe would benefit from our value-add management approach to create attractive leasing options for our tenants, and as a result of the presence of smaller tenants, obtain higher per-square-foot rents.

We believe there are a significant number of attractive acquisition opportunities available to us in our target markets and that the fragmented ownership of industrial properties within our target markets and the complex operating requirements of the industrial properties we target generally make it more difficult for less-experienced or less-focused operators to access comparable investment opportunities on a consistent basis. While we will focus on investment opportunities in our target markets, we may make opportunistic acquisitions of industrial properties in other markets when we believe we can achieve attractive risk-adjusted returns.

We also intend to continue pursuing joint venture arrangements with institutional partners which could provide management fee income, a residual profit-sharing income and the ability to purchase properties out of the joint venture over time. Such joint ventures may involve investing in industrial assets that would be characterized as opportunistic or value-add investments. These may involve development or redevelopment 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.

Investment Criteria

We believe that our market knowledge, operations systems and internal processes allow us to efficiently analyze the risks associated with an asset's ability to produce cash flow going forward. We blend fundamental real estate analysis with corporate credit analysis to make an assessment of probable cash flows that will be realized in future periods. We also use data-driven and event-driven analytics and primary research to identify and pursue emerging investment opportunities.

Our investment strategy focuses on industrial properties in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States for the following reasons:

- investment yields for industrial properties located in our target markets are often greater than investment yields on both industrial properties and other commercial property types located in gateway markets;
- we believe there is less competition for industrial properties in our target markets from institutional real estate buyers; our typical competitors are local investors who often do not have ready access to debt or equity capital;
- the industrial markets that we target are highly fragmented with complex operating requirements, which we believe makes it difficult for less-experienced or less-focused operators to access comparable investment opportunities on a consistent basis;
- we believe that there is a limited new supply of industrial space in our target markets;
- our target markets generally have less occupancy and rental rate volatility than gateway markets;
- we believe our target markets generally have more capital appreciation and growth potential at a lower cost basis than gateway markets; and
- we believe that the demand for e-commerce-related properties, or e-fulfillment facilities, will continue to grow and play a significant role in our investing strategy.

We seek to maximize our cash flows through proactive asset management. Our asset management team actively manages our properties in an effort to maintain high retention rates, lease vacant space, manage operating expenses and maintain our properties to an appropriate standard. In doing so, we have developed strong tenant relationships. We intend to leverage those relationships and market knowledge to increase renewals, achieve market rents, obtain early notification of departures to provide longer re-leasing periods and work with tenants to properly maintain the quality and attractiveness of our properties.

Our asset management team functions include strategic planning and decision-making, centralized leasing activities and management of third-party leasing companies. Our asset management team oversees property management activities relating to our properties which include controlling capital expenditures and expenses that are not reimbursable by tenants, making regular property inspections, overseeing rent collections and cost control and planning and budgeting activities. Tenant relations matters, including monitoring of tenant compliance with their property maintenance obligations and other lease provisions, will be handled by in-house personnel for most of our properties.

Financing Strategy

We intend to maintain a flexible and growth-oriented capital structure. We intend to use the net proceeds from our public offerings along with additional indebtedness to acquire industrial properties. Our additional indebtedness may include unsecured arrangements such as our revolving credit facility and term loan, or, secured arrangements such as a mortgage. We believe that we will have the ability to leverage newly-acquired properties with our long-term target debt-to-value ratio of less than 50%. We also anticipate using OP units to acquire properties from existing owners interested in tax-deferred transactions.

Competition

In acquiring our properties, we compete with other public industrial property sector REITs, income oriented non-traded REITs, private real estate fund managers and local real estate investors and developers. Historically, local real estate investors and developers have represented our dominant competition for acquisition opportunities, however, they do not typically have the same access to capital as afforded to us as a publicly traded entity. We also face significant competition in leasing available space to prospective tenants and in re-leasing space to existing tenants.

We believe we have a competitive advantage in sourcing attractive acquisitions because the competition for our target assets is primarily from local investors who are not likely to have ready access to debt or equity capital. In addition, our umbrella partnership real estate investment trust, or UPREIT, structure enables us to acquire industrial properties on a non-cash basis in a tax efficient manner through the issuance of OP units as full or partial consideration for the transaction. We will also continue to develop our large existing network of relationships with real estate and financial intermediaries. These individuals and companies give us access to significant deal flow—both those broadly marketed and those exposed through only limited marketing. The acquisition of properties will be transacted primarily from third-party owners of existing leased buildings and secondarily from owner-occupiers through sale-leaseback transactions.

Regulation

General

Our properties are subject to various laws, ordinances and regulations, including regulations relating to common areas and fire and safety requirements. We believe that we have the necessary permits and approvals to operate each of our properties.

Americans with Disabilities Act

Our properties must comply with Title III of the ADA to the extent that such properties are “public accommodations” as defined under the ADA. Under the ADA, all public accommodations must meet federal requirements related to access and use by disabled persons. The ADA may require removal of structural barriers to access by persons with disabilities in certain public areas of our properties where such removal is readily achievable. Although we believe that the properties in the Company Portfolio in the aggregate substantially comply with present requirements of the ADA, and we have not received any notice for correction from any regulatory agency, we have not conducted a comprehensive audit or investigation of all of our properties to determine whether we are in compliance and therefore we may own properties that are not in compliance with the ADA.

ADA compliance is dependent upon the tenant’s specific use of the property, and as the use of a property changes or improvements to existing spaces are made, we will take steps to ensure compliance. Noncompliance with the ADA could result in additional costs to attain compliance, imposition of fines by the U.S. government or an award of damages or attorney’s fees to private litigants. The obligation to make readily achievable accommodations is an ongoing one, and we will continue to assess our properties and to make alterations to achieve compliance as necessary.

Environmental Matters

The Company Portfolio is subject to various federal, state and local environmental laws. Under these laws, courts and government agencies have the authority to require us, as owner of a contaminated property, to clean up the property, even if we did not know of or were not responsible for the contamination. These laws also apply to persons who owned a property at the time it became contaminated, and therefore, it is possible we could incur these costs even after we sell some of the properties we acquire. In addition to the costs of cleanup, environmental contamination can affect the value of a property and, therefore, an owner’s ability to borrow using the property as collateral or to sell the property. Under applicable environmental laws, courts and government agencies also have the authority to require that a person who sent waste to a waste disposal facility, such as a landfill or an incinerator, pay for the clean-up of that facility if it becomes contaminated and threatens human health or the environment.

Furthermore, various court decisions have established that third parties may recover damages for injury caused by property contamination. For instance, a person exposed to asbestos at one of our properties may seek to recover damages if he or she suffers injury from the asbestos. Lastly, some of these environmental laws restrict the use of a property or place conditions on various activities. An example would be laws that require a business using chemicals to manage them carefully and to notify local officials that the chemicals are being used.

We could be responsible for any of the costs discussed above. The costs to clean up a contaminated property, to defend against a claim, or to comply with environmental laws could be material and could adversely affect the funds available for distribution to our stockholders. We usually require Phase I or similar environmental assessments by independent environmental consultants at the time of acquisition of a property. We generally expect to continue to obtain a Phase I or similar environmental site assessments by independent environmental consultants on each property prior to acquiring it. However, these environmental assessments may not reveal all environmental costs that might have a material adverse effect on our business, assets, results of operations or liquidity and may not identify all potential environmental liabilities.

We can make no assurances that (1) future laws, ordinances or regulations will not impose material environmental liabilities on us, or (2) the current environmental condition of our properties will not be affected by tenants, the condition of land or operations in the vicinity of our properties (such as releases from underground storage tanks), or by third parties unrelated to us.

Insurance

We carry commercial property, liability and terrorism coverage on all the properties in the Company Portfolio under a blanket insurance policy. Generally, we do not carry insurance for certain types of extraordinary losses, including, but not limited to, losses caused by riots, war, earthquakes and wildfires unless the property is in a higher risk area for those events. We believe the policy specifications and insured limits are appropriate and adequate given the relative risk of loss, the cost of the coverage and standard industry practice, however, our insurance coverage may not be sufficient to fully cover all of our losses. In addition, our title insurance policies may not insure for the current aggregate market value of the Company Portfolio, and we do not intend to increase our title insurance coverage as the market value of the Company Portfolio increases.

Human Capital

As of December 31, 2020, we had thirty-four full-time employees. None of our employees are represented by a collective bargaining agreement.

We are committed to maintaining a work culture that treats all employees fairly and with respect, promotes inclusivity, provides equal opportunities for the professional development of our employees and advancement based on merit. As of December 31, 2020, females constituted approximately 40% of our workforce and 30% of our managerial employees. We intend to continue utilizing a multifaceted recruiting, talent development, and internal promotion strategy to expand the diversity of our employee base across all roles and functions.

To attract and retain top talent in our highly competitive industry, we have designed our compensation and benefits programs to provide an effective reward structure aligned with the achievement of key business objectives. Our employees are eligible for medical and dental insurance, a savings/retirement plan, disability insurance and receive restricted stock grants per the 2014 Incentive Plan.

Legal Proceedings

We are not currently a party, as plaintiff or defendant, to any material legal proceedings. From time to time, we may become party to various lawsuits, claims and other legal proceedings that arise in the ordinary course of our business. There can be no assurance that these matters that may arise in the future, individually or in the aggregate, will not have a material adverse effect on our financial condition or results of operations.

Our Corporate Information

Our principal executive offices are located at 20 Custom House Street, 1st Floor, Boston, Massachusetts 02110. Our telephone number is (617) 340-3814. Our website is www.plymouthreit.com. We electronically file our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and all amendments to those reports with the United States Securities and Exchange Commission ("SEC"). Access to those reports and other filings with the SEC may be obtained, free of charge from our website, www.plymouthreit.com or through the SEC's website at www.sec.gov. These reports are available as soon as reasonably practicable after such material is electronically filed or furnished to the SEC.

4

ITEM 1A. RISK FACTORS

The following risk factors and other information in this Annual Report on Form 10-K, including the Management's Discussion and Analysis of Financial Condition and Results of Operations section, should be carefully considered. The risks and uncertainties described below are not the only risks we face. In addition to the effects of the COVID-19 pandemic and resulting national and global disruptions on our business and discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations, additional or unforeseen effects from the COVID-19 pandemic and the global economic climate may give rise to or amplify many of the risks discussed below. Additional risks and uncertainties not currently known to us or that we may currently deem immaterial also may impair our business operations. If any of the following or other risks occur, our business financial condition, operating results, cash flows and distributions, as well as the market price of our securities, could be materially adversely affected.

Summary of Risk Factors

Risks Related to Our Business and Operations:

- Our assets are concentrated in the industrial real estate sector, and our business could be materially and adversely affected by an economic downturn in that sector.
- Our assets are geographically concentrated in two primary and nine secondary markets, which causes us to be especially susceptible to adverse developments in those markets.
- Our assets are comprised entirely of industrial properties located in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States, which subjects us to risks associated with concentrating the Company's portfolio 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 results.
- We are subject to risks related to tenant concentration, which could materially adversely affect our cash flows, result of operations and financial condition.

Risks Associated with Our Indebtedness:

- Debt service payments on our significant indebtedness may leave us with insufficient cash resources to operate our properties or pay dividends as current contemplated or necessary to maintain our REIT qualification.
- Restrictive covenants in our debt instruments could restrict our operations and failure to comply with these restrictions could result in the acceleration of our debt.
- Unavailability of mortgage debt may make it difficult for us to finance or refinance properties, which could reduce the number of properties we can acquire.
- Our existing loan agreements contain balloon payment obligations, which may materially and adversely affect our financial condition and our ability to make distributions.
- Our existing loan agreements are secured by various properties within our portfolio or the equity of our property-owning subsidiaries, so a default under any of these loan documents could result in a loss of the secured properties.
- Changes in the method of determining LIBOR, or the replacement of LIBOR with an alternative reference rate, may adversely affect interest expense related to outstanding debt.
- An increase in interest rates could adversely impact our financial condition, results of operations and cash flows.

Risks Related to the Real Estate Industry and the Broader Economy:

- The illiquidity of real estate assets could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial results.
- The ongoing COVID-19 pandemic or any unforeseen factor that emerges out of that pandemic or otherwise could materially adversely affect our results of operations and financial results.
- Declining real estate valuations and impairment charges could materially adversely affect our financial condition and results of operations.
- Adverse economic conditions and any dislocations in the credit markets could materially adversely affect our financial condition and results of operations.

5

Risks Related to Our Organizational Structure:

- 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 strategy.
- Conflicts of interest may exist or could arise in the future between the interests of our stockholders and the interests of the holders of the partnership interests of our operating partnership.
- Our charter and bylaws, the partnership agreement of our operating partnership and Maryland law contain provisions that may delay, defer or prevent a change of control transaction.
- Our charter contains certain ownership limits with respect to our stock.
- We could increase the number of authorized shares of stock, classify and reclassify unissued stock and issue stock without stockholder approval.

Risks Related to Our Status as a REIT:

- Failure to maintain our qualification as a REIT would have significant adverse consequences to us.
- If our operating partnership failed to qualify as a partnership or a disregarded entity for federal tax purposes, we would cease to qualify as a REIT.
- To maintain our REIT qualification, we may be forced to borrow funds during unfavorable market conditions.
- Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.
- Complying with REIT requirements may affect our profitability and may force us to liquidate or forgo otherwise attractive investments.

Risks Related to Our Business and Operations

Our portfolio is concentrated in the industrial real estate sector, and our business would be adversely affected by an economic downturn in that sector.

Our assets are comprised entirely of industrial properties, including distribution centers, warehouses, light industrial and small bay industrial properties. This concentration may expose us to the risk of economic downturns in the industrial real estate sector to a greater extent than if our properties were more diversified across other sectors of the real estate industry. In particular, an economic downturn affecting the market for industrial properties could have a material adverse effect on our results of operations, cash flows, financial condition and our ability to pay distributions to our stockholders.

Our portfolio is geographically concentrated in two primary and nine secondary markets, which causes us to be especially susceptible to adverse developments in those markets.

In addition to general, regional, national and international economic conditions, our operating performance is impacted by the economic conditions of the specific geographic markets in which we have concentrations of properties. Our wholly owned portfolio consists of holdings in the following markets (which accounted for the percentage of our total annualized rent indicated) as of December 31, 2020: Chicago (22.5%); Cleveland (15.8%); Indianapolis (15.3%); Jacksonville (11.7%); Columbus (7.7%); Cincinnati (7.5%); Atlanta (7.1%); Memphis (6.8%); St. Louis (3.4%); Boston (1.2%); and Philadelphia (1.0%). This geographic concentration could adversely affect our operating performance if conditions become less favorable in any of the markets in which we have a concentration of properties. We cannot assure you that any of our target markets will grow or that underlying real estate fundamentals will be favorable to owners and operators of industrial properties. Our operations may also be affected if competing properties are built in our target markets. Any adverse economic or real estate developments in our target markets, or any decrease in demand for industrial space resulting from the regulatory environment, business climate or energy or fiscal problems, could materially and adversely impact our financial condition, results of operations, cash flow, our ability to satisfy our debt service obligations and our ability to pay distributions to our stockholders.

Our portfolio is comprised of industrial properties in primary and secondary markets, as well as select sub-markets which subjects us to risks associated with concentrating our portfolio on such assets.

Our portfolio is comprised of industrial properties, including distribution centers, warehouses, light industrial and small bay industrial properties in primary and secondary markets, as well as select sub-markets. While we believe that industrial in our targeted markets have shown positive trends, we cannot give any assurance that these trends will continue. Any developments or circumstances that adversely affect the value of such industrial properties generally could have a more significant adverse impact on us than if our portfolio was diversified by asset type, which could materially and adversely impact our financial condition, results of operations and ability to make distributions to our stockholders.

Our business strategy depends on achieving revenue growth from anticipated increases in demand for industrial space in our target markets; accordingly, any delay or a weaker than anticipated economic recovery could materially and adversely affect us and our growth prospects.

Our business strategy depends on achieving revenue growth and capital appreciation from anticipated near-term growth in demand for industrial space in our target markets as a result of improving demographic trends and supply and demand fundamentals. As a result, any delay or a weaker than anticipated economic recovery, particularly in our target markets, could materially and adversely affect us and our growth prospects. Furthermore, even if economic conditions generally improve, we cannot provide any assurances that demand for industrial space in our target markets will increase from current levels. If demand does not increase in the near future, or if demand weakens, our future results of operations and our growth prospects could also be materially and adversely affected.

We may not be aware of characteristics or deficiencies involving any one or all of the properties that we acquire in the future, which could have a material adverse effect on our business.

Newly acquired properties may have characteristics or deficiencies unknown to us that could affect their valuation or revenue potential and such properties may not ultimately perform to our expectations. We cannot assure you that the operating performance of any newly acquired properties will not decline under our management. Any characteristics or deficiencies in any newly acquired properties that adversely affect the value of the properties or their revenue-generation potential could have a material adverse effect on our results of operations and financial condition.

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 the risk that the default, financial distress or bankruptcy of a single tenant could cause interruptions in the receipt of rental revenue and/or result in a vacancy, which is likely to result in the complete reduction in the operating cash flows generated by the property leased to that tenant and may decrease the value of that property. In addition, a majority of our leases generally require the tenant to pay all or substantially all of the operating expenses normally associated with the ownership of the property, such as utilities, real estate taxes, insurance and routine maintenance. Following a vacancy at a single-tenant property, we will be responsible for all of the operating costs at such property until it can be re-let, if at all.

We are subject to risks related to tenant concentration, which could materially adversely affect our cash flows, results of operations and financial condition.

As of December 31, 2020, our top three tenants collectively comprised approximately 6.3% of our total annualized rent. As a result, our financial performance will be dependent, in large part, on the revenues generated from these significant tenants and, in turn, the financial condition of these tenants. In the event that a tenant occupying a significant portion of one or more of our properties or whose rental income represents a significant portion of the rental revenue at our properties were to experience financial weakness or file bankruptcy, it could have a material adverse effect on 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.

Leases representing 11.8%, 17.5% and 12.0% of the rentable square footage of the industrial properties in our portfolio will expire in 2021, 2022 and 2023, respectively. We cannot assure you that our leases will be renewed or that our properties will be re-leased at rental rates equal to or above the current average rental rates or that we will not offer substantial rent abatements, tenant improvements, early termination rights or below-market renewal options to attract new tenants or retain existing tenants. If the rental rates for our properties decrease, or if our existing tenants do not renew their leases or we do not re-lease a significant portion of our available space and space for which leases will expire, our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock could be adversely affected.

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.

Our primary investment strategy involves the acquisition of industrial properties located in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States. These activities require us to identify suitable acquisition candidates or investment opportunities that meet our investment criteria and are compatible with our growth strategies. We may be unable to acquire properties identified as potential acquisition opportunities. Our ability to acquire properties on favorable terms, or at all, may expose us to the following significant risks:

- we may incur significant costs and divert management attention in connection with evaluating and negotiating potential acquisitions, including ones that we are subsequently unable to complete;

- even if we enter into agreements for the acquisition of properties, these agreements are subject to conditions to closing, which we may be unable to satisfy; and
- we may be unable to finance any given acquisition on favorable terms or at all.

If we are unable to finance property acquisitions or acquire properties on favorable terms, or at all, our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock could be adversely affected. In addition, failure to identify or complete acquisitions of suitable properties could limit our growth.

Our acquisition activities may pose risks that could harm our business.

In connection with future acquisitions, we may be required to incur debt and expenditures and issue additional common stock, preferred stock or units of limited partnership interest in our operating partnership, or OP units, to pay for the acquired properties. These acquisitions may dilute our stockholders' ownership interests, delay or prevent our profitability and may also expose us to risks such as:

- the possibility that we may not be able to successfully integrate any future acquisitions into our portfolio;
- the possibility that senior management may be required to spend considerable time negotiating agreements and integrating acquired properties, diverting their attention from our other objectives;
- the possibility that we may overpay for a property;
- the possible loss or reduction in value of acquired properties; and
- the possibility of pre-existing undisclosed liabilities regarding acquired properties, including environmental or asbestos liability, for which our insurance may be insufficient or for which we may be unable to secure insurance coverage.

We cannot assure you that the price for any future acquisitions will be similar to prior acquisitions. If our revenue does not keep pace with these potential acquisition and expansion costs, we may incur net losses. There is no assurance that we will successfully overcome these risks or other problems encountered with acquisitions. See risk factor “—We are a holding company with no direct operations and, as such, we will rely on funds received from our operating partnership to pay liabilities, and the interests of our stockholders will be structurally subordinated to all liabilities and obligations of our operating partnership and its subsidiaries.”

We may obtain limited or no warranties when we purchase a property, which increases the risk that we may lose invested capital in or rental income from such property.

The seller of a property will often sell such property in its “as is” condition on a “where is” basis and “with all faults,” without any warranties of merchantability or fitness for a particular use or purpose. In addition, purchase agreements may contain only limited warranties, representations and indemnifications that will only survive for a limited period after the closing. Also, many sellers of real estate are single-purpose entities without any other significant assets. The purchase of properties with limited warranties or from undercapitalized sellers increases the risk that we may lose some or all of our invested capital in the property as well as the loss of rental income from such property.

We face significant competition for acquisitions of industrial properties, which may reduce the number of acquisition opportunities available to us and increase the costs of these acquisitions.

The current market for acquisitions of industrial properties in our target markets continues to be extremely competitive. This competition may increase the demand for our target properties and, therefore, reduce the number of suitable acquisition opportunities available to us and increase the prices paid for such acquisition properties. We also face significant competition for attractive acquisition opportunities from an indeterminate number of investors, including publicly traded and privately held REITs, private equity investors and institutional investment funds, some of which have greater financial resources than we do, a greater ability to borrow funds to acquire properties and the ability to accept more risk than we can prudently manage, including risks with respect to the geographic proximity of investments and the payment of higher acquisition prices. This competition will increase if investments in real estate become more attractive relative to other forms of investment. Competition for investments may reduce the number of suitable investment opportunities available to us and may have the effect of increasing prices paid for such acquisition properties and/or reducing the rents we can charge and, as a result, adversely affecting our operating results.

Our future acquisitions may not yield the returns we expect.

Our future acquisitions and our ability to successfully operate the properties we acquire in such acquisitions may be exposed to the following significant risks:

- even if we are able to acquire a desired property, competition from other potential acquirers may significantly increase the purchase price;
- we may acquire properties that are not accretive to our results upon acquisition, and we may not successfully manage and lease those properties to meet our expectations;
- our cash flow may be insufficient to meet our required principal and interest payments;
- we may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties;
- we may be unable to quickly and efficiently integrate new acquisitions, particularly acquisitions of portfolios of properties, into our existing operations, and as a result our results of operations and financial condition could be adversely affected;
- market conditions may result in higher-than-expected vacancy rates and lower than expected rental rates; and
- we may acquire properties subject to liabilities and without any recourse, or with only limited recourse, with respect to unknown liabilities such as liabilities for clean-up of undisclosed environmental contamination, claims by tenants, vendors or other persons dealing with the former owners of the properties, liabilities incurred in the ordinary course of business and claims for indemnification by general partners, directors, officers and others indemnified by the former owners of the properties.

If we cannot operate acquired properties to meet our financial expectations, our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock could be materially and adversely affected.

We may not be able to successfully operate our business or generate sufficient cash flows to make or sustain distributions to our stockholders as a publicly traded company.

We may not be able to successfully operate our business or implement our operating policies and investment strategy as described in this prospectus. Failure to operate successfully as a listed public company, to develop and implement appropriate control systems and procedures in accordance with the Sarbanes-Oxley Act or maintain our qualification as a REIT would have an adverse effect on our financial condition, results of operations, cash flow and per share trading price of our stock. Furthermore, we may not be able to generate sufficient cash flows to pay our operating expenses, service any debt we may incur in the future and make distributions to our stockholders. Our ability to successfully operate our business and implement our operating policies and investment strategy will depend on many factors, including:

- the availability of, and our ability to identify, attractive acquisition opportunities consistent with our investment strategy;
- our ability to contain renovation, maintenance, marketing and other operating costs for our properties;
- our ability to maintain high occupancy rates and target rent levels;
- costs that are beyond our control, including title litigation, litigation with tenants, legal compliance, real estate taxes and insurance; interest rate levels and volatility, such as the accessibility of short- and long-term financing on desirable terms; and

economic conditions in our target markets as well as the condition of the financial and real estate markets and the economy generally.

We face significant competition in the leasing market, which may decrease or prevent increases of the occupancy and rental rates of our properties.

We compete with numerous developers, owners and operators of real estate, many of whom own properties similar to ours in the same submarkets in which our properties are located. If our competitors offer space at rental rates below current market rates, or below the rental rates we currently charge our tenants, we may lose existing or potential tenants and we may be pressured to reduce our rental rates below those we currently charge or to offer more substantial rent abatements, tenant improvements, early termination rights or below-market renewal options in order to retain tenants when our tenants' leases expire. As a result, our financial condition, results of operations, cash flows and our ability to pay distributions on, and the value of, our stock could be adversely affected.

We may be required to make rent or other concessions and/or significant capital expenditures to improve our properties in order to retain and attract tenants, causing our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock to be adversely affected.

In order to attract and retain tenants, we may be required to make rent or other concessions to tenants, accommodate requests for renovations, build-to-suit remodeling and other improvements or provide additional services to our tenants. Additionally, when a tenant at one of our properties does not renew its lease or otherwise vacates its space, it is likely that, in order to attract one or more new tenants, we will be required to expend funds for improvements in the vacated space. As a result, we may have to make significant capital or other expenditures in order to retain tenants whose leases expire and to attract new tenants in sufficient numbers. Additionally, we may need to raise capital to make such expenditures. If we are unable to do so or if capital is otherwise unavailable, we may be unable to make the required expenditures. This could result in non-renewals by tenants upon expiration of their leases, which could have an adverse effect on our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

A substantial majority of the leases in our portfolio are with tenants who have non-investment grade credit ratings, which may result in our leasing to tenants that are more likely to default in their obligations to us than an entity with an investment grade credit rating.

A substantial majority of the leases in our portfolio are with tenants who have non-investment grade credit ratings. The ability of a non-investment grade tenant to meet its obligations to us cannot be considered as well assured as that of an investment grade tenant. All of our tenants may face exposure to adverse business or economic conditions which could lead to an inability to meet their obligations to us. However, non-investment grade tenants may not have the financial capacity or liquidity to adapt to these conditions or may have less diversified businesses, which may exacerbate the effects of adverse conditions on their businesses. Moreover, the fact that so many of our tenants are not investment grade may cause investors or lenders to view our cash flows as less stable, which may increase our cost of capital, limit our financing options or adversely affect the trading price of our stock.

The actual rents we receive for our portfolio may be less than our asking rents, and we may experience lease roll down from time to time.

As a result of various factors, including competitive pricing pressure in our submarkets, adverse conditions in our target markets, a general economic downturn and a decline in the desirability of our properties compared to other properties in our submarkets, we may be unable to realize the asking rents for properties in our portfolio. In addition, the degree of discrepancy between our asking rents and the actual rents we are able to obtain may vary both from property to property and among different leased spaces within a single property. If we are unable to obtain rental rates comparable to our asking rents for the properties in our portfolio, our ability to generate cash flow growth will be negatively impacted. In addition, depending on fluctuations in asking rental rates at any given time, from time-to-time rental rates for expiring leases in our portfolio may be higher than starting rental rates for new leases.

Our acquisition of properties or portfolios of properties through tax-deferred contribution transactions, which could result in stockholder dilution and limit our ability to sell such assets.

We have acquired, and in the future we may acquire properties or portfolios of properties through tax-deferred contribution transactions in exchange for OP units, which may result in stockholder dilution. This acquisition structure may have the effect of, among other things, reducing the amount of tax depreciation we are able to deduct over the tax life of the acquired properties, and requires that we agree to protect the contributors' ability to defer recognition of taxable gain through restrictions on our ability to dispose of the acquired properties and/or the allocation of partnership debt to the contributors to maintain their tax bases. These restrictions limit our ability to sell an asset at a time, or on terms, that would be favorable absent such restrictions.

Potential losses, including from adverse weather conditions and natural disasters, may not be covered by insurance.

We carry commercial property, liability and terrorism coverage on all the properties in our portfolio under a blanket insurance policy, in addition to other coverages that may be appropriate for certain of our properties. We will select policy specifications and insured limits that we believe to be appropriate and adequate given the relative risk of loss, the cost of the coverage and industry practice. Some of our policies will be insured subject to limitations involving large deductibles or co-payments and policy limits that may not be sufficient to cover losses, which could affect certain of our properties that are located in areas particularly susceptible to natural disasters. In addition, we may discontinue terrorism or other insurance on some or all of our properties in the future if the cost of premiums for any such policies exceeds, in our judgment, the value of the coverage discounted for the risk of loss. We do not carry insurance for certain types of extraordinary losses, such as loss from riots, war, earthquakes and wildfires because such coverage may not be available or is cost prohibitive or available at a disproportionately high cost. As a result, we may incur significant costs in the event of loss from riots, war, earthquakes, wildfires and other uninsured losses.

If we or one or more of our tenants experiences a loss that is uninsured or that exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged. Furthermore, we may not be able to obtain adequate insurance coverage at reasonable costs in the future as the costs associated with property and casualty renewals may be higher than anticipated.

We may not be able to rebuild our portfolio to its existing specifications if we experience a substantial or comprehensive loss of such properties.

In the event that we experience a substantial or comprehensive loss of one of our properties, we may not be able to rebuild such property to its existing specifications. Further, reconstruction or improvement of such a property would likely require significant upgrades to meet zoning and building code requirements. Environmental and legal restrictions could also restrict the rebuilding of our properties.

Existing conditions at some of our properties may expose us to liability related to environmental matters.

Independent environmental consultants conducted a Phase I or similar environmental site assessment of our properties at the time of their acquisition or in connection with subsequent financings. Such Phase I or similar environmental site assessments are limited in scope and may not include or identify all potential environmental liabilities or risks associated with the relevant properties. We have not obtained and do not intend to obtain new or updated Phase I or similar environmental site assessments, which may expose us to liability related to unknown or unanticipated environmental matters. Unless required by applicable laws or regulations, we may not further investigate, remedy or ameliorate the liabilities disclosed in the existing Phase I or similar environmental site assessments and this failure may expose us to liability in the future.

We may be unable to sell a property if or when we decide to do so.

We expect to hold the various properties in our portfolio until such time as we decide that a sale or other disposition is appropriate. Our ability to dispose of properties on advantageous terms depends on factors beyond our control, including competition from other sellers and the availability of attractive financing for potential buyers of our properties. We cannot predict the various market conditions affecting the industrial real estate market which will exist at any particular time in the future. Due to the uncertainty of market conditions which may affect the future disposition of our properties, we cannot assure you that we will be able to sell our properties at a profit in the future, which could adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the value of, our stock.

Furthermore, we may be required to expend funds to correct defects or to make improvements before a property can be sold. We cannot assure you that we will have funds available to correct such defects or to make such improvements.

Joint venture investments could be adversely affected by our lack of sole decision-making authority, our reliance on co-venturers' financial condition and disputes between us and our co-venturers.

We may co-invest in the future with third parties through partnerships, joint ventures or other entities, acquiring non-controlling interests in or sharing responsibility for managing the affairs of a property, partnership, joint venture or other entity. In such event, we would not be in a position to exercise sole decision-making authority regarding the property, partnership, joint venture or other entity. Investments in partnerships, joint ventures or other entities may, under certain circumstances, involve risks not present were a third party not involved, including the possibility that partners or co-venturers might become bankrupt or fail to fund their share of required capital contributions. Partners or co-venturers may have economic or other business interests or goals which are inconsistent with our business interests or goals and may be in a position to take actions contrary to our policies or objectives, and they may have competing interests in our markets that could create conflict of interest issues. Such investments may also have the potential risk of impasses on decisions, such as a sale, because neither we nor the partner or co-venturers would have full control over the partnership or joint venture. In addition, prior consent of our joint venture partners may be required for a sale or transfer to a third party of our interests in the joint venture, which would restrict our ability to dispose of our interest in the joint venture. If we become a limited partner or non-managing member in any partnership or limited liability company and such entity takes or expects to take actions that could jeopardize our company's status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. Disputes between us and partners or co-venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and/or directors from focusing their time and effort on our business. Consequently, actions by or disputes with partners or co-venturers might result in subjecting properties owned by the partnership or joint venture to additional risk. In addition, we may in certain circumstances be liable for the actions of our third-party partners or co-venturers. Our joint ventures may be subject to debt and, in the current volatile credit market, the refinancing of such debt may require equity capital calls.

If we fail to implement and maintain an effective system of integrated internal controls, we may not be able to accurately report our financial results.

We are required to implement substantial control systems and procedures in order to maintain our qualification as a REIT, satisfy our periodic and current reporting requirements under applicable SEC regulations and comply with the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, or Dodd Frank, and the NYSE or other relevant listing standards. As a result, we will incur significant legal, accounting and other expenses, and our management and other personnel will need to devote a substantial amount of time to comply with these rules and regulations and establish the corporate infrastructure and control systems and procedures demanded of a publicly traded REIT. These costs and time commitments could be substantially more than we currently expect.

Matters impacting our internal controls may cause us to be unable to report our financial information on a timely basis and thereby subject us to adverse regulatory consequences, including sanctions by the SEC or violations of applicable stock exchange listing rules, and result in a breach of the covenants under the agreements governing any of our financing arrangements. There could also be a negative reaction in the financial markets due to a loss of investor confidence in the Company and the reliability of our financial statements. Confidence in the reliability of our financial statements could also suffer if we or our independent registered public accounting firm were to report a material weakness in our internal controls over financial reporting. This could materially adversely affect us and lead to a decline in the market price of our stock.

Our growth depends on external sources of capital that are outside of our control and may not be available to us on commercially reasonable terms or at all.

In order to maintain our qualification as a REIT, we are required under the Code, among other things, to distribute annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain. In addition, we will be subject to income tax at regular corporate rates to the extent that we distribute less than 100% of our REIT taxable income, including any net capital gains. Because of these distribution requirements, we may not be able to fund future capital needs, including any necessary acquisition financing, from operating cash flow. Consequently, we intend to rely on third-party sources to fund our capital needs. We may not be able to obtain such financing on favorable terms or at all and any additional debt we incur will increase our leverage and likelihood of default. Our access to third-party sources of capital depends, in part, on:

- general market conditions;
- the market's perception of our growth potential;
- our current debt levels;
- our current and expected future earnings;
- our cash flow and cash distributions; and
- the market price per share of our common stock.

In recent years, the capital markets have been subject to significant disruptions. If we cannot obtain capital from third-party sources, we may not be able to acquire or develop properties when strategic opportunities exist, meet the capital and operating needs of our portfolio, satisfy our debt service obligations or make the cash distributions to our stockholders necessary to maintain our qualification as a REIT.

Risks Related to Our Indebtedness

We have significant indebtedness outstanding, which may expose us to the risk of default under our debt obligations.

Our total consolidated indebtedness as of December 31, 2020 consists of approximately \$522.0 million of indebtedness. We may incur significant additional debt to finance future acquisition and development activities.

Payments of principal and interest on borrowings may leave us with insufficient cash resources to operate our properties or to pay the dividends currently contemplated or necessary to maintain our REIT qualification. Our level of debt and the limitations imposed on us by our debt agreements could have significant adverse consequences, including the following:

- our cash flow may be insufficient to meet our required principal and interest payments;
- we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our ability to meet operational needs;
- we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness;
- we may be forced to dispose of one or more of our properties, possibly on unfavorable terms or in violation of certain covenants to which we may be subject;
- we may violate restrictive covenants in our loan documents, which would entitle the lenders to accelerate our debt obligations; and
- our default under any loan with cross default provisions could result in a default on other indebtedness.

If any one of these events were to occur, our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock could be materially adversely affected. Furthermore, foreclosures could create taxable income without accompanying cash proceeds, which could hinder our ability to meet the REIT distribution requirements imposed by the Internal Revenue Code of 1986, as amended, or the Code.

High mortgage rates and/or unavailability of mortgage debt may make it difficult for us to finance or refinance properties, which could reduce the number of properties we can acquire, our net income and the amount of cash distributions we can make.

If mortgage debt is unavailable to us in the future at reasonable rates, we may not be able to finance the purchase of additional properties or refinance our properties on favorable terms or at all. If interest rates are higher when we refinance our properties, our income could be reduced. If any of these events occur, our cash flow could be reduced. This, in turn, could reduce cash available for distribution to our stockholders and materially and adversely affect our ability to raise more capital by issuing additional equity securities or by borrowing more money.

Our existing loan agreements, and some of our future financing arrangements are expected to, involve balloon payment obligations, which may materially and adversely affect our financial condition and our ability to make distributions.

Our existing loan agreements require, and some of our future financing arrangements may, require us to make a lump-sum or “balloon” payment at maturity. Our ability to satisfy a balloon payment at maturity is uncertain and may depend upon our ability to obtain additional financing or our ability to sell property securing such financing. At the time the balloon payment is due, we may or may not be able to refinance the existing financing on terms as favorable as the original loan or sell the property at a price sufficient to satisfy the balloon payment. The effect of a refinancing or sale could affect the rate of return to stockholders and the projected time of disposition of our assets. In addition, payments of principal and interest made to service our debts may leave us with insufficient cash to pay the distributions that we are required to pay to maintain our qualification as a REIT.

Our existing loan agreements contain, and future indebtedness we incur may contain, various covenants, and the failure to comply with those covenants could materially and adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock.

Our existing loan agreements contain, and any future indebtedness we incur, including debt assumed pursuant to property acquisitions, may contain, certain covenants, which, among other things, restrict our activities, including, as applicable, our ability to sell the underlying property without the consent of the holder of such indebtedness, to repay or defease such indebtedness or to engage in mergers or consolidations that result in a change in control of our company. We may also be subject to financial and operating covenants. Failure to comply with any of these covenants would likely result in a default under the applicable indebtedness that would permit the acceleration of amounts due thereunder and under other indebtedness and foreclosure of properties, if any, serving as collateral therefor.

Certain loan agreements are secured by various properties within our portfolio, so a default under any of these loan documents could result in a loss of the secured properties.

Certain loan agreements are secured by a first lien mortgage on various properties within our portfolio. A default under certain of the loan agreements could result in the foreclosure on all, or a material portion, of the properties within our portfolio, which could leave us with insufficient cash to make debt service payments under our loan agreements and to make distributions to our stockholders.

Our existing loan agreements restrict our ability to engage in some business activities, which could put us at a competitive disadvantage and materially and adversely affect our results of operations and financial condition.

Our existing loan agreements contain customary negative covenants and other financial and operating covenants that, among other things:

- restrict our ability to incur additional indebtedness;
- restrict our ability to dispose of properties;
- restrict our ability to make certain investments;
- restrict our ability to enter into material agreements;
- limit our ability to make capital expenditures;
- require us to maintain a specified amount of capital as guarantor;

- restrict our ability to merge with another company;
- restrict our ability to make distributions to stockholders; and
- require us to maintain financial coverage and leverage ratios.

These limitations could restrict our ability to engage in some business activities, which could materially and adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock. In addition, debt agreements we enter into in the future may contain specific cross-default provisions with respect to specified other indebtedness, giving the lenders the right to declare a default if we are in default under other loans in some circumstances.

Future mortgage and other secured debt obligations expose us to the possibility of foreclosure, which could result in the loss of our investment in a property or group of properties subject to mortgage debt.

Incurring mortgage and other secured debt obligations increases our risk of property losses because defaults on indebtedness secured by properties may result in foreclosure actions initiated by lenders and ultimately our loss of the property securing any loans for which we are in default. Any foreclosure on a mortgaged property or group of properties could adversely affect the overall value of our portfolio. For tax purposes, a foreclosure on any of our properties that is subject to a nonrecourse mortgage loan would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds, which could hinder our ability to meet the REIT distribution requirements imposed by the Code.

Changes in the method of determining LIBOR, or the replacement of LIBOR with an alternative reference rate, may adversely affect interest expense related to outstanding debt.

We hold certain debt instruments on which interest rates move in direct relation to LIBOR, depending on our selection of borrowing options. Governance and oversight bodies have instituted rules and reforms directed at minimizing the risk of LIBOR manipulation, which may have occurred in the past and could have an adverse impact on the level of the index.

In July 2017, the Financial Conduct Authority (the authority that regulates LIBOR) announced it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. The Alternative Reference Rates Committee ("ARRC") has proposed that the Secured Overnight Financing Rate ("SOFR") is the rate that represents best practice as the alternative to U.S. dollar LIBOR ("USD LIBOR") for use in derivatives and other financial contracts that are currently indexed to USD LIBOR. ARRC has proposed a paced market transition plan to SOFR from USD LIBOR and organizations are currently working on industry wide and company specific transition plans as it relates to derivatives and cash markets exposed to USD LIBOR. Whether or not SOFR will attain market traction as a USD LIBOR replacement tool remains in question. As such, the future of LIBOR at this time is uncertain. If LIBOR ceases to exist, the interest rates on our debt which is indexed to LIBOR will be determined using a different successor rate, which may adversely affect interest expense and may result in interest obligations which are more than or do not otherwise correlate over time with the payments that would have been made on such debt if USD LIBOR were available in its current form. We are currently monitoring this activity and evaluating the related risks.

An increase in interest rates could adversely impact our financial condition, results of operations and cash flows.

Our financial condition, results of operations and cash flows could be significantly affected by changes in interest rates and actions taken by the Federal Reserve or changes in the London Interbank Offered Rate ("LIBOR") or its replacement. Future increases in market interest rates would increase our interest expense under our unhedged variable rate borrowings and would increase the costs of refinancing existing indebtedness or obtaining new debt. In addition, increases in market interest rates may result in a decrease in the value of our real estate and a decrease in the market price of our common stock. Increases in market interest rates may also adversely affect the securities markets generally, which could reduce the market price of our common stock without regard to our operating performance. Accordingly, unfavorable changes to our borrowing costs and stock price could significantly impact our ability to access new debt and equity capital going forward.

Risks Related to the Real Estate Industry and the Broader Economy

Our performance and value are subject to risks associated with real estate assets and the real estate industry.

Our ability to pay expected dividends to our stockholders depends on our ability to generate revenues in excess of expenses, scheduled principal payments on debt and capital expenditure requirements. Events and conditions generally applicable to owners and operators of real property that are beyond our control may decrease cash available for distribution and the value of our properties. These events include many of the risks set forth above under "—Risks Related to Our Business and Operations," as well as the following:

- local oversupply or reduction in demand for industrial space;
- adverse changes in financial conditions of buyers, sellers and tenants of properties;
- vacancies or our inability to rent space on favorable terms, including possible market pressures to offer tenants rent abatements, tenant improvements, early termination rights or below-market renewal options, and the need to periodically repair, renovate and re-lease space;
- increased operating costs, including insurance premiums, utilities, real estate taxes and state and local taxes;
- civil unrest, acts of war, terrorist attacks and natural disasters, including earthquakes, floods and wildfires, which may result in uninsured or underinsured losses;
- decreases in the underlying value of our real estate;
- changing submarket demographics; and
- changing traffic patterns.

In addition, periods of economic downturn or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases, which would adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

The ongoing COVID-19 pandemic or any unforeseen factor that emerges out of that pandemic or otherwise could materially adversely affect our results of operations and financial results.

The COVID-19 pandemic has severely impacted global economic activity, caused significant volatility in and negative pressure on the financial markets and has had adverse effects on almost every industry, directly or indirectly. As a result of the ongoing COVID-19 pandemic, public health officials continue to recommend and mandate precautions to mitigate the spread of the virus, including prohibitions on congregating in heavily populated areas and shelter-in-place order or similar measures. A number of our tenants have been impacted by such measures as they either temporarily closed down their operations or are scaling back activity in order to comply, causing a strain on their ability to generate revenue. As such, our future operations may be adversely impacted by our tenants' inability to generate revenue and pay their rent due as a result of the shut-downs and other actions taken to contain or treat the impact of COVID-19. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted.

The COVID-19 pandemic or any future pandemic, epidemic or outbreak of infectious disease could have material and adverse effects on our business, financial condition, operating results and cash flows due to, among other factors, the following:

- governmental authorities requiring the closure of offices or other businesses or instituting quarantines of personnel as a result of, or in order to avoid, exposure to a contagious disease;
- disruption in supply and delivery chains;
- a general decline in business activity and demand for real estate;
- the repurposing or redevelopment of properties made obsolete by the pandemic;
- reduced economic activity, general economic decline or recession, which may impact our tenants' businesses, financial condition and liquidity and may cause one or more of our tenants to be unable to make rent payments to us timely, or at all, or to otherwise seek modifications of their lease obligations;
- difficulty accessing debt and equity capital on attractive terms, or at all, and a significant disruption and instability in global financial markets or deteriorations in credit and financing conditions, which may affect our access to capital to fund business operations or address maturing liabilities on a timely basis; and
- the potential negative impact on the health of our personnel, particularly if a significant number of our employees are impacted, which may result in a deterioration of our ability to maintain business continuity during a disruption.

While the COVID-19 pandemic did not have a significant negative impact on our operations for the year ended December 31, 2020, a number of tenants requested rental deferral or rent abatement as a result of the pandemic. In response to such requests, during the year ended we entered into a limited number of rent deferrals, representing approximately 1.3% of our annualized base rent for the fiscal year.

Additional unforeseen factors may emerge from time-to-time, and we cannot predict which factors will arise or their ultimate impact on our operations or the extent to which any such factor, or combination of factors, may cause actual results to differ materially from anticipated results. Any further downward changes in the economy, whether local, national or global, resulting from COVID-19 or some other unforeseen event, could materially adversely affect the value of our properties and our financial condition and results of operations.

Illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial condition.

The real estate investments made, and to be made, by us are relatively difficult to sell quickly. As a result, our ability to promptly sell one or more properties in our portfolio in response to changing economic, financial and investment conditions is limited. Return of capital and realization of gains, if any, from an investment generally will occur upon disposition or refinancing of the underlying property. We may be unable to realize our investment objectives by sale, other disposition or refinancing at attractive prices within any given period of time or may otherwise be unable to complete any exit strategy. Our ability to dispose of one or more properties within a specific time period is subject to the possible weakness in or even the lack of an established market for a property, changes in the financial condition or prospects of prospective purchasers, changes in national or international economic conditions, and changes in laws, regulations or fiscal policies of jurisdictions in which the property is located.

In addition, the Code imposes restrictions on a REIT's ability to dispose of properties that are not applicable to other types of real estate companies. In particular, the tax laws applicable to REITs effectively require that we hold our properties for investment, rather than primarily for sale in the ordinary course of business, which may cause us to forego or defer sales of properties that otherwise would be in our best interest. Therefore, we may not be able to vary our portfolio in response to economic or other conditions promptly or on favorable terms, which may adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

Any real estate development and redevelopment activities are subject to risks particular to development and redevelopment.

We may engage in development and redevelopment activities with respect to certain properties. To the extent that we do so, we will be subject to the following risks associated with such development and redevelopment activities:

- unsuccessful development or redevelopment opportunities could result in direct expenses to us;
- construction or redevelopment costs of a project may exceed original estimates, possibly making the project less profitable than originally estimated, or unprofitable;
- time required to complete the construction or redevelopment of a project or to lease up the completed project may be greater than originally anticipated, thereby adversely affecting our cash flow and liquidity;
- contractor and subcontractor disputes, strikes, labor disputes or supply disruptions;
- failure to achieve expected occupancy and/or rent levels within the projected time frame, if at all;
- delays with respect to obtaining or the inability to obtain necessary zoning, occupancy, land use and other governmental permits, and changes in zoning and land use laws;
- occupancy rates and rents of a completed project may not be sufficient to make the project profitable;
- our ability to dispose of properties developed or redeveloped with the intent to sell could be impacted by the ability of prospective buyers to obtain financing given the current state of the credit markets; and
- the availability and pricing of financing to fund our development activities on favorable terms or at all.

These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development or redevelopment activities once undertaken, any of which could have an adverse effect on our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

Declining real estate valuations and impairment charges could materially adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock.

We intend to review the carrying value of our properties when circumstances, such as adverse market conditions, indicate a potential impairment may exist. We intend to base our review on an estimate of the future cash flows (excluding interest charges) expected to result from the property's use and eventual disposition on an undiscounted basis. We intend to consider factors such as future operating income, trends and prospects, as well as the effects of leasing demand, competition and other factors. If our evaluation indicates that we may be unable to recover the carrying value of a real estate investment, an impairment loss will be recorded to the extent that the carrying value exceeds the estimated fair value of the property.

Impairment losses have a direct impact on our operating results because recording an impairment loss results in an immediate negative adjustment to our operating results. The evaluation of anticipated cash flows is highly subjective and is based in part on assumptions regarding future occupancy, rental rates and capital requirements that could differ materially from actual results in future periods. A worsening real estate market may cause us to reevaluate the assumptions used in our impairment analysis. Impairment charges could materially adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock.

Adverse economic conditions and the dislocation in the credit markets could materially adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock.

Ongoing challenging economic conditions have negatively impacted the lending and capital markets, particularly for real estate. The capital markets have experienced significant adverse conditions in recent years, including a substantial reduction in the availability of, and access to, capital. The risk premium demanded by lenders has increased markedly, as they are demanding greater compensation for risk, and underwriting standards have been tightened. In addition, failures and consolidations of certain financial institutions have decreased the number of potential lenders, resulting in reduced lending sources available to the market. These conditions may limit the amount of indebtedness we are able to obtain and our ability to refinance our indebtedness and may impede our ability to develop new properties and to replace construction financing with permanent financing, which could result in our having to sell properties at inopportune times and on unfavorable terms. If these conditions continue, our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock could be materially adversely affected.

The lack of availability of debt financing may require us to rely more heavily on additional equity issuances, which may be dilutive to our current stockholders, or on less efficient forms of debt financing. Additionally, the limited amount of financing currently available may reduce the value of our properties and limit our ability to borrow against such properties, which could materially adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock.

Acquired properties may be located in new markets where we may face risks associated with investing in an unfamiliar market.

We have acquired, and may continue to acquire, properties in markets that are new to us. When we acquire properties located in new markets, we may face risks associated with a lack of market knowledge or understanding of the local economy, forging new business relationships in the area and unfamiliarity with local government and permitting procedures.

We may choose not to distribute the proceeds of any sales of real estate to our stockholders, which may reduce the amount of our cash distributions to stockholders.

We may choose not to distribute any proceeds from the sale of real estate investments to our stockholders. Instead, we may elect to use such proceeds to:

- acquire additional real estate investments;
- repay debt;
- buy out interests of any partners in any joint venture in which we are a party;

- create working capital reserves; or
- make repairs, maintenance, tenant improvements or other capital improvements or expenditures on our other properties.

Any decision to retain or invest the proceeds of any sales, rather than distribute such proceeds to our stockholders may reduce the amount of cash distributions you receive on your stock.

Uninsured losses relating to real property may adversely affect your returns.

We attempt to ensure that all of our properties are adequately insured to cover casualty losses. However, there are certain losses, including losses from floods, earthquakes, wildfires, acts of war, acts of terrorism or riots, that are not generally insured against or that are not generally fully insured against because it is not deemed economically feasible or prudent to do so. In addition, changes in the cost or availability of insurance could expose us to uninsured casualty losses. In the event that any of our properties incurs a casualty loss that is not fully covered by insurance, the value of our assets will be reduced by the amount of any such uninsured loss, and we could experience a significant loss of capital invested and potential revenue in these properties and could potentially remain obligated under any recourse debt associated with the property. Moreover, we, as the general partner of our operating partnership, generally will be liable for all of our operating partnership's unsatisfied recourse obligations, including any obligations incurred by our operating partnership as the general partner of joint ventures. Any such losses could adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock. In addition, we may have no source of funding to repair or reconstruct the damaged property, and we cannot assure you that any such sources of funding will be available to us for such purposes in the future. We evaluate our insurance coverage annually in light of current industry practice through an analysis prepared by outside consultants.

Our property taxes could increase due to property tax rate changes or reassessment, which could adversely impact our cash flows.

Even if we maintain our qualification as a REIT for federal income tax purposes, we will be required to pay some state and local taxes on our properties. The real property taxes on our properties may increase as property tax rates change or as our properties are assessed or reassessed by taxing authorities. The amount of property taxes we pay in the future may increase substantially from what we have paid in the past. If the property taxes we pay increase, our cash flow would be adversely impacted to the extent that we are not reimbursed by tenants for those taxes, and our ability to pay any expected dividends to our stockholders could be adversely affected.

We could incur significant costs related to government regulation and litigation over environmental matters.

Under various federal, state and local laws and regulations relating to the environment, as a current or former owner or operator of real property, we may be liable for costs and damages resulting from the presence or discharge of hazardous or toxic substances, waste or petroleum products at, on, in, under or migrating to or from such property, including costs to investigate, clean up such contamination and liability for harm to natural resources. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such contamination, and the liability may be joint and several. These liabilities could be substantial and the cost of any required remediation, removal, fines or other costs could exceed the value of the property and/or our aggregate assets. In addition, the presence of contamination or the failure to remediate contamination at our properties may expose us to third-party liability for costs of remediation and/or personal, property, or natural resources damage or materially adversely affect our ability to sell, lease or develop our properties or to borrow using the properties as collateral. In addition, environmental laws may create liens on contaminated sites in favor of the government for damages and costs it incurs to address such contamination. Moreover, if contamination is discovered on our properties, environmental laws may impose restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures.

Some of the properties in our portfolio have been or may be impacted by contamination arising from current or prior uses of the property, or adjacent properties, for commercial or industrial purposes. Such contamination may arise from spills of petroleum or hazardous substances or releases from tanks used to store such materials.

From time to time, we may acquire properties with known adverse environmental conditions where we believe that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield a superior risk-adjusted return. We usually perform a Phase I environmental site assessment at any property we are considering acquiring. In connection with certain financing transactions our lenders have commissioned independent environmental consultants to conduct Phase I environmental site assessments on the properties in our portfolio. However, we have not always received copies of the Phase I environmental site assessment reports commissioned by our lenders and, as such, may not be aware of all potential or existing environmental contamination liabilities at the properties in our portfolio. In addition, Phase I environmental site assessments are limited in scope and do not involve sampling of soil, soil vapor, or groundwater, and these assessments may not

include or identify all potential environmental liabilities or risks associated with the property. Even where subsurface investigation is performed, it can be very difficult to ascertain the full extent of environmental contamination or the costs that are likely to flow from such contamination. We cannot assure you that the Phase I environmental site assessment or other environmental studies identified all potential environmental liabilities, or that we will not face significant remediation costs or other environmental contamination that makes it difficult to sell any affected properties. Also, we have not always implemented actions recommended by these assessments, and recommended investigation and remediation of known or suspected contamination has not always been performed. As a result, we could potentially incur material liability for these issues, which could adversely impact our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock.

Environmental laws also govern the presence, maintenance and removal of asbestos-containing building materials, or ACBM, and may impose fines and penalties for failure to comply with these requirements. Such laws require that owners or operators of buildings containing ACBM (and employers in such buildings) properly manage and maintain the asbestos, adequately notify or train those who may come into contact with asbestos, and undertake special precautions, including removal or other abatement, if asbestos would be disturbed during renovation or demolition of a building. In addition, the presence of ACBM in our properties may expose us to third-party liability (e.g., liability for personal injury associated with exposure to asbestos).

In addition, the properties in our portfolio also are subject to various federal, state and local environmental and health and safety requirements, such as state and local fire requirements. Moreover, some of our tenants routinely handle and use hazardous or regulated substances and wastes as part of their operations at our properties, which are subject to regulation. Such environmental and health and safety laws and regulations could subject us or our tenants to liability resulting from these activities. Environmental liabilities could affect a tenant's ability to make rental payments to us. In addition, changes in laws could increase the potential liability for noncompliance. This may result in significant unanticipated expenditures or may otherwise materially and adversely affect our operations, or those of our tenants, which could in turn have a material adverse effect on us.

We cannot assure you that costs or liabilities incurred as a result of environmental issues will not affect our ability to make distributions to you or that such costs or other remedial measures will not have an adverse effect on our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock. If we do incur material environmental liabilities in the future, we may face significant remediation costs, and we may find it difficult to sell any affected properties.

Our properties may contain or develop harmful mold or suffer from other air quality issues, which could lead to liability for adverse health effects and costs of remediation.

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants or others if property damage or personal injury is alleged to have occurred.

We may incur significant costs complying with various federal, state and local laws, regulations and covenants that are applicable to our properties.

The properties in our portfolio are subject to various covenants and federal, state and local laws and regulatory requirements, including permitting and licensing requirements. Local regulations, including municipal or local ordinances and zoning restrictions may restrict our use of our properties and may require us to obtain approval from local officials or restrict our use of our properties and may require us to obtain approval from local officials of community standards organizations at any time with respect to our properties, including prior to acquiring a property or when undertaking renovations of any of our portfolio. Among other things, these restrictions may relate to fire and safety, seismic or hazardous material abatement requirements. There can be no assurance that existing laws and regulatory policies will not adversely affect us or the timing or cost of any future acquisitions or renovations, or that additional regulations will not be adopted that increase such delays or result in additional costs. Our growth strategy may be adversely affected by our ability to obtain permits, licenses and zoning relief. Our failure to obtain such permits, licenses and zoning relief or to comply with applicable laws could have an adverse effect on our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

In addition, federal and state laws and regulations, including laws such as the Americans with Disabilities Act, or ADA, and the Fair Housing Amendment Act of 1988, or FHAA, impose further restrictions on our properties and operations. Under the ADA and the FHAA, all public accommodations must meet federal requirements related to access and use by disabled persons. Some of our properties may currently be in non-compliance with the ADA or the FHAA. If one or more of the properties in our portfolio is not in compliance with the ADA, the FHAA or any other regulatory requirements, we may be required to incur additional costs to bring the property into compliance, including the removal of access barriers, and we might incur governmental fines or the award of damages to private litigants. In addition, we do not know whether existing requirements will change or whether future requirements will require us to make significant unanticipated expenditures that will adversely impact our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

Risks Related to Our Organizational Structure

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.

Our continued success and our ability to manage anticipated future growth depend, in large part, upon the efforts of key personnel, particularly Mr. Jeffrey E. Witherell, our Chief Executive Officer, and Mr. Pendleton P. White, Jr., our President and Chief Investment Officer, who have extensive market knowledge and relationships and exercise substantial influence over our operational, financing, acquisition and disposition activity.

Our ability to retain our senior management, particularly Messrs. Witherell and White, or to attract suitable replacements should any member of our senior management leave, is dependent on the competitive nature of the employment market. We have not obtained and do not expect to obtain key man life insurance on any of our key personnel. The loss of services of one or more members of our senior management team, or our inability to attract and retain highly qualified personnel, could adversely affect our business, diminish our investment opportunities and weaken our relationships with lenders, business partners, existing and prospective tenants and industry participants. Further, the loss of a member of our senior management team could be negatively perceived in the capital markets. Any of these developments could adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the value of, our stock.

Conflicts of interest may exist or could arise in the future between the interests of our stockholders and the interests of holders of OP units, which may impede business decisions that could benefit our stockholders.

Conflicts of interest may exist or could arise in the future as a result of the relationships between us and our affiliates, on the one hand, and our operating partnership or any partner thereof, on the other. Our directors and officers have duties to our company under Maryland law in connection with their management of our company. At the same time, we, as the general partner of our operating partnership, have fiduciary duties and obligations to our operating partnership and its limited partners under Delaware law and the partnership agreement of our operating partnership in connection with the management of our operating partnership. Our fiduciary duties and obligations as the general partner of our operating partnership may come into conflict with the duties of our directors and officers to our company.

Under Delaware law, a general partner of a Delaware limited partnership has fiduciary duties of loyalty and care to the partnership and its partners and must discharge its duties and exercise its rights as general partner under the partnership agreement or Delaware law consistent with the obligation of good faith and fair dealing. The partnership agreement provides that, in the event of a conflict between the interests of our operating partnership or any partner, on the one hand, and the separate interests of our company or our stockholders, on the other hand, we, in our capacity as the general partner of our operating partnership, may give priority to the separate interests of our company or our stockholders (including with respect to tax consequences to limited partners, assignees or our stockholders), and, in the event of such a conflict, any action or failure to act on our part or on the part of our directors that gives priority to the separate interests of our company or our stockholders that does not result in a violation of the contract rights of the limited partners of our operating partnership under its partnership agreement does not violate the duty of loyalty or any other duty that we, in our capacity as the general partner of our operating partnership, owe to our operating partnership and its partners or violate the obligation of good faith and fair dealing.

Additionally, the partnership agreement provides that we generally will not be liable to our operating partnership or any partner for any action or omission taken in our capacity as general partner, for the debts or liabilities of our operating partnership or for the obligations of the operating partnership under the partnership agreement, except for liability for our fraud, willful misconduct or gross negligence, pursuant to any express indemnity we may give to our operating partnership or in connection with a redemption of our OP units. Our operating partnership must indemnify us, our directors and officers, officers of our operating partnership and our designees from and against any and all claims that relate to the operations of our operating partnership, unless (1) an act or omission of the person was material to the matter giving rise to the action and either was

committed in bad faith or was the result of active and deliberate dishonesty, (2) the person actually received an improper personal benefit in violation or breach of the partnership agreement or (3) in the case of a criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful. Our operating partnership must also pay or reimburse the reasonable expenses of any such person in advance of a final disposition of the proceeding upon its receipt of a written affirmation of the person's good faith belief that the standard of conduct necessary for indemnification has been met and a written undertaking to repay any amounts paid or advanced if it is ultimately determined that the person did not meet the standard of conduct for indemnification. Our operating partnership is not required to indemnify or advance funds to any person with respect to any action initiated by the person seeking indemnification without our approval (except for any proceeding brought to enforce such person's right to indemnification under the partnership agreement) or if the person is found to be liable to our operating partnership on any portion of any claim in the action.

Our charter and bylaws, the partnership agreement of our operating partnership and Maryland law contain provisions that may delay, defer or prevent a change of control transaction.

Our charter contains certain ownership limits with respect to our stock.

Our charter authorizes our board of directors to take such actions as it determines are advisable, in its sole and absolute discretion, to preserve our qualification as a REIT. Our charter also prohibits the actual, beneficial or constructive ownership by any person of more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our capital stock, in each case excluding any shares that are not treated as outstanding for federal income tax purposes. Our board of directors, in its sole and absolute discretion, may exempt a person, prospectively or retroactively, from these ownership limits if certain conditions are satisfied. However, our bylaws provide that the board of directors must waive the ownership limit with respect to a particular person if it: (1) determines that such person's ownership will not cause any individual's beneficial ownership of shares of our stock to violate the ownership limit and that any exemption from the ownership limit will not jeopardize our status as a REIT; and (2) determines that such stockholder does not and will not own, actually or constructively, an interest in a tenant of ours (or a tenant of any entity whose operations are attributed in whole or in part to us) that would cause us to own, actually or constructively, more than a 9.8% interest (as set forth in Section 856(d)(2)(B) of the Code) in such tenant or that any such ownership would not cause us to fail to qualify as a REIT under the Code. The restrictions on ownership and transfer of our stock may:

- discourage a tender offer or other transactions or a change in management or of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests; or
- result in the transfer of shares acquired in excess of the restrictions to a trust for the benefit of a charitable beneficiary and, as a result, the forfeiture by the acquirer of the benefits of owning the additional shares.

We could increase the number of authorized shares of stock, classify and reclassify unissued stock and issue stock without stockholder approval.

Our board of directors, without stockholder approval, has the power under our charter to amend our charter to increase the aggregate number of shares of stock or the number of shares of stock of any class or series that we are authorized to issue, to authorize us to issue authorized but unissued shares of our common stock or preferred stock and to classify or reclassify any unissued shares of our common stock or preferred stock into one or more classes or series of stock and set the terms of such newly classified or reclassified shares. As a result, we may issue additional classes or series of preferred stock with preferences, powers and rights, voting or otherwise, that are senior to, or otherwise conflict with, the rights of holders of our common stock and could, depending on the terms of such series, delay or prevent a transaction or change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interest. The holders of our common stock bear the risk of our future offerings reducing the market price of our securities and diluting their proportionate ownership.

The rights of the holders of our common stock are limited by and subordinate to the rights of the holders of our Series A Preferred Stock and Series B Preferred Stock and these rights may have a negative effect on the value of shares of our common stock.

The holders of shares of our 7.50% Series A Cumulative Redeemable Preferred Stock, or the Series A Preferred Stock, and our Series B Convertible Redeemable Preferred Stock, or the Series B Preferred Stock, have rights and preferences generally senior to those of the holders of our common stock. The existence of these senior rights and preferences may have a negative impact on the value of shares of our common stock. These rights are more fully set forth in the articles supplementary governing our Series A Preferred Stock and Series B Preferred Stock and include but are not limited to: (i) the right to receive a liquidation preference, prior to any distribution of our assets to the holders of our common stock and (ii) the right to cause us to redeem the shares of Series A Preferred Stock and Series B Preferred Stock under certain circumstances. The holders of the shares of Series B Preferred Stock also have the right to convert those shares into shares of our common stock under certain circumstances. In addition, the Series A Preferred Stock and the Series B Preferred Stock rank senior to our common stock with respect to dividend payments, which may limit our ability to make distributions to holders of our common stock.

Certain provisions of Maryland law could inhibit changes in control, which may discourage third parties from conducting a tender offer or seeking other change of control transactions that could trigger rights to require us to redeem our shares of common stock.

Certain provisions of the MGCL may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under circumstances that otherwise could provide the holders of shares of our common stock with the opportunity to realize a premium over the then-prevailing market price of such shares, including:

- “business combination” provisions that, subject to certain exceptions, prohibit certain business combinations between us and an “interested stockholder” (defined generally as any person who beneficially owns 10% or more of the voting power of our shares or an affiliate thereof or an affiliate or associate of ours who was the beneficial owner, directly or indirectly, of 10% or more of the voting power of our then outstanding voting stock at any time within the two-year period; and
- “control share” provisions that provide that holders of “control shares” of our company (defined as shares that, when aggregated with other shares controlled by the stockholder, entitle the stockholder to exercise voting power in the election of directors within one of three increasing ranges) acquired in a “control share acquisition” (defined as the direct or indirect acquisition of ownership or control of the voting power of issued and outstanding “control shares,” subject to certain exceptions) have no voting rights with respect to their control shares, except to the extent approved by our stockholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding all interested shares.

As permitted by the MGCL, our bylaws provide that we will not be subject to the control share provisions of the MGCL, and our board of directors has, by resolution, exempted us from the business combination between us and any other person. In addition, the board resolution opting out of the business combination provisions of the MGCL provides that any alteration or repeal of the resolution shall be valid only if approved, at a meeting duly called, by the affirmative vote of a majority of votes cast by stockholders entitled to vote generally for directors, and our bylaws provide that any such alteration or repeal of the resolution, or any amendment, alteration or repeal of the provision in our bylaws exempting from the control share acquisition statute any and all acquisitions by any person of shares of our stock, will be valid only if approved, at a meeting duly called, by the affirmative vote of a majority of votes cast by stockholders entitled to vote generally for directors.

Certain provisions of the MGCL permit the board of directors of a Maryland corporation with at least three independent directors and a class of stock registered under the Exchange Act without stockholder approval and regardless of what is currently provided in its charter or bylaws, to implement certain corporate governance provisions, some of which (for example, a classified board) are not currently applicable to us. These provisions may have the effect of limiting or precluding a third party from making an unsolicited acquisition proposal for our company or of delaying, deferring or preventing a change in control under circumstances that otherwise could provide the holders of our stock with the opportunity to realize a premium over the current market price.

Certain provisions in the partnership agreement of our operating partnership may delay or prevent unsolicited acquisitions of us.

Provisions of the partnership agreement of our operating partnership may delay or make more difficult unsolicited acquisitions of us or changes of our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some stockholders or limited partners might consider such proposals, if made, desirable. These provisions include, among others:

- redemption rights of qualifying parties;
- a requirement that we may not be removed as the general partner of our operating partnership without our consent;
- transfer restrictions on OP units;
- our ability, as general partner, in some cases, to amend the partnership agreement and to cause our operating partnership to issue additional partnership interests with terms that could delay, defer or prevent a merger or other change of control of us or our operating partnership without the consent of our stockholders or the limited partners; and
- the right of the limited partners to consent to certain transfers of our general partnership interest (whether by sale, disposition, statutory merger or consolidation, liquidation or otherwise).

Our charter and bylaws, the partnership agreement of our operating partnership and Maryland law also contain other provisions that may delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interest.

Our board of directors may change our investment and financing policies without stockholder approval, and we may become more highly leveraged, which may increase our risk of default under our debt obligations.

Our investment and financing policies are exclusively determined by our board of directors. Accordingly, our stockholders, do not control these policies. Further, our charter and bylaws do not limit the amount or percentage of indebtedness, funded or otherwise, that we may incur. Our board of directors may alter or eliminate our current policy on borrowing at any time without stockholder approval. If this policy changed, we could become more highly leveraged which could result in an increase in our debt service. Higher leverage also increases the risk of default on our obligations. In addition, a change in our investment policies, including the manner in which we allocate our resources across our portfolio or the types of assets in which we seek to invest, may increase our exposure to interest rate risk, real estate market fluctuations and liquidity risk. Changes to our policies with regard to the foregoing could adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

Our rights and the rights of our stockholders to take action against our directors and officers are limited.

As permitted by Maryland law, our charter eliminates the liability of our directors and officers to us and our stockholders for money damages, except for liability resulting from:

- actual receipt of an improper benefit or profit in money, property or services; or
- active and deliberate dishonesty by the director or officer that was established by a final judgment and was material to the cause of action adjudicated.

In addition, our charter authorizes us to obligate our company, and our bylaws require us, to indemnify our directors and officers for actions taken by them in those and certain other capacities to the maximum extent permitted by Maryland law in effect from time to time. Generally, Maryland law permits a Maryland corporation to indemnify its present and former directors and officers except in instances where the person seeking indemnification acted in bad faith or with active and deliberate dishonesty, actually received an improper personal benefit in money, property or services or, in the case of a criminal proceeding, had reasonable cause to believe that his or her actions were unlawful. Under Maryland law, a Maryland corporation also may not indemnify a director or officer in a suit by or on behalf of the corporation in which the director or officer was adjudged liable to the corporation or for a judgment of liability on the basis that a personal benefit was improperly received. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct; however, indemnification for an adverse judgment in a suit by us or on our behalf, or for a judgment of liability on the basis that personal benefit was improperly received, is limited to expenses. As a result, we and our stockholders may have more limited rights against our directors and officers than might otherwise exist. Accordingly, in the event that actions taken in good faith by any of our directors or officers impede the performance of our company, your ability to recover damages from such director or officer will be limited.

We are a holding company with no direct operations and, as such, we will rely on funds received from our operating partnership to pay liabilities, and the interests of our stockholders will be structurally subordinated to all liabilities and obligations of our operating partnership and its subsidiaries.

We are a holding company and conduct substantially all of our operations through our operating partnership. We do not have, apart from an interest in our operating partnership, any independent operations. As a result, we will rely on distributions from our operating partnership to pay any distributions we might declare on our stock. We will also rely on distributions from our operating partnership to meet any of our obligations, including any tax liability on taxable income allocated to us from our operating partnership. In addition, because we are a holding company, your claims as stockholders will be structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of our operating partnership and its subsidiaries. Therefore, in the event of our bankruptcy, liquidation or reorganization, our assets and those of our operating partnership and its subsidiaries will be available to satisfy the claims of our stockholders only after all of our and our operating partnership's and its subsidiaries' liabilities and obligations have been paid in full.

Our operating partnership may issue additional OP units to third parties without the consent of our stockholders, which would reduce our ownership percentage in our operating partnership and would have a dilutive effect on the amount of distributions made to us by our operating partnership and, therefore, the amount of distributions we can make to our stockholders.

As of December 31, 2020, we have 606,632 OP units outstanding in connection with the acquisition of certain properties in our portfolio and may in the future, in connection with our acquisition of properties or otherwise, cause our operating partnership to issue additional OP units to third parties. Such issuances would reduce our ownership percentage in our operating partnership and affect the amount of distributions made to us by our operating partnership and, therefore, the amount of distributions we can make to our stockholders. Because you will not directly own OP units, you will not have any voting rights with respect to any such issuances or other partnership level activities of our operating partnership.

Risks Related to Our Status as a REIT

Failure to maintain our qualification as a REIT would have significant adverse consequences to us and the per share trading price of our stock.

We have elected to be taxed as a REIT for federal income tax purposes commencing with our taxable year ended December 31, 2012 and have operated in a manner that we believe will allow us to maintain our qualification as a REIT. We cannot assure you that we will remain qualified as a REIT in the future. If we lose our REIT qualification, we will face serious tax consequences that would substantially reduce the funds available for distribution to you for each of the years involved because:

- we would not be allowed a deduction for distributions to stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates;
- we also could be subject to the federal alternative minimum tax (for taxable years prior to 2018) and possibly increased state and local taxes; and

Any such corporate tax liability could be substantial and would reduce our cash available for, among other things, our operations and distributions to stockholders. In addition, if we fail to maintain our qualification as a REIT, we will not be required to make distributions to our stockholders. As a result of all these factors, our failure to maintain our qualification as a REIT also could impair our ability to expand our business and raise capital and could materially and adversely affect the per share trading price of our stock.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which there are only limited judicial and administrative interpretations. The complexity of these provisions and of the applicable Treasury regulations that have been promulgated under the Code, or the Treasury regulations, is greater in the case of a REIT that, like us, holds its assets through a partnership. The determination of various factual matters and circumstances not entirely within our control may affect our ability to qualify as a REIT. In order to maintain our qualification as a REIT, we must satisfy a number of requirements, including requirements regarding the ownership of our stock, requirements regarding the composition of our assets and a requirement that at least 95% of our gross income in any year must be derived from qualifying sources, such as "rents from real property." Also, we must make distributions to stockholders aggregating annually at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding net capital gains and losses. In addition, legislation, new regulations, administrative interpretations or court decisions may materially adversely affect our investors, our ability to maintain our qualification as a REIT for federal income tax purposes or the desirability of an investment in a REIT relative to other investments. Even if we maintain our qualification as a REIT for federal income tax purposes, we may be subject to some federal, state and local income, property and excise taxes on our income or property and, in certain cases, a 100% penalty tax, in the event we sell property as a dealer. In addition, any taxable REIT subsidiaries that we own will be subject to tax as regular C corporations in the jurisdictions in which they operate.

If our operating partnership failed to qualify as a partnership or a disregarded entity for federal income tax purposes, we would cease to qualify as a REIT and suffer other adverse consequences.

We believe that our operating partnership will be treated as a partnership or a disregarded entity for federal income tax purposes. During periods in which our operating partnership is treated as a disregarded entity, our operating partnership will not be subject to federal income tax on its income. Rather, its income will be attributed to us as the sole owner for federal income tax purposes of the operating partnership. During periods in which our operating partnership has limited partners other than Plymouth OP Limited, LLC, the operating partnership will be treated as a partnership for federal income tax purposes. As a partnership, our operating partnership would not be subject to federal income tax on its income. Instead, each of its partners would be allocated, and may be required to pay tax with respect to, its share of our operating partnership's income. We cannot assure you, however, that the Internal Revenue Service, or the IRS, will not challenge the status of our operating partnership or any other subsidiary partnership in which we own an interest as a partnership for federal income tax purposes, or that a court would not sustain such a challenge. If the IRS were successful in treating our operating partnership or any such other subsidiary partnership as an entity taxable as a corporation for federal income tax purposes, we would fail to meet the gross income tests and certain of the asset tests applicable to REITs and, accordingly, we would likely cease to maintain our qualification as a REIT. Also, if our operating partnership or any subsidiary partnerships were treated as entities taxable as corporations, such entities could become subject to federal and state corporate income tax, which would reduce significantly the amount of cash available for debt service and for distribution to its partners, including us.

Our taxable REIT subsidiaries will be subject to federal income tax, and we will be required to pay a 100% penalty tax on certain income or deductions if our transactions with our taxable REIT subsidiaries are not conducted on arm's length terms.

We own interests in one taxable REIT subsidiary and may acquire interests in more taxable REIT subsidiaries in the future. A taxable REIT subsidiary is a corporation other than a REIT in which a REIT directly or indirectly holds stock, and that has made a joint election with such REIT to be treated as a taxable REIT subsidiary. If a taxable REIT subsidiary owns more than 35% of the total voting power or value of the outstanding securities of another corporation, such other corporation will also be treated as a taxable REIT subsidiary. Other than some activities relating to lodging and health care facilities, a taxable REIT subsidiary may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT. A taxable REIT subsidiary is subject to federal income tax as a regular C corporation. In addition, a 100% excise tax will be imposed on certain transactions between a taxable REIT subsidiary and its parent REIT that are not conducted on an arm's length basis.

To maintain our REIT qualification, we may be forced to borrow funds during unfavorable market conditions.

To maintain our qualification as a REIT, we generally must distribute to our stockholders at least 90% of our REIT taxable income each year, determined without regard to the dividends paid deduction and excluding net capital gains, and we will be subject to regular corporate income taxes to the extent that we distribute less than 100% of our REIT taxable income each year. In addition, we will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions paid by us in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from prior years. Accordingly, we may not be able to retain sufficient cash flow from operations to meet our debt service requirements and repay our debt. Therefore, we may need to raise additional capital for these purposes, and we cannot assure you that a sufficient amount of capital will be available to us on favorable terms, or at all, when needed, which would materially adversely affect our financial condition, results of operations, cash flows and ability to pay distributions on, and the per share trading price of, our stock. Further, in order to maintain our REIT qualification and avoid the payment of income and excise taxes, we may need to borrow funds to meet the REIT distribution requirements even if the then prevailing market conditions are not favorable for these borrowings. These borrowing needs could result from, among other things, differences in timing between the actual receipt of cash and inclusion of income for federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of reserves or required debt or amortization payments. These sources, however, may not be available on favorable terms or at all. Our access to third-party sources of capital depends on a number of factors, including the market's perception of our growth potential, our current debt levels, the per share trading price of our stock, and our current and potential future earnings. We cannot assure you that we will have access to such capital on favorable terms at the desired times, or at all, which may cause us to curtail our investment activities and/or to dispose of assets at inopportune times, and could adversely affect our financial condition, results of operations, cash flows and our ability to pay distributions on, and the per share trading price of, our stock.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum tax rate applicable to "qualified dividend income" payable to U.S. stockholders that are individuals, trusts and estates is 20%. Dividends payable by REITs, however, generally are not eligible for such reduced tax rates. Instead, our ordinary dividends generally are taxed at the higher tax rates applicable to ordinary income, the current maximum rate of which is 37%. Although these rules do not adversely affect the taxation of REITs or dividends payable by REITs, investors who are individuals, trusts and estates may perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the shares of REITs, including the per share trading price of our stock. However, for taxable years prior to 2026, individual stockholders are generally allowed to deduct 20% of the aggregate amount of ordinary dividends distributed by us, subject to certain limitations, which would reduce the maximum marginal effective federal income tax rate for individuals on the receipt of such ordinary dividends to 29.6%.

The tax imposed on REITs engaging in "prohibited transactions" may limit our ability to engage in transactions which would be treated as sales for federal income tax purposes.

A REIT's net income from prohibited transactions is subject to a 100% penalty tax. In general, prohibited transactions are sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business. Although we do not intend to hold any properties that would be characterized as held for sale to customers in the ordinary course of our business, unless a sale or disposition qualifies under certain statutory safe harbors, such characterization is a factual determination, and no guarantee can be given that the IRS would agree with our characterization of our properties or that we will always be able to make use of the available safe harbors.

Complying with REIT requirements may affect our profitability and may force us to liquidate or forgo otherwise attractive investments.

To maintain our qualification as a REIT, we must continually satisfy tests concerning, among other things, the nature and diversification of our assets, the sources of our income and the amounts we distribute to our stockholders. We may be required to liquidate or forgo otherwise attractive investments in order to satisfy the asset and income tests or to qualify under certain statutory relief provisions. We also may be required to make distributions to stockholders at disadvantageous times or when we do not have funds readily available for distribution. As a result, having to comply with the distribution requirement could cause us to: (1) sell assets in adverse market conditions; (2) borrow on unfavorable terms; or (3) distribute amounts that would otherwise be invested in future acquisitions, capital expenditures or repayment of debt. Accordingly, satisfying the REIT requirements could have an adverse effect on our business results, profitability and ability to execute our business plan. Moreover, if we are compelled to liquidate our investments to meet any of these asset, income or distribution tests, or to repay obligations to our lenders, we may be unable to comply with one or more of the requirements applicable to REITs or may be subject to a 100% tax on any resulting gain if such sales constitute prohibited transactions.

Legislative, regulatory, or administrative changes could adversely affect us or our security holders.

The tax laws or regulations governing REITs or the administrative interpretations thereof may be amended at any time. We cannot predict if or when any new or amended law, regulation, or administrative interpretation will be adopted, promulgated, or become effective, and any such change may apply retroactively. New or amended laws, regulations, or administrative interpretations, could significantly and negatively affect our ability to qualify as a REIT or the federal income consequences of such qualification or may reduce the relative attractiveness of an investment in a REIT compared to other corporations not qualified as a REIT.

The Tax Cuts and Jobs Act made significant changes to the U.S. federal tax rules related to the taxation of individuals and corporations, including REITs and their stockholders. Additional technical corrections, amendments or administrative guidance with respect to the Tax Cut and Jobs Act may be issued at any time, and we cannot predict the long-term impact of any future changes on REITs and their stockholders.

Other General Risks

We face risks associated with security breaches through cyber-attacks, cyber intrusions or otherwise, as well as other significant disruptions of our information technology systems.

Our IT related systems are essential to the operation of our business and our ability to perform day-to-day operations. We face risks associated with security breaches, whether through cyber-attacks, computer viruses, attachments to e-mails, phishing schemes, persons inside our organization or persons with access to systems inside of our organization, and other significant disruptions of our IT related systems. The risk of a cybersecurity breach or disruption, particularly through a cyber-incident, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased.

Although we employ a number of measures to prevent, detect and mitigate these threats, which include password protection, frequent password change events, firewall detection systems, frequent backups, and a redundant data system for core applications, even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches continuously evolve and generally are not recognized until launched against a target, and in some cases are designed to not be detected and, in fact, may not be detected.

Moreover, we also depend on third parties to provide key information technology services such as payroll administration, financial information, lease and portfolio administration and electronic communications. The security measures employed by such third-party providers may prove to be ineffective at preventing breaches of their systems. A security breach or other significant disruption involving our IT related systems could disrupt the proper functioning of our systems; compromise the confidential information of our employees, tenants and vendors; result in misstated financial reports, violations of loan covenants and/or missed reporting deadlines; result in our inability to monitor our compliance with the rules and regulations regarding our qualification as a REIT; result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of proprietary, confidential, sensitive or otherwise valuable information of ours or others, which others could use to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes; require significant management attention and resources to remedy any damages that result; subject us to claims for breach of contract or failure to safeguard personal information, damages, credits, penalties or termination of leases or other agreements; or damage our reputation among our tenants and investors generally.

Item 1B. Unresolved Staff Comments

None.

ITEM 2. PROPERTIES

The following table provides certain information with respect to the Company Portfolio, as of December 31, 2020.

Market	Property (1)	City	State	Property Type	Year Built/ Renovated (2)	Square Footage	Occupancy	Annualized Rent (3)	Percent of Annualized Rent (4)	Annualized Rent/ Square Footage (5)
Atlanta	11236 Harland Drive	Covington	GA	Warehouse/Distribution	1988	32,361	100%	\$ 127,826	0.1%	\$ 3.95
	1665 Dogwood Drive	Conyers	GA	Warehouse/Distribution	1973	198,000	100%	\$ 643,500	0.7%	\$ 3.25
	1715 Dogwood Drive	Conyers	GA	Warehouse/Distribution	1973	100,000	100%	\$ 233,431	0.2%	\$ 2.33
	32 Dart Road	Newnan	GA	Warehouse/Light Manufacturing	1988, 2014					
						194,800	100%	\$ 555,180	0.6%	\$ 2.85
	40 Pinyon Road	Covington	GA	Warehouse/Distribution	1997	60,148	100%	\$ 300,540	0.3%	\$ 5.00
	Peachtree City	Peachtree City	GA	Small Bay Industrial	2013	295,693	100%	\$ 1,651,445	1.8%	\$ 5.59
	Peachtree City II	Peachtree City	GA	Small Bay Industrial	1989	117,000	99%	\$ 869,468	0.9%	\$ 7.51
	6739 New Calhoun Highway NE	Shannon	GA	Warehouse/Distribution	1981	320,000	100%	\$ 953,600	1.0%	\$ 2.98
	Chicago	11351 W. 183rd	Orland Park	IL	Warehouse/Distribution	2000	18,768	100%	\$ 201,756	0.2%
11601 Central		Alsip	IL	Warehouse/Distribution	1970	260,000	100%	\$ 678,600	0.7%	\$ 2.61
11746 Austin Ave		Alsip	IL	Warehouse/Light Manufacturing	1970					
						162,714	100%	\$ 834,188	0.9%	\$ 5.13
13040 South Pulaski		Alsip	IL	Warehouse/Distribution	1976, 1998	388,403	100%	\$ 1,860,774	2.0%	\$ 4.79
1355 Holmes		Elgin	IL	Warehouse/Light Manufacturing	1990					
						82,456	100%	\$ 420,327	0.4%	\$ 5.10
13970 West Laurel		Lake Forest	IL	Small Bay Industrial	1990	70,196	100%	\$ 330,974	0.4%	\$ 4.72
144 Tower Drive		Burr Ridge	IL	Warehouse/Distribution	1971, 2015	73,785	97%	\$ 470,510	0.5%	\$ 6.56
1445 Greenleaf		Elk Grove Village	IL	Warehouse/Light Manufacturing	1968					
						150,000	84%	\$ 666,075	0.7%	\$ 5.29
1600 Fleetwood		Elgin	IL	Warehouse/Distribution	1968	247,000	100%	\$ 1,343,274	1.4%	\$ 5.44
16801 Exchange Avenue		Lansing	IL	Warehouse/Light Manufacturing	1987					
						455,886	100%	\$ 1,607,865	1.7%	\$ 3.53
1717 West Harvester Road		Chicago	IL	Warehouse/Distribution	1970	465,940	100%	\$ 1,635,116	1.7%	\$ 3.51
1750 South Lincoln		Freeport	IL	Warehouse/Distribution	2001	499,200	100%	\$ 1,331,712	1.4%	\$ 2.67
1796 Sherwin		Des Plaines	IL	Warehouse/Distribution	1964	98,879	100%	\$ 602,766	0.6%	\$ 6.10
1875 Holmes		Elgin	IL	Warehouse/Light Manufacturing	1989					
						134,415	100%	\$ 602,591	0.6%	\$ 4.48
189 Seeger Ave		Elk Grove	IL	Small Bay Industrial	1972	25,245	100%	\$ 146,913	0.2%	\$ 5.82
2401 Commerce		Libertyville	IL	Small Bay Industrial	1994, 2009	78,574	100%	\$ 627,609	0.7%	\$ 7.99
28160 North Keith		Lake Forest	IL	Small Bay Industrial	1989	77,924	100%	\$ 367,412	0.4%	\$ 4.72
3 West College		Arlington Heights	IL	Warehouse/Light Manufacturing	1978, 2016					
						33,263	100%	\$ 220,000	0.2%	\$ 6.61
330 Armory Drive		South Holland	IL	Warehouse/Distribution	1972, 2017	98,340	0%	\$ 0	0.0%	\$ 0.00
350 Armory Drive		South Holland	IL	Warehouse/Light Manufacturing	1972					
						64,310	100%	\$ 301,468	0.3%	\$ 4.69
3841 Swanson		Gurnee	IL	Small Bay Industrial	1978	99,625	100%	\$ 441,682	0.5%	\$ 4.43
3940 Stern		St. Charles	IL	Warehouse/Light Manufacturing	1987					
						146,679	25%	\$ 165,348	0.2%	\$ 4.50
440 South McLean		Elgin	IL	Small Bay Industrial	1968, 2006	74,613	0%	\$ 0	0.0%	\$ 0.00
4915 W 122 nd		Alsip	IL	Small Bay Industrial	1972	153,368	100%	\$ 868,970	0.9%	\$ 5.67
4491 Mayflower Road		South Bend	IN	Warehouse/Distribution	2000	77,000	100%	\$ 231,000	0.2%	\$ 3.00
4955 Ameritech Drive		South Bend	IN	Warehouse/Distribution	2004	228,000	100%	\$ 889,500	0.9%	\$ 3.90
5110 South 6th		Milwaukee	WI	Warehouse/Distribution	1972	58,500	100%	\$ 204,750	0.2%	\$ 3.50
6000 West 73 rd		Bedford Park	IL	Warehouse/Distribution	1974	148,091	100%	\$ 583,455	0.6%	\$ 3.94
5502 W. Brick Road	South Bend	IN	Warehouse/Distribution	1998	101,450	100%	\$ 339,857	0.4%	\$ 3.35	
5681 Cleveland Road	South Bend	IN	Warehouse/Distribution	1994	62,550	100%	\$ 209,543	0.2%	\$ 3.35	
5855 Carbonmill Road	South Bend	IN	Warehouse/Distribution	2002	198,000	100%	\$ 792,000	0.8%	\$ 4.00	
6510 West 73 rd	Bedford Park	IL	Warehouse/Distribution	1974	306,552	100%	\$ 934,006	1.0%	\$ 3.05	
6558 West 73 rd	Bedford Park	IL	Warehouse/Light Manufacturing	1975						
					301,000	100%	\$ 1,535,652	1.6%	\$ 5.10	
6751 Sayre	Bedford Park	IL	Warehouse/Light Manufacturing	1973						
					242,690	100%	\$ 820,292	0.9%	\$ 3.38	
7200 Mason	Bedford Park	IL	Warehouse/Light Manufacturing	1974						
					207,345	100%	\$ 816,907	0.9%	\$ 3.94	
7207 Mason Avenue	Bedford Park	IL	Warehouse/Light Manufacturing	1970						
					84,195	100%	\$ 296,190	0.3%	\$ 3.52	
7420 Meade Avenue	Bedford Park	IL	Warehouse/Light Manufacturing	1970						
					52,344	100%	\$ 280,040	0.3%	\$ 5.35	
Cincinnati	11540-11630 Mosteller	Sharonville	OH	Warehouse/Light Manufacturing	1959					
						358,386	100%	\$ 1,126,776	1.2%	\$ 3.14
	2700 Kemper Road	Sharonville	OH	Small Bay Industrial	1990	85,718	63%	\$ 385,443	0.4%	\$ 7.09
	2800 Kemper Road	Sharonville	OH	Small Bay Industrial	1989	82,832	79%	\$ 543,983	0.6%	\$ 8.26
	4115 Thunderbird	Fairfield	OH	Warehouse/Distribution	1991	70,000	100%	\$ 253,830	0.3%	\$ 3.63
	Fisher Industrial Park	Fairfield	OH	Warehouse/Light Manufacturing	1946					
						1,123,080	91%	\$ 3,069,078	3.4%	\$ 2.99
	7585 Empire	Florence	KY	Warehouse/Light Manufacturing	1973					
						148,415	100%	\$ 449,434	0.5%	\$ 3.03
	Cornell Commerce Center	Blue Ash	OH	Small Bay Industrial	1976	165,521	96%	\$ 980,701	1.0%	\$ 6.18
Fairfield Business Center	Fairfield	OH	Small Bay Industrial	1990	39,558	100%	\$ 229,041	0.2%	\$ 5.79	
Cleveland	1200 Chester Industrial Parkway N	Avon	OH	Warehouse/Distribution	2007, 2009	207,160	100%	\$ 921,862	1.0%	\$ 4.45
	1200 Chester Industrial Parkway S	Avon	OH	Warehouse/Light Manufacturing	1991					
						90,628	100%	\$ 438,000	0.5%	\$ 4.83
	1350 Moore Road	Avon	OH	Warehouse/Distribution	1997	109,075	95%	\$ 436,000	0.5%	\$ 4.23
	1366 Commerce Drive	Stow	OH	Warehouse/Distribution	1960	216,000	93%	\$ 650,004	0.7%	\$ 3.25
	14801 County Rd 212	Findlay	OH	Warehouse/Distribution	1998	405,000	100%	\$ 1,456,218	1.5%	\$ 3.60
	1755 Enterprise	Twinsburg	OH	Warehouse/Light Manufacturing	2005					
						255,570	92%	\$ 1,277,182	1.4%	\$ 5.10
	2100 International Parkway	Canton	OH	Warehouse/Light Manufacturing	2000					
						274,464	100%	\$ 1,667,508	1.8%	\$ 6.08
	2210 International Parkway	Canton	OH	Warehouse/Distribution	2001	350,000	100%	\$ 1,491,000	1.6%	\$ 4.26
	30339 Diamond Parkway	Glenwillow	OH	Warehouse/Distribution	2007	400,184	100%	\$ 2,101,806	2.3%	\$ 5.25
	Gilchrist Road I	Mogadore	OH	Warehouse/Distribution	1961, 1963, 1978					
						209,592	100%	\$ 754,232	0.8%	\$ 3.96
Gilchrist Road II	Mogadore	OH	Warehouse/Distribution	1991, 1993, 1994						
					473,046	100%	\$ 1,495,606	1.5%	\$ 3.16	
Gilchrist Road III	Mogadore	OH	Warehouse/Distribution	1994, 1998						
					335,521	92%	\$ 1,126,399	1.2%	\$ 3.65	
4211 Shuffel Street NW	Canton	OH	Warehouse/Light Manufacturing	1994, 1998						
					255,000	100%	\$ 1,020,000	1.1%	\$ 4.00	
Columbus	100 Paragon Parkway	Mansfield	OH	Warehouse/Distribution	1995	314,736	100%	\$ 975,000	1.0%	\$ 3.10
	2120-2138 New World	Columbus	OH	Warehouse/Distribution	1971	121,200	100%	\$ 341,160	0.4%	\$ 2.81
	3100 Creekside	Lockbourne	OH	Warehouse/Distribution	1999	340,000	100%	\$ 1,369,617	1.5%	\$ 4.03
	3500 Southwest	Grove City	OH	Warehouse/Distribution	1992	527,127	100%	\$ 2,180,993	2.3%	\$ 4.14
	7001 Americana	Reynoldsburg	OH	Warehouse/Distribution	1986, 2007, 2012					
						54,100	100%	\$ 196,924	0.2%	\$ 3.64
	8273 Green Meadows	Lewis Center	OH	Warehouse/Distribution	2007	77,271	100%	\$ 378,628	0.4%	\$ 4.90
	8288 Green Meadows	Lewis Center	OH	Warehouse/Distribution	1988	300,000	100%	\$ 994,500	1.1%	\$ 3.32
	Graphics Way	Lewis Center	OH	Small Bay Industrial	2000	73,426	100%	\$ 420,465	0.4%	\$ 5.73
	Orange Point	Lewis Center	OH	Small Bay Industrial	2001	143,863	67%	\$ 387,763	0.4%	\$ 4.01

Market	Property (1)	City	State	Property Type	Year Built/ Renovated (2)	Square Footage	Occupancy	Annualized Rent (3)	Percent of Total Annualized Rent (4)	Annualized Rent/ Square Footage (5)	
Indianapolis	2900 Shadeland	Indianapolis	IN	Warehouse/Distribution	1957, 1992	933,439	99%	\$ 2,891,554	3.1%	\$ 3.13	
	3035 North Shadeland	Indianapolis	IN	Warehouse/Distribution	1962, 2004	562,497	91%	\$ 1,607,954	1.7%	\$ 3.15	
	3169 North Shadeland	Indianapolis	IN	Warehouse/Distribution	1979, 1993	44,374	95%	\$ 224,085	0.2%	\$ 5.34	
	3333 N. Franklin Road	Indianapolis	IN	Warehouse/Distribution	1967	276,240	100%	\$ 986,177	1.0%	\$ 3.57	
	6555 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1969, 1997	314,775	98%	\$ 1,355,715	1.4%	\$ 4.39	
	6575 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1998	60,000	100%	\$ 306,000	0.3%	\$ 5.10	
	6585 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1998	100,000	25%	\$ 96,250	0.1%	\$ 3.85	
	6635 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1998	99,877	100%	\$ 551,914	0.6%	\$ 5.53	
	6701 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1990	7,820	100%	\$ 82,500	0.1%	\$ 10.55	
	6737 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1995	87,500	100%	\$ 455,087	0.5%	\$ 5.20	
	6751 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1997	100,000	100%	\$ 476,348	0.5%	\$ 4.76	
	6951 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1995	44,000	90%	\$ 218,570	0.2%	\$ 5.52	
	7901 W. 21st Street	Indianapolis	IN	Warehouse/Distribution	1985, 1994	353,000	100%	\$ 1,318,983	1.4%	\$ 3.74	
	Sam Jones	Indianapolis	IN	Warehouse/Light Manufacturing	1970	484,879	100%	\$ 1,350,774	1.4%	\$ 2.79	
	Jacksonville	Center Point Business Park	Jacksonville	FL	Small Bay Industrial	1990-1997	537,800	100%	\$ 3,749,310	4.1%	\$ 6.97
		Liberty Business Park	Jacksonville	FL	Small Bay Industrial	1996-1999	426,916	95%	\$ 3,767,275	4.1%	\$ 9.24
		Salisbury Business Park	Jacksonville	FL	Small Bay Industrial	2001-2012	168,800	94%	\$ 1,546,260	1.6%	\$ 9.79
265 Industrial Boulevard		Midway	GA	Warehouse/Distribution	1988, 1999	187,205	100%	\$ 321,367	0.3%	\$ 1.72	
338 Industrial Boulevard		Midway	GA	Warehouse/Distribution	1996, 2001	309,084	100%	\$ 914,271	1.0%	\$ 2.96	
430 Industrial Boulevard		Midway	GA	Warehouse/Distribution	1988	47,599	100%	\$ 159,338	0.2%	\$ 3.35	
8451 Western Way		Jacksonville	FL	Warehouse/Light Manufacturing	1975, 1987	288,750	99%	\$ 1,995,222	2.1%	\$ 6.94	
Memphis	210 American	Jackson	TN	Warehouse/Distribution	1981, 2013	638,400	100%	\$ 1,432,570	1.5%	\$ 2.24	
	Airport Business Park	Memphis	TN	Small Bay Industrial	1985-1989	235,006	59%	\$ 2,217,334	2.4%	\$ 16.00	
	Knight Road	Memphis	TN	Warehouse/Distribution	1986	131,904	100%	\$ 339,838	0.4%	\$ 2.58	
	South Park	Memphis	TN	Warehouse/Distribution	1991, 2005	566,281	100%	\$ 1,783,785	1.9%	\$ 3.15	
	Shelby Distribution	Memphis	TN	Warehouse/Distribution	1989	202,303	94%	\$ 586,125	0.6%	\$ 2.90	
Philadelphia	4 East Stow	Marlton	NJ	Warehouse/Distribution	1986	156,634	100%	\$ 929,257	1.0%	\$ 5.95	
Boston	56 Milliken	Portland	ME	Warehouse/Light Manufacturing	1995, 2005, 2013	200,625	100%	\$ 1,128,232	1.2%	\$ 5.62	
St. Louis	St. Louis Commerce Center Grissom Drive	St. Louis St. Louis	MO MO	Warehouse/Distribution Warehouse/Light Manufacturing	1999, 2001 1970	487,150 79,258	100% 100%	\$ 2,076,202 \$ 274,233	2.2% 0.3%	\$ 4.26 \$ 3.46	
	Metro St Louis	Maryland Heights	MO	Warehouse/Light Manufacturing	1979	59,055	100%	\$ 305,121	0.3%	\$ 5.17	
	Phantom Drive	Hazelwood	MO	Warehouse/Distribution	1971	129,000	97%	\$ 534,322	0.6%	\$ 4.26	
	Existing Portfolio – Industrial Properties					23,271,946	96.4%	\$ 94,095,238	100%	\$ 4.20	

(1) Property listing includes all wholly owned properties as of December 31, 2020, and does not include properties held by unconsolidated joint ventures.

(2) Renovation means significant upgrades, alterations or additions to building areas, interiors, exteriors and/or systems.

(3) Annualized rent is calculated by multiplying rental payments (defined as cash rents before abatements) for the month ended December 31, 2020 by 12.

(4) Represents the percentage of total annualized rent for properties owned as of December 31, 2020.

(5) Calculated by multiplying rental payments (defined as cash rents before abatements) for the month ended December 31, 2020, by 12, and then dividing by leased square feet for such property as of December 31, 2020.

As of December 31, 2020, 56 of our 107 properties were encumbered by mortgage indebtedness totaling \$332,011, excluding unamortized deferred financing fees and debt issuance costs. See Note 7 in the accompanying Notes to the Consolidated Financial Statements for additional information.

Functionality Diversification

The following tables set forth information relating to functionality diversification by building type based on total square footage and annualized rent as of December 31, 2020.

Property Type	Number of Properties	Occupancy	Total Rentable Square Feet	Percentage of Rentable Square Feet	Annualized Base Rent	Percentage of Annualized Base Rent	Annualized Base Rent per Square Foot
Warehouse/Distribution	62	97.9%	14,390,061	61.8%	\$ 51,339,506	54.5%	\$ 3.64
Warehouse/Light Manufacturing	26	96.0%	5,930,207	25.5%	\$ 23,223,683	24.7%	\$ 4.08
Small Bay Industrial ⁽¹⁾	19	95.6%	2,951,678	12.7%	\$ 19,532,049	20.8%	\$ 6.35
Total Company Portfolio	107	96.4%	23,271,946	100%	\$ 94,095,238	100%	\$ 4.20

(1) Small bay industrial is inclusive of flex space totalling 382,150 rentable square feet and annualized base rent of \$5,046,660.

Geographic Diversification

The following tables set forth information relating to geographic diversification of the Company Portfolio by market based on total annualized rent as of December 31, 2020.

Market	Number of Properties	Occupancy	Total Rentable Square Feet	Percentage of Rentable Square Feet	Annualized Base Rent	Percentage of Annualized Base Rent
Chicago	37	94.9%	6,027,300	25.9%	\$ 23,659,124	25.0%
Cleveland	13	98.5%	3,581,240	15.4%	14,835,816	15.8%
Indianapolis	14	95.7%	3,468,401	14.9%	11,921,910	12.7%
Cincinnati	8	92.7%	2,073,510	8.9%	7,038,287	7.5%
Jacksonville	7	98.4%	1,966,154	8.4%	12,453,042	13.2%
Columbus	9	97.6%	1,951,723	8.4%	7,245,049	7.7%
Memphis	5	94.6%	1,773,894	7.6%	6,359,652	6.8%
Atlanta	8	99.9%	1,318,002	5.7%	5,334,991	5.7%
St. Louis	4	99.5%	754,463	3.2%	3,189,878	3.4%
Boston	1	100.0%	200,625	0.9%	1,128,232	1.2%
Philadelphia	1	99.8%	156,634	0.7%	929,257	1.0%
Total Company Portfolio	107	96.4%	23,271,946	100%	\$ 94,095,238	100%

Industry Diversification

The following tables set forth information relating to tenant diversification of the Company Leased Portfolio by industry based on total square feet occupied and annualized rent as of December 31, 2020.

Industry	Total Rentable Square Feet	Number of Leases	Percentage of Rentable Square Feet	Annualized Base Rent	Percentage of Annualized Base Rent	Annualized Base Rent per Square Foot
Logistics & Transportation	5,015,765	60	22.4%	\$ 19,846,634	21.1%	\$ 3.96
Food & Beverage	1,274,552	17	5.7%	\$ 5,764,303	6.1%	\$ 4.52
Construction	1,257,393	31	5.6%	\$ 5,104,613	5.4%	\$ 4.06
Home & Garden	1,573,524	11	7.0%	\$ 4,869,487	5.2%	\$ 3.09
Automotive	1,107,228	19	4.9%	\$ 4,536,350	4.8%	\$ 4.10
Telecommunications	1,148,808	10	5.1%	\$ 4,252,121	4.5%	\$ 3.70
Cardboard and Packaging	1,111,994	11	5.0%	\$ 3,780,476	4.0%	\$ 3.40
Printing	1,139,199	9	5.1%	\$ 3,554,633	3.8%	\$ 3.12
Wholesale/Retail	819,616	20	3.7%	\$ 3,196,764	3.4%	\$ 3.90
Industrial Equipment Components	701,154	18	3.1%	\$ 2,687,130	2.9%	\$ 3.83
Other Industries	7,276,717	180	32.4%	\$ 36,502,727	38.8%	\$ 5.02
Total Company Portfolio	22,425,950	386	100%	\$ 94,095,238	100%	\$ 4.20

Tenants

The following table sets forth information about the ten largest tenants in our Company Portfolio based on total annualized rent as of December 31, 2020.

Tenant	Market	Industry	# of Leases	Total Leased Square Feet	Expiration	Annualized Base Rent/SF	Annualized Base Rent	Percent of Total Annualized Rent
Stoncrop Technologies, LLC	Columbus	Telecommunications	1	527,127	3/31/2021	\$ 4.14	\$ 2,180,993	2.3%
Archway Marketing Holdings, Inc.	Chicago	Logistics & Transportation	3	503,000	3/31/2026	\$ 3.80	\$ 1,911,000	2.0%
Balta US, Inc.	Atlanta/Jacksonville	Home & Garden	2	629,084	12/31/2028	\$ 2.97	\$ 1,867,871	2.0%
iQor	Memphis	Telecommunications	2	566,281	12/31/2024	\$ 3.15	\$ 1,783,785	1.9%
Pactiv Corporation	Chicago	Food & Beverage	3	439,631	8/31/2023	\$ 3.86	\$ 1,696,552	1.8%
ASC Manufacturing, Ltd.	Cleveland	Light Manufacturing	1	274,464	6/30/2022	\$ 6.08	\$ 1,667,508	1.8%
First Logistics	Chicago	Logistics & Transportation	1	327,194	10/31/2024	\$ 4.95	\$ 1,619,610	1.7%
JobsOhio Beverage System	Cleveland	Food & Beverage	1	350,000	3/31/2024	\$ 4.26	\$ 1,491,000	1.6%
American Plastics, LLC	Cleveland	Plastics	1	405,000	12/31/2028	\$ 3.60	\$ 1,456,218	1.5%
Spartan Logistics	Columbus	Logistics & Transportation	2	340,000	10/31/2022	\$ 4.03	\$ 1,369,617	1.5%
Ten Largest Tenants by Annualized Rent			17	4,361,781		\$ 3.91	\$ 17,044,154	18.1%
All Other			369	18,064,169		\$ 4.27	\$ 77,051,084	81.9%
Total Company Portfolio			386	22,425,950		\$ 4.20	\$ 94,095,238	100%

Lease Overview

Triple-net lease: In our triple-net leases, the tenant is responsible for all aspects of and costs related to the property and its operation during the lease term. The landlord may have responsibility under the lease to perform or pay for certain capital repairs or replacements to the roof, structure or certain building systems, such as heating and air conditioning and fire suppression. As of December 31, 2020, there were 276 triple-net leases in the Company Portfolio, representing approximately 68.1% of our total annualized base rent.

Modified net lease: In our modified net leases, the landlord is responsible for some property related expenses during the lease term, but the cost of most of the expenses is passed through to the tenant. As of December 31, 2020, there were 49 modified net leases in the Company Portfolio, representing approximately 15.5% of our total annualized base rent.

Gross lease: In our gross leases, the landlord is responsible for all aspects of and costs related to the property and its operation during the lease term. As of December 31, 2020, there were 61 gross leases in the Company Portfolio, representing approximately 16.4% of the annualized base rent.

Lease Expirations

As of December 31, 2020, the weighted average in-place remaining lease term of the Company Portfolio was 3.8 years. The following table sets forth a summary schedule of lease expirations for leases in place as of December 31, 2020, plus available space, for each of the ten full calendar years commencing December 31, 2020 and thereafter. The information set forth in the table assumes that tenants exercise no renewal options and no early termination rights.

Year of Expiration	Total Rentable Square Feet	Percentage of Rentable Square Feet	Annualized Base Rent ⁽¹⁾	Percentage of Annualized Base Rent ⁽²⁾	Annualized Base Rent per Square Foot ⁽³⁾
Available	845,996	3.6%	\$ —	—	\$ —
2021	2,756,002	11.8%	\$ 12,209,097	13.0%	\$ 4.43
2022	4,074,052	17.5%	\$ 18,843,658	20.0%	\$ 4.63
2023	2,794,592	12.0%	\$ 10,876,626	11.5%	\$ 3.89
2024	3,683,266	15.9%	\$ 14,242,603	15.1%	\$ 3.87
2025	3,271,696	14.1%	\$ 13,547,045	14.4%	\$ 4.14
2026	1,335,934	5.7%	\$ 6,103,379	6.5%	\$ 4.57
2027	2,185,426	9.4%	\$ 7,879,145	8.4%	\$ 3.61
2028	559,778	2.4%	\$ 3,664,911	3.9%	\$ 6.55
2029	1,394,391	6.0%	\$ 5,155,737	5.5%	\$ 3.70
2030	193,871	0.8%	\$ 619,900	0.7%	\$ 3.20
Thereafter	176,942	0.8%	\$ 953,137	1.0%	\$ 5.39
Total Company Portfolio	23,271,946	100%	\$ 94,095,238	100%	\$ 4.20

(1) Annualized rent is calculated by multiplying rental payments (defined as cash rents before abatements) for the month ended December 31, 2020 by 12.

(2) Calculated as annualized base rent set forth in this table divided by total annualized base rent for the Company Portfolio as of December 31, 2020.

(3) Calculated as annualized base rent for such leases divided by leased square feet for such leases at each of the properties so impacted by the lease expirations as of December 31, 2020.

ITEM 3. LEGAL PROCEEDINGS

In the normal course of business, we could become party to legal actions and proceedings involving matters that are generally incidental to our business. While it will likely not be possible to ascertain the ultimate outcome of such matters, management expects that the resolution of any such legal actions and proceedings would not have a material adverse effect on our consolidated financial statements.

There are no legal proceedings at this time.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

STOCKHOLDER INFORMATION

As of February 22, 2021, we had 28,113,917 shares of common stock outstanding held of record by a total of approximately 128 stockholders; however, because many shares of our common stock are held by brokers and other institutions on behalf of stockholders, we believe there are substantially more beneficial holders of our common stock than record holders. The number of stockholders is based on the records of Continental Stock Transfer & Trust, which serves as our transfer agent.

Market Information

Our common stock is traded on the NYSE under the symbol "PLYM." On December 31, 2020, the closing price of our common stock, as reported on the NYSE, was \$15.00.

Distribution Policy

It is our policy to declare quarterly dividends to the stockholders so as to comply with applicable provisions of the Code governing REITs. The declaration and payment of quarterly dividends remains subject to the review and approval of the board of directors. To satisfy the requirements to qualify as a REIT, and to avoid paying tax on our income, we have paid and intend to continue to pay regular quarterly cash dividends of all or substantially all of our REIT taxable income (excluding net capital gains) to holders of our common stock.

We intend to distribute at least 90% of our taxable income each year (subject to certain adjustments as described below) to our stockholders in order to qualify as a REIT under the Code and generally expect to distribute 100% of our REIT taxable income so as to avoid the excise tax on undistributed REIT taxable income.

Distributions to our common stockholders are authorized by our board of directors in its sole discretion and declared by us out of funds legally available therefor. We expect that our board of directors, in authorizing the amounts of distributions, will consider a variety of factors, including:

- actual results of operations and our cash available for distribution;
- the timing of the investment of the net proceeds from our offerings;
- debt service requirements and any restrictive covenants in our loan agreements;
- capital expenditure requirements for our properties;
- our taxable income;
- the annual distribution requirement under the REIT provisions of the Code;
- our operating expenses;
- requirements under applicable law; and
- other factors that our board of directors may deem relevant.

Our distributions may exceed our earnings and profits as determined for U.S. federal income tax purposes primarily due to depreciation and amortization. Our earnings and profits will be allocated first to our preferred stock dividends and then to our common stock dividends. Any distributions in excess of our earnings and profits may represent a return of capital for U.S. federal income tax purposes, subject to the extent that such distributions do not exceed the stockholder's adjusted tax basis in their shares of common or preferred stock, but rather will reduce the adjusted basis of the shares of common or preferred stock. Therefore, the gain (or loss) recognized on the sale of the common stock or preferred stock or upon our liquidation will be increased (or decreased) accordingly. To the extent those distributions exceed a taxable U.S. stockholder's adjusted tax basis in their shares of common or preferred stock, they generally will be treated as a capital gain realized from the taxable disposition of those shares. The percentage of our stockholder distributions that exceeds our earnings and profits may vary substantially from year to year.

Although we have no current intention to do so, we may in the future also choose to pay distributions in the form of our own shares.

We maintain the Plymouth Industrial REIT, Inc. 2014 Incentive Award Plan (the "Plan"), as discussed in more detail in Note 11 in the accompanying Notes to Consolidated Financial Statements.

As of December 31, 2020, the total shares issued under the Plan were as follows:

	# of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights	# of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Security Holders	190,225 (1)	n/a	516,307
Equity Compensation Plans Not Approved by Security Holders	n/a	n/a	n/a

(1) Consists of restricted stock awards granted to executive officers and certain employees.

Issuer Purchases of Equity Securities

None.

ITEM 6. SELECTED FINANCIAL DATA

Selected financial data has been omitted as permitted under rules applicable to smaller reporting companies.

ITEM 7. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis is based on, and should be read in conjunction with our audited historical financial statements and related notes thereto as of and for the years ended December 31, 2020 and 2019.

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 industrial properties, including distribution centers, warehouses, light industrial and small bay industrial properties. The Company Portfolio consists of 107 industrial properties located in eleven states with an aggregate of approximately 23.3 million rentable square feet leased to 351 different tenants.

Our strategy is to acquire, own and manage single and multi-tenant industrial properties located in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States. We seek to generate attractive risk-adjusted returns for our stockholders through a combination of dividends and capital appreciation.

Factors That May Influence Future Results of Operations

Business and Strategy

Our core investment strategy is to acquire industrial properties located in primary and secondary markets, as well as select sub-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 industrial properties in primary markets that offer similar return characteristics.

Our target markets are located in primary and secondary markets, as well as select sub-markets, because we believe these markets tend to have less occupancy and rental rate volatility and less buyer competition relative to gateway 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 continue pursuing 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 redevelopment 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.

Impact of COVID-19

While we are not able to estimate the ultimate impact of the COVID-19 pandemic on our operating results at this time, the following discussion provides certain information regarding the impacts of the COVID-19 pandemic on our business and an overview of management's efforts to respond to anticipated impacts. While our results for the year ended December 31, 2020, were in line with our expectations, the COVID-19 pandemic and the significant and wide-ranging efforts of international, federal, state and local public health and governmental authorities in regions across the United States and the world to combat the spread of the virus, including substantial restrictions on the daily activities of individuals and the operations of many businesses, have significantly reduced economic activity throughout the country and increased volatility in the financial markets, which could negatively impact our results of operations in future periods.

As a result of the uncertainty surrounding the economic environment, we expect that such statistical and other information provided below will change, potentially significantly, going forward and may not be indicative of the actual impact of the COVID-19 pandemic on our business, operations, cash flows and financial condition for future periods.

- As of December 31, 2020, we have collected approximately 98.8% of recurring base rents and tenant recoveries billed for the fourth quarter of 2020; however, collections to-date may not be indicative of collections in any future period.
- We have received some rent relief requests from tenants at our properties, most often in the form of rent deferral requests. During the year ended 2020, the Company had entered into a limited number of such COVID-19 related rent deferral concessions representing 1.3% of \$94.1 million of annualized base rent ("ABR"). ABR is defined/calculated as the annualized monthly contractual base rent per the leases, excluding any rent abatements, as of December 31, 2020. As of the timing of this filing we have collected all of the deferred rents provided during 2020 and have not provided any additional rent deferrals or other rent concessions.

In an effort to stabilize our operations and attempt to manage the impact of COVID-19, we have taken a number of proactive measures to maintain the strength of our business, including the following:

- The health and safety of our employees and their families is a top priority. We have adapted our operations to protect employees, including by implementing a work from home policy, and our systems have enabled our team to work seamlessly.
- We are in frequent communication with our tenants and we are assisting them in identifying state and federal resources that may be available to support their businesses and employees during the pandemic, including stimulus funds that may be available under the Coronavirus Aid, Relief, and Economic Security Act of 2020.
- We have approximately \$27.6 million in cash and cash equivalents and approximately \$86.5 million available on our line of credit as of December 31, 2020 to address near-term working capital and other liquidity needs.

Rental Revenue

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. The Company Portfolio was approximately 96.4% and 96.6% occupied as of December 31, 2020 and 2019, respectively. Our occupancy rate is impacted by general market conditions in the geographic areas which our properties are located and the financial condition of tenants in our target markets.

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. During the period from January 1, 2021 through to December 31, 2022, an aggregate of 33.0% 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.

The table below reflects certain data about our new and renewed leases with terms of greater than six months executed in the year ended December 31, 2020.

Year	Type	Square Footage	% of Total Square Footage	Expiring Rent	New Rent	% Change	Tenant Improvements \$/SF/YR	Lease Commissions \$/SF/YR
Year ended December 31, 2020								
	Renewals	1,881,346	71.1%	\$ 3.75	\$ 3.93	4.8%	\$ 0.13	\$ 0.08
	New Leases	764,314	28.9%	\$ 4.31	\$ 5.07	17.6%	\$ 0.24	\$ 0.19
	Total	2,645,660	100%	\$ 3.92	\$ 4.26	8.7%	\$ 0.16	\$ 0.11

Conditions in Our Markets

The Company Portfolio is located in various primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial distribution and logistics corridors of the United States. 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.

Property Expenses

Our rental expenses generally consist of utilities, real estate taxes, insurance and repair and maintenance costs. For the majority of the Company Portfolio, property 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 property expenses. Accordingly, our overall financial results will be impacted by the extent to which we are able to pass-through property expenses to our tenants.

General and Administrative Expenses

We expect to incur increased general and administrative expenses, including legal, accounting and other expenses related to corporate governance and public reporting and compliance. In addition, we anticipate that our staffing levels will increase from current levels as of December 31, 2020 during the subsequent 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 acquisitions. Each of these items involves estimates that require management to make judgments that are subjective in nature. We collect historical data and current market data, and based on our experience 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 for real estate acquisitions and impairments of long-lived assets. 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.

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. The components typically include land, building, intangible assets related to above and below market leases, value of costs to obtain tenants, and other assumed assets and liabilities, including debt. 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 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 initial allocation of the purchase price is based on management's preliminary assessment, which may differ when final information becomes available.

Impairment of Long-Lived Assets

We assess the carrying values of our respective long-lived assets whenever events or changes in circumstances indicate 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.

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.

Results of Operations (dollars in thousands)

Our consolidated results of operations are often not comparable from period to period due to the effect of property acquisitions and dispositions completed during the comparative reporting periods. Our Total Portfolio represents all of the properties owned during the reported periods. To eliminate the effect of changes in our Total Portfolio due to acquisitions, dispositions and other and to highlight the operating results of our on-going business, we have separately presented the results of our Same Store Properties Portfolio and Acquisitions, Dispositions and Other.

For the years ended December 31, 2020 and 2019, we define the Same Store Portfolio as a subset of our Total Portfolio and includes properties that were wholly-owned by us for the entire period presented. We define Acquisitions, Dispositions and Other as any properties that were acquired, sold or held for development or repurposing during the period from January 1, 2019 through December 31, 2020.

Year Ended December 31, 2020 Compared to December 31, 2019

The following table summarizes the results of operations for our Same Store Portfolio, our acquisitions, dispositions and other and total portfolio for the year ended December 31, 2020 and 2019 (dollars in thousands):

	Same Store Portfolio				Acquisitions, Dispositions and Other				Total Portfolio			
	Year ended		Change		Year ended		Change		Year ended		Change	
	December 31,	2019	\$	%	December 31,	2019	\$	%	December 31,	2019	\$	%
Revenue:												
Rental revenue	67,274	65,958	1,316	2.0%	42,562	9,332	33,230	356.2%	109,836	75,290	34,546	45.9%
Management fee revenue	—	—	—	—	15	—	15	100%	15	—	15	100%
<i>Total revenues</i>	<u>67,274</u>	<u>65,958</u>	<u>1,316</u>	<u>2.0%</u>	<u>42,577</u>	<u>9,332</u>	<u>33,245</u>	<u>356.2%</u>	<u>109,851</u>	<u>75,290</u>	<u>34,561</u>	<u>45.9%</u>
Property expenses	24,613	24,181	432	1.8%	13,546	3,056	10,490	343.3%	38,159	27,237	10,922	40.1%
Depreciation and amortization									56,428	37,381	19,047	51.0%
General and administrative									10,362	7,481	2,881	38.5%
<i>Total operating expenses</i>									<u>104,949</u>	<u>72,099</u>	<u>32,850</u>	<u>45.6%</u>
Other income (expense):												
Interest expense									(18,931)	(14,948)	(3,983)	26.6%
Impairment on real estate lease									(311)	—	(311)	(100%)
Unrealized (appreciation) depreciation of warrants									(103)	(181)	78	(43.1%)
Earnings (loss) in investment of unconsolidated joint venture									(19)	—	(19)	(100%)
Total other income (expense)									<u>(19,364)</u>	<u>(15,129)</u>	<u>(4,235)</u>	<u>28.0%</u>
Net loss									<u>(14,462)</u>	<u>(11,938)</u>	<u>(2,524)</u>	<u>21.1%</u>

Rental revenue: Rental revenue increased \$34,546 to \$109,836 for the year ended December 31, 2020 as compared to \$75,290 for the year ended December 31, 2019. The increase was primarily related to an increase in rental revenue from acquisitions, dispositions and other of \$33,230 and an increase of \$1,316 from same store properties primarily from an increase in rent income of \$1,836 due to scheduled rent steps, leasing activities, and tenant reimbursements and a decrease in non-cash rent adjustments of \$520 for the year ended December 31, 2020.

Management fee revenue: Other revenue represents management fee income earned from the unconsolidated joint venture and other miscellaneous income.

Property expenses: Property expenses increased \$10,922 for the year ended December 31, 2020 to \$38,159 as compared to \$27,237 for the year ended December 31, 2019 primarily due to an increase in expenses related to acquisitions of \$10,490. Property expenses for the same store properties increased approximately \$432 primarily due to an increase in real estate taxes.

Depreciation and amortization: Depreciation and amortization expense increased by approximately \$19,047 to approximately \$56,428 for the year ended December 31, 2020 as compared to \$37,381 for the year ended December 31, 2019, primarily due to an increase from acquisitions of \$21,592 and a decrease of \$2,545 for the same store properties due to the full depreciation and amortization of certain assets.

General and administrative: General and administrative expenses increased approximately \$2,881 to \$10,362 for the year ended December 31, 2020 as compared to \$7,481 for the year ended December 31, 2019. The increase is attributable primarily to a net increase in payroll expense of \$1,423 due to increased head count and compensation increases, an increase in professional fees of \$576, an increase in non-cash stock compensation of \$235, and an increase of \$307 due to non-cash rent expense from the straight lining of rents.

Interest expense: Interest expense increased by approximately \$3,983 to \$18,931 for the year ended December 31, 2020 as compared to \$14,948 for the year ended December 31, 2019. The increase is primarily due to additional borrowings associated with our acquisition activity, partially offset by lower interest rates on our line of credit and term loan facility. The schedule below is a comparative analysis of the components of interest expense for the years ended December 31, 2020 and 2019.

(In thousands)

	Year Ended December 31,	
	2020	2019
Accrued interest	\$ 148	\$ 266
Amortization of debt related costs	1,467	1,030
Total accretion of interest and deferred interest	1,615	1,296
Cash interest paid	17,316	13,652
Total interest expense	<u>\$ 18,931</u>	<u>\$ 14,948</u>

Impairment on real estate lease: Change in impairment on real estate lease represents a non-cash impairment against the carrying value of the right of use asset associated with the primary lease of our prior headquarters as discussed in Note 6 to the financial statements.

Unrealized appreciation/(depreciation) of warrants: Unrealized appreciation/(depreciation) of warrants represents the change in the fair market value of our common stock warrants. The fair value of warrant derivative adjustment of \$103 for the year ended December 31, 2020 and \$181 for the year ended December 31, 2019 was due to an increase in the common stock warrant liability during 2020 and 2019 as discussed in Note 8 to the financial statements.

Equity in earnings of unconsolidated joint venture: Equity in earnings of unconsolidated joint venture represents our share of earnings/(losses) related to our investment in a unconsolidated joint venture.

Supplemental Earnings Measures

Investors in and industry analysts following the real estate industry utilize supplemental earnings measures such as net operating income ("NOI"), earnings before interest, taxes, depreciation and amortization for real estate ("EBITDA_{re}"), funds from operations ("FFO"), core funds from operations ("Core FFO") and adjusted funds from operations ("AFFO") as supplemental operating performance measures of an equity REIT. Historical cost accounting for real estate assets in accordance with accounting principles generally accepted in the United States of America ("GAAP") implicitly assumes that the value of real estate assets diminishes predictably over time through depreciation. Since real estate values instead have historically risen or fallen with market conditions, many industry analysts and investors prefer to supplement operating results that use historical cost accounting with measures such as NOI, EBITDA_{re}, FFO, Core FFO and AFFO, among others. We provide information related to NOI, EBITDA_{re}, FFO, Core FFO and AFFO both because such industry analysts are interested in such information, and because our management believes NOI, EBITDA_{re}, FFO, Core FFO and AFFO are important performance measures. NOI, EBITDA_{re}, FFO, Core FFO and AFFO are factors used by management in measuring our performance. Neither NOI, EBITDA_{re}, FFO, Core FFO or AFFO should be considered as a substitute for net income, or any other measures derived in accordance with GAAP. Neither NOI, EBITDA_{re}, FFO, Core FFO or AFFO represents cash generated from operating activities in accordance with GAAP and neither should be considered as an alternative to cash flow from operating activities as a measure of our liquidity, nor is either indicative of funds available for our cash needs, including our ability to make cash distributions.

NOI

We consider net operating income, or NOI, to be an appropriate supplemental measure to net income in that it helps both investors and management understand the core operations of our properties. We define NOI as total revenue (including rental revenue and tenant reimbursements) less property-level operating expenses. 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:

(In thousands)

	Year Ended December 31,	
	2020	2019
NOI:		
Net loss	\$ (14,462)	\$ (11,938)
General and administrative	10,362	7,481
Depreciation and amortization	56,428	37,381
Interest expense	18,931	14,948
Impairment on real estate lease	311	—
Unrealized appreciation/(depreciation) of warrants	103	181
Equity in earnings of unconsolidated joint ventures	19	—
Other income	(15)	—
NOI	<u>\$ 71,677</u>	<u>\$ 48,053</u>

EBITDA_{re}

We define earnings before interest, taxes, depreciation and amortization for real estate in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). EBITDA_{re} represents net income (loss), computed in accordance with GAAP, before interest expense, tax, depreciation and amortization, gains or losses on the sale of rental property, and loss on impairments. We believe that EBITDA_{re} is helpful to investors as a supplemental measure of our operating performance as a real estate company as it is a direct measure of the actual operating results of our industrial properties. The following table sets forth a reconciliation of our historical net loss to EBITDA_{re} for the periods presented:

(In thousands)

	Year Ended December 31,	
	2020	2019
EBITDAre:		
Net loss	\$ (14,462)	\$ (11,938)
Depreciation and amortization	56,428	37,381
Interest expense	18,931	14,948
Unrealized appreciation/(depreciation) of warrants	103	—
EBITDAre	\$ 61,000	\$ 40,391

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. 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. In December 2018, NAREIT issued a white paper restating the definition of FFO. The purpose of the restatement was not to change the fundamental definition of FFO, but to clarify existing NAREIT guidance. The restated definition of FFO is as follows: Net Income (calculated in accordance with GAAP), excluding: (i) Depreciation and amortization related to real estate, (ii) Gains and losses from the sale of certain real estate assets, (iii) Gain and losses from change in control, and (iv) Impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity.

We define FFO, consistent with the NAREIT definition. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. Other equity REITs may not calculate FFO 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. Core FFO represents FFO reduced by dividends paid (or declared) to holders of our preferred stock and excludes certain non-cash operating expenses such as impairment on real estate lease, unrealized appreciation/(depreciation) of warrants and loss on extinguishment of debt. As with FFO, our reported Core FFO may not be comparable to other REITs' Core FFO, 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 net loss to FFO and Core FFO for the periods presented:

	Year Ended December 31,	
	2020	2019
FFO:		
Net loss	\$ (14,462)	\$ (11,938)
Depreciation and amortization	56,428	37,381
Depreciation and amortization from unconsolidated joint ventures	64	—
FFO	\$ 42,030	\$ 25,443
Preferred stock dividends	(6,444)	(6,263)
Unrealized appreciation/(depreciation) of warrants	103	181
Impairment on real estate lease	311	—
Core FFO	\$ 36,000	\$ 19,361

AFFO

Adjusted funds from operations, or AFFO, is presented in addition to Core FFO. AFFO is defined as Core FFO, excluding certain non-cash operating revenues and expenses, acquisition and transaction related costs for transactions not completed and recurring capitalized expenditures. Recurring capitalized expenditures include expenditures required to maintain and re-tenant our properties, tenant improvements and leasing commissions. AFFO further adjusts Core 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, non-cash equity compensation and non-cash interest expense.

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. As a result, we believe that the use of AFFO, together with the required GAAP presentations, provide a more complete understanding of our operating performance.

As with Core 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 FFO attributable to common stockholders and unit holders to AFFO.

(In thousands)

	Year Ended December 31,	
	2020	2019
AFFO:		
Core FFO	\$ 36,000	\$ 19,361
Amortization of debt related costs	1,467	1,030
Non-cash interest expense	148	266
Stock compensation	1,439	1,205
Straight line rent	(1,963)	(1,296)
Above/below market lease rents	(2,075)	(1,488)
Recurring capital expenditure (1)	(3,263)	(3,143)
AFFO	\$ 31,753	\$ 15,935

(1) Excludes non-recurring capital expenditures of \$5,427 and \$4,579 for the years ended December 31, 2020 and 2019, respectively.

Cash Flow

A summary of our cash flows for the years ended December 31, 2020 and 2019 are as follows:

(In thousands)

	Year Ended	
	2020	2019
Net cash provided by operating activities	\$ 41,745	\$ 27,717
Net cash used in investing activities	\$ (259,118)	\$ (200,467)
Net cash provided by financing activities	\$ 227,029	\$ 180,187

Operating activities: Net cash provided by operating activities for the year ended December 31, 2020 increased approximately \$14,028 compared to the year ended December 31, 2019 primarily due to an increase in operating cash flows from property acquisitions.

Investing activities: Net cash used in investing activities for the year ended December 31, 2020 increased approximately \$58,651 compared to the year ended December 31, 2019 primarily due to an increase in cash paid for acquisitions in 2020 of \$246,353 compared to \$195,141 in 2019, an increase in real estate improvements of \$737, and an increase in investments in a joint venture of \$6,702.

Financing activities: Net cash provided by financing activities for the year ended December 31, 2020 increased approximately \$46,842 compared to the year ended December 31, 2019. The change was predominantly driven by an increase of \$72,102 in net proceeds from secured and unsecured debt and the line of credit offset by an increase in debt issuance costs of \$702, offset by an increase of \$416 from the repurchase and extinguishment of Series A Preferred stock, an increase of \$5,779 in dividends paid, and a decrease in net proceeds from the issuance of common stock of \$18,363.

Liquidity and Capital Resources

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. If reserves and any other available income become insufficient to cover our operating expenses and liabilities, it may be necessary to obtain additional funds by borrowing, refinancing properties or liquidating our investments.

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;
- principal and 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 required to be paid on our Series A and Series B Preferred Stock.

We intend to satisfy our short-term liquidity requirements through our existing cash, cash flow from operating activities and the net proceeds of any potential future offerings.

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, the issuance of OP units.

The COVID-19 pandemic continues to create social and economic uncertainty for the Company, its tenants and stakeholders. Given the wide-ranging impacts of the pandemic, coupled with external factors that are outside the control of the Company, the extent of such impacts from the COVID-19 pandemic continues to be dependent on various future developments, which are highly uncertain and cannot be readily predicted. The Company continues to monitor potential liquidity restraints resulting from the COVID-19 pandemic, including the evaluation and potential of delayed non-essential capital and operating expenditures that do not impact the safety or ability to lease and/or renew space, and maintaining sufficient availability under our revolving line of credit. During the second quarter of 2020, the Company updated its dividend policy in order to maintain more liquidity.

As of December 31, 2020, we had available liquidity of approximately \$114.1 million, comprised of \$27.6 million in cash and cash equivalents and \$86.5 million available on our line of credit. The Company anticipates it will have sufficient liquidity and access to capital resources to meet its current obligations and to meet any scheduled debt maturities.

Variable interest rates

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 borrowing under line of credit and unsecured KeyBank Term Loan, which bear interest at a variable rate.

At December 31, 2020, we had \$190,000 of outstanding variable rate debt, which was subject to a weighted average interest rate of 1.95% during the three months ended December 31, 2020. Based on the variable rate borrowings outstanding during the three months ended December 31, 2020, we estimate that had the average interest rate on our weighted average borrowings increased by 100 basis points for the three months ended December 31, 2020, our interest expense for the quarter would have increased by approximately \$326. 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.

Existing Indebtedness as of December 31, 2020

The following is a schedule of our indebtedness as of December 31, 2020 (\$ in thousands):

	Outstanding Balance	Interest rate at December 31, 2020	Final Maturity Date
Secured debt:			
AIG Loan	\$ 117,087	4.08%	November 1, 2023
Transamerica Loan	72,960	4.35%	August 1, 2028
Allianz Loan	63,115	4.07%	April 10, 2026
Minnesota Life Loan	20,870	3.78%	May 1, 2028
JPMorgan Chase Loan	13,440	5.23%	January 1, 2027
Lincoln Life Mortgage	9,289	3.41%	January 10, 2022
Ohio National Life Mortgage	20,250	4.14%	August 1, 2024
Nationwide Loan	15,000	2.97%	October 1, 2027
Total secured debt	332,011		
Unamortized debt issuance costs, net	(3,761)		
Unamortized premium/(discount), net	658		
Secured debt, net	328,908		
Unsecured debt:			
KeyBank Term Loan	100,000	1.95% ⁽¹⁾	October 8, 2025
Total unsecured debt	100,000		
Unamortized debt issuance costs, net	(746)		
Unsecured debt, net	99,254		
Unsecured revolving line of credit facility:			
Borrowings under line of credit	90,000	1.95% ⁽¹⁾	October 8, 2024
Borrowings under line of credit, net	\$ 90,000		

(1) The 1-month LIBOR rate as of December 31, 2020 was 0.14%. The spread over the applicable rate for the KeyBank Term Loan and the revolving line of credit with KeyBank is based on the Company's total leverage ratio.

Stock Issuances

Universal Shelf S-3 Registration Statement (\$ in thousands)

The Company has approximately \$195,942 available for issuance under its Registration Statement on Form S-3 filed on July 30, 2018 with the SEC. The registration statement allows the Company to offer debt or equity securities (or a combination thereof) from time to time.

During May 2019, the Company completed a follow-on public offering of 3,425,000 shares of common stock, including 425,000 shares of common stock issued upon exercise of the underwriters' overallotment option, at \$17.50 per share resulting in net proceeds of approximately \$55,857.

During September 2019, the Company completed a follow-on public offering of 3,450,000 shares of common stock, including 450,000 shares of common stock issued upon exercise of the underwriters' overallotment option, at \$18.00 per share resulting in net proceeds of approximately \$58,756.

On August 28, 2020, the Company completed a follow-on public offering of 8,625,000 shares of common stock, including 1,125,000 shares of common stock issued upon exercise of the underwriters' overallotment option, at \$12.85 per share resulting in net proceeds of approximately \$104,420 as of December 31, 2020.

ATM Program

On July 30, 2018, the Company and Operating Partnership filed a shelf registration statement on Form S-3 with the U.S. Securities and Exchange Commission (“SEC”) registering an aggregate of \$500,000 of securities, consisting of an indeterminate amount of common stock, preferred stock, depository shares, warrants, rights to purchase our common stock and debt securities.

On August 24, 2018, the Company filed a prospectus supplement to its registration statement on Form S-3, which enabled the Company, at its discretion from time to time, to sell up to \$50,000 worth of shares of its common stock by way of an “at-the-market” offering (the “ATM program”).

On February 27, 2020, the Company entered into a distribution agreement with KeyBanc Capital Markets Inc., Barclays Capital Inc., J.P. Morgan Securities, LLC, Capital One Securities, Inc., Robert W. Baird & Co. Incorporated, BMO Capital Markets Corp., D.A. Davidson & Co. and National Securities Corporation pursuant to which the Company may issue and sell, from time to time, shares of its common stock, with aggregate gross sales proceeds of up to \$100,000, through an “at-the-market” equity offering program. (the “\$100 Million ATM Program”). All \$50,000 of common shares available under the Prior ATM Program were issued prior to establishing the \$100 Million ATM Program.

For the year ending December 31, 2020, the Company has issued 2,212,905 shares of its common stock under both ATM programs for aggregate net proceeds of approximately \$30,735. The Company has approximately \$78,811 available for issuance under the \$100 Million ATM program as of December 31, 2020.

Contractual Obligations and Commitments

The following table sets forth our obligations and commitments as of December 31, 2020:

(in thousands)

	Payments Due by Period						
	Total	2021	2022	2023	2024	2025	Thereafter
Principal payments - secured debt	\$ 332,011	\$ 5,389	\$ 15,176	\$ 115,716	\$ 22,128	\$ 3,884	\$ 169,718
Principal payments - unsecured debt	100,000	—	—	—	—	100,000	—
Principal payments - borrowings under line of credit	90,000	—	—	—	90,000	—	—
Interest payments - secured debt	72,801	13,520	13,003	12,334	7,779	7,118	19,047
Interest payments - unsecured debt ⁽¹⁾	9,425	1,950	1,950	1,950	1,950	1,625	—
Interest payments - borrowings under line of credit ⁽¹⁾	6,728	1,755	1,755	1,755	1,463	—	—
Office Leases	9,211	1,161	1,184	1,208	1,217	862	3,579
Ground Leases ⁽²⁾	8,972	204	192	192	192	207	7,985
Total Contractual Obligations	\$ 629,148	\$ 23,979	\$ 33,260	\$ 133,155	\$ 124,729	\$ 113,696	\$ 200,329

(1) Variable rate interest payments are calculated using the December 31, 2020 interest rate of 1.95%.

(2) Includes two ground subleases with a lease term through the end of December 31, 2055. Lease term includes one, twenty year renewal option at a stated rent.

In addition to the contractual obligations set forth in the table above, we have entered into employment agreements with certain of our executive officers. As approved by the compensation committee of the Board of Directors the agreements provide for base salaries ranging from \$325 to \$550 annually with discretionary cash performance awards. The agreements contain provisions for equity awards, general benefits, and termination and severance provisions, consistent with similar positions and companies.

We also enter into contracts for maintenance and other services at certain properties from time to time.

Off-Balance Sheet Arrangements

At December 31, 2020, we have an investment in an unconsolidated joint venture with our ownership percentage at 20%. We exercise significant influence over, but do not control, the entity. As a result, we account for this using the equity method of accounting. At December 31, 2020, the aggregate carrying amount of non recourse debt including both our and our partners’ share incurred by the joint venture was approximately \$56,000 (of which our proportionate share is approximately \$11,200). The table below summarizes the outstanding debt of the joint venture properties at December 31, 2020.

	Venture Ownership %	Stated Interest Rate	Stated Principal Amount	Deferred Financing Costs, Net	Carrying Amount	Carrying Amount (Our Share)	Maturity Date
Memphis Industrial Portfolio	20%	3.15%	\$ 56,000	\$ (607)	\$ 55,393	\$ 11,079	1/1/2028

At December 31, 2019 we had no off-balance sheet arrangements.

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.

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. As of December 31, 2020, the Company has no derivative or hedging contracts.

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.

Recently Issued Accounting Standards

We have reviewed all recently issued standards and have determined that, other than as disclosed in Note 2 to our consolidated financial statements appearing in this annual report on Form 10-K, such standards will not have a material impact on our consolidated financial statements or do not otherwise apply to our operations.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURE ABOUT MARKET RISK

This disclosure has been omitted as permitted under rules applicable to smaller reporting companies.

ITEM 8. CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information with respect to this Item 8 is hereby incorporated by reference from our Consolidated Financial Statements beginning on page F-1 of this Annual Report on Form 10-K.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

(a) 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, in a manner to allow timely decisions regarding required disclosures.

In connection with the preparation of this annual report on Form 10-K, our management, including the CEO and CFO, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2020. As a result of this review, management has concluded that our disclosure controls and procedures were effective as of December 31, 2020.

(b) Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The term "internal control over financial reporting" is defined as a process designed by, or under the supervision of, the registrant's principal executive and principal financial officers, or persons performing similar functions, and effected by the registrant's board of directors, management and other personnel, 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 and includes those policies and procedures that:

- pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the registrant;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the registrant are being made only in accordance with authorizations of management and directors of the registrant; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the registrant's assets that could have a material effect on the financial statements.

Our internal control system is designed to provide reasonable assurance to our management and board of directors regarding the preparation and fair presentation of published financial statements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. In addition, because of changes in conditions, the effectiveness of internal control may vary over time.

Based on the results of Management's review and evaluation of documentation and testing of processes and procedures performed during the year ended December 31, 2020, Management has concluded that such activities provide a reasonable basis to conclude that our internal control over financial reporting was effective as of December 31, 2020 per the criteria set forth in the 2013 framework issued by the COSO.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter that ended December 31, 2020 that have materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

Information with respect to this Item 10 is incorporated by reference from our proxy statement, which we intend to file on or before April 30, 2021, in connection with our 2021 annual meeting of stockholders.

ITEM 11. EXECUTIVE COMPENSATION

Information with respect to this Item 11 is incorporated by reference from our proxy statement, which we intend to file on or before April 30, 2021, in connection with our 2021 annual meeting of stockholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS

Information with respect to this Item 12 is incorporated by reference from our proxy statement, which we intend to file on or before April 30, 2021, in connection with our 2021 annual meeting of stockholders.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

Information with respect to this Item 13 is incorporated by reference from our proxy statement, which we intend to file on or before April 30, 2021, in connection with our 2021 annual meeting of stockholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND EXPENSES

Information with respect to this Item 14 is incorporated by reference from our proxy statement, which we intend to file on or before April 30, 2021, in connection with our 2021 annual meeting of stockholders.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) Financial Statements

See Index to Consolidated Financial Statements set forth on page F-1 of this Form 10-K as filed as part of this Annual Report on Form 10-K.

(b) Financial Statement Schedule

Financial Statement Schedule III as listed in the accompanying Index to Consolidated Financial Statements is filed as part of this Annual Report on Form 10-K.

(c) Exhibits

The exhibits listed in the Exhibit Index are filed as part of this Annual Report on Form 10-K.

EXHIBIT INDEX

Exhibit Number	Description
3.1	Second Articles of Amendment and Restatement of Plymouth Industrial REIT, Inc. (incorporated by reference to Exhibit 3.1 to Amendment No. 2 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on September 11, 2014)
3.2	Second Amended and Restated Bylaws of the Company (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K (File No. 333-173048) filed on September 10, 2014)
3.3	Articles of Amendment of Plymouth Industrial REIT, Inc. (incorporated by reference to Exhibit 3.3 to Amendment No. 8 to the Company's Registration Statement on Form S-11 (File No. 333-19748) filed on June 1, 2017)
3.4	Articles Supplementary designating the terms of the Series A Preferred Stock (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on October 23, 2017)
3.5	Articles Supplementary designating the terms of the Series B Convertible Redeemable Preferred Stock (incorporated by reference to Exhibit 3.1 of the Company's Current Report on Form 8-K (File No. 001-38106) filed on December 17, 2018)
4.1	Description of Common Stock (incorporated by reference to Exhibit 4.1 to the Company's Annual Report on Form 10-K) (File No. 001-38106) filed on February 27, 2020)
4.2	Description of Series A Preferred Stock (incorporated by reference to Exhibit 4.2 to the Company's Annual Report on Form 10-K) (File No. 001-38106) filed on February 27, 2020)
4.3	Second Amended and Restated 2014 Incentive Award Plan (incorporated by reference to Exhibit 4.2 to the Company's Registration Statement on Form S-8) (File No. 333-251104) filed on December 3, 2020)
4.4	Restricted Stock Agreement (Employee) (incorporated by reference to Exhibit 4.3 to the Company's Registration Statement on Form S-8) (File No. 333-251104) filed on December 3, 2020)
4.5	Restricted Stock Agreement (Director) (incorporated by reference to Exhibit 4.4 to the Company's Registration Statement on Form S-8) (File No. 333-251104) filed on December 3, 2020)
10.1	Amended and Restated Agreement of Limited Partnership of Plymouth Industrial OP, LP (incorporated by reference to Exhibit 10.1 to Amendment No. 2 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on September 11, 2014)
10.2	Amended and Restated Employment Agreement with Jeffrey E. Witherell, dated as of June 19, 2019 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-381061) filed on June 24, 2019)†
10.3	Amended and Restated Employment Agreement with Pendleton P. White, Jr., dated as of June 19, 2019 (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-381061) filed on June 24, 2019)†
10.4	Amended and Restated Employment Agreement with Daniel C. Wright, dated as of June 19, 2019 (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-381061) filed on June 24, 2019)†
10.5	Form of Indemnification Agreement between Plymouth Industrial REIT, Inc. and its directors and officers (incorporated by reference to Exhibit 10.6 to Amendment No. 6 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on May 22, 2017)
10.6	Limited Liability Company Agreement of Plymouth Industrial 20 LLC (incorporated by reference to Exhibit 10.7 to Amendment No. 4 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on March 29, 2017)
10.7	Amended and Restated Promissory Note (AGLIC), dated November 18, 2016, in the original principal amount of \$66,240,000.00, made payable to the order of AGLIC, as Holder, by Borrowers, as Maker (incorporated by reference to Exhibit 10.8 to Amendment No. 4 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on March 29, 2017)
10.8	Amended and Restated Promissory Note (AHAC), dated November 18, 2016, in the original principal amount of \$21,900,000.00, made payable to the order of AHAC, as Holder, by Borrowers, as Maker (incorporated by reference to Exhibit 10.9 to Amendment No. 4 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on March 29, 2017)

Exhibit Number	Description
10.9	Amended and Restated Promissory Note (NUFIC), dated November 18, 2016, in the original principal amount of \$21,900,000.00, made payable to the order of NUFIC, as Holder, by Borrowers, as Maker (incorporated by reference to Exhibit 10.10 to Amendment No. 4 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on March 29, 2017)
10.10	Amended and Restated Promissory Note (USLIC), dated November 18, 2016, in the original principal amount of \$9,960,000.00, made payable to the order of USLIC, as Holder, by Borrowers, as Maker (incorporated by reference to Exhibit 10.11 to Amendment No. 4 to the Company's Registration Statement on Form S-11 (file No. 333-196798) filed on March 29, 2017)
10.11	Loan Agreement, dated October 17, 2016, by and among American General Life Insurance Company, American Home Assurance Company, National Union Fire Insurance Company of Pittsburgh, PA, and The United States Life Insurance Company in the City of New York, collectively as Lender, and the Borrowers named therein , (incorporated by reference to Exhibit 10.12 to Amendment No. 6 to the Company's Registration Statement on Form S-11 (File No. 333-196798) filed on March 29, 2017)
10.12	Warrant Agreement, dated as of June 8, 2017, by and among Plymouth Industrial REIT, Inc., DOF IV REIT Holdings, LLC and DOF IV Plymouth PM, LLC (incorporated by reference to Exhibit 10.5 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on June 23, 2017)
10.13	Stockholders Agreement, dated as of June 8, 2017, by and among Plymouth Industrial REIT, Inc., DOF IV REIT Holdings, LLC and DOF IV Plymouth PM, LLC (incorporated by reference to the Company's Current Report on Form 8-K (File No. 001-38106) filed on June 23, 2017)
10.14	Amendment No. 1 to the Amended and Restated Agreement of Limited Partnership of Plymouth Industrial OP LP designating the terms of the Series A Preferred Units (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on October 23, 2017).
10.15	Amendment to Stockholders Agreement, dated as of March 29, 2018, by and among Plymouth Industrial REIT, Inc., DOF IV REIT Holdings, LLC and DOF IV Plymouth PM, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on April 4, 2018)
10.16	Loan Agreement, dated as of July 10, 2018, by and among Transamerica Life Insurance Company and the Borrowers named therein (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on July 17, 2018)
10.17	Investment Agreement, dated as of November 20, 2018, by and between Plymouth Industrial REIT, Inc. and MIRELF VI Pilgrim, LLC (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on November 27, 2018)
10.18	Fourth Amendment to Amended and Restated Agreement of Limited Partnership of Plymouth Industrial OP, LP, dated as of December 14, 2018 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on December 17, 2018)
10.19	Investor Rights Agreement, dated as of December 14, 2018, by and among Plymouth Industrial REIT, Inc. and MIRELF VI Pilgrim, LLC (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on December 17, 2018)
10.20	Loan Agreement, dated as of March 21, 2019, by and among Allianz Life Insurance Company of North America and the Borrowers named therein (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on March 22, 2019)
10.21	Promissory Note (Allianz), dated March 21, 2019, made by the Borrowers in favor of Allianz Life Insurance Company of North America (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on March 22, 2019)

Exhibit Number	Description
10.22	Credit Agreement, dated as of October 8, 2020, by and among Plymouth Industrial OP, LP, the Guarantors from time to time party thereto, KeyBank National Association and the other Lenders party thereto (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on October 9, 2020
21.1	List of Subsidiaries *
23.1	Consent of Pricewaterhouse Coopers LLP*
23.2	Consent of Marcum LLP *
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	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.*
101.XSD	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Cover Page Interactive Data File - formatted in Inline XBRL and contained in Exhibit 101

* Filed herewith.

† Management contract or compensation plan or arrangement.

ITEM 16. FORM 10-K SUMMARY

None

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has caused this Report to be signed on its behalf by the undersigned, thereunto duly authorized.

PLYMOUTH INDUSTRIAL REIT, INC.

By: /s/ Jeffrey E. Witherell

Name: Jeffrey E. Witherell

Title: *Chief Executive Officer*

Pursuant to the requirements of the Securities Exchange Act of 1934, this Report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
<u>/s/ Jeffrey E. Witherell</u> Jeffrey E. Witherell	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	February 26, 2021
<u>/s/ Daniel C. Wright</u> Daniel C. Wright	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	February 26, 2021
<u>/s/ Pendleton P. White, Jr.</u> Pendleton P. White, Jr.	President, Chief Investment Officer and Director	February 26, 2021
<u>/s/ Martin Barber</u> Martin Barber	Director	February 26, 2021
<u>/s/ Philip S. Cottone</u> Philip S. Cottone	Director	February 26, 2021
<u>/s/ Richard DeAgazio</u> Richard DeAgazio	Director	February 26, 2021
<u>/s/ David G. Gaw</u> David G. Gaw	Director	February 26, 2021
<u>/s/ John W. Guinee III</u> John W. Guinee III	Director	February 26, 2021

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED FINANCIAL STATEMENTS	Page
Reports of Independent Registered Public Accounting Firms	F-2
Consolidated Balance Sheets as of December 31, 2020 and 2019	F-5
Consolidated Statements of Operations for the Years Ended December 31, 2020 and 2019	F-6
Consolidated Statements of Changes in Preferred Stock and Equity for the Years Ended December 31, 2020 and 2019	F-7
Consolidated Statements of Cash Flows for the Years Ended December 31, 2020 and 2019	F-8
Notes to Consolidated Financial Statements	F-9
Financial Statement Schedule	
Schedule III. Real Estate Properties and Accumulated Depreciation	F-31

Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Plymouth Industrial REIT, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Plymouth Industrial REIT, Inc. and its subsidiaries (the “Company”) as of December 31, 2020, and the related consolidated statements of operations, of changes in preferred stock and equity, and of cash flows for the year then ended, including the related notes and financial statement schedule as of December 31, 2020 listed in the accompanying index (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020, and the results of its operations and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s consolidated financial statements based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit of these consolidated financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audit we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audit included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Real Estate Property Acquisitions

As described in Notes 2 and 3 to the consolidated financial statements, during 2020, the Company completed 22 property acquisitions for total purchase price of \$246.3 million, of which \$32.2 million of land, \$191.3 million of buildings and site improvements, and \$22.8 million of net deferred lease intangibles were recorded. The accounting for real estate property acquisitions requires estimates and judgment as to expectations for future cash flows of the acquired property, the allocation of those cash flows to identifiable intangible assets and liabilities, and in determining the estimated fair value for assets acquired and liabilities assumed. The amounts allocated to lease intangibles (leases in place, leasing commissions, tenant relationships, and above and below market leases) are based on management's estimates and assumptions, as well as other information compiled by management, including independent third party analysis and market data. The process for determining the allocation to these components requires management to make estimates and assumptions, including rental rates, land value, discount rates, and exit capitalization rates.

The principal considerations for our determination that performing procedures relating to real estate property acquisitions is a critical audit matter are (i) the significant judgment by management in developing the fair value estimates of the tangible and intangible assets acquired and liabilities assumed, (ii) a high degree of auditor judgment, subjectivity and effort in performing procedures and evaluating the significant assumptions related to rental rates, land value, discount rates, and exit capitalization rates, and (iii) the audit effort involved the use of professionals with specialized skill and knowledge.

Addressing the matter involved performing procedures and evaluating audit evidence in connection with forming our overall opinion on the consolidated financial statements. These procedures included, among others, testing of management's process for estimating the fair value of assets acquired and liabilities assumed, including (i) reading the purchase agreements, (ii) evaluating the appropriateness of the models used by management, (iii) for selected acquisitions, testing the completeness and accuracy of the data used in the models, and (iv) for selected acquisitions, evaluating the reasonableness of significant assumptions used by management related to rental rates, land value, discount rates, and exit capitalization rates. Evaluating these assumptions involved evaluating whether the assumptions used by management were reasonable considering (i) consistency with external market and industry data and (ii) whether the assumptions were consistent with evidence obtained in other areas of the audit. For selected acquisitions, professionals with specialized skill and knowledge were used to assist in evaluating (i) the appropriateness of management's models and (ii) the reasonableness of the assumptions used in the models related to the rental rates, land value, discount rates, and exit capitalization rates.

/s/PricewaterhouseCoopers LLP
Boston, Massachusetts
February 26, 2021

We have served as the Company's auditor since 2020.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Plymouth Industrial REIT, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Plymouth Industrial REIT, Inc. (the “Company”) as of December 31, 2019, the related consolidated statements of operations, changes in preferred stock and equity and cash flows for the year then ended, and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019, and the results of its operations and its cash flows for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

/s/ Marcum LLP

Marcum LLP

Boston, Massachusetts
February 26, 2020

PLYMOUTH INDUSTRIAL REIT, INC.
CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	<u>December 31,</u> <u>2020</u>	<u>December 31,</u> <u>2019</u>
Assets		
Real estate properties	\$ 886,681	\$ 655,788
Less accumulated depreciation	(98,283)	(63,877)
Real estate properties, net	<u>788,398</u>	<u>591,911</u>
Cash	15,668	10,465
Cash held in escrow	11,939	9,453
Restricted cash	4,447	2,480
Deferred lease intangibles, net	66,116	57,088
Investment in unconsolidated joint venture	6,683	—
Other assets	27,019	14,084
Total assets	<u>\$ 920,270</u>	<u>\$ 685,481</u>
Liabilities, Preferred stock and Equity		
Liabilities:		
Secured debt, net	\$ 328,908	\$ 318,558
Unsecured debt, net	99,254	—
Borrowings under line of credit	90,000	78,900
Accounts payable, accrued expenses and other liabilities	49,335	36,284
Deferred lease intangibles, net	11,350	8,314
Financing lease liability	2,207	—
Total liabilities	<u>581,054</u>	<u>442,056</u>
Commitments and contingencies (Note 13)		
Preferred stock, par value \$0.01 per share, 100,000,000 shares authorized,		
Series A; 2,023,999 and 2,040,000 shares issued and outstanding at December 31, 2020 and 2019, respectively (aggregate liquidation preference of \$50,600 and \$51,000 at December 31, 2020 and 2019, respectively)	48,485	48,868
Series B; 4,411,764 shares issued and outstanding at December 31, 2020 and 2019 (aggregate liquidation preference of \$97,230 and \$96,574 at December 31, 2020 and 2019, respectively)	87,209	79,793
Equity:		
Common stock, \$0.01 par value: 900,000,000 shares authorized; 25,344,161 and 14,141,355 shares issued and outstanding at December 31, 2020 and 2019, respectively	253	141
Additional paid in capital	360,752	256,259
Accumulated deficit	(162,250)	(148,403)
Total stockholders' equity	<u>198,755</u>	<u>107,997</u>
Non-controlling interest	4,767	6,767
Total equity	<u>203,522</u>	<u>114,764</u>
Total liabilities, preferred stock and equity	<u>\$ 920,270</u>	<u>\$ 685,481</u>

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

PLYMOUTH INDUSTRIAL REIT, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS

(In thousands, except share and per share amounts)

	Year Ended December 31,	
	2020	2019
Rental revenue	\$ 109,836	\$ 75,290
Management fee revenue	15	—
Total revenues	<u>109,851</u>	<u>75,290</u>
Operating expenses:		
Property	38,159	27,237
Depreciation and amortization	56,428	37,381
General and administrative	10,362	7,481
Total operating expenses	<u>104,949</u>	<u>72,099</u>
Other income (expense):		
Interest expense	(18,931)	(14,948)
Impairment on real estate lease	(311)	—
Unrealized (appreciation) depreciation of warrants	(103)	(181)
Earnings (loss) in investment of unconsolidated joint venture	(19)	—
Total other income (expense)	<u>(19,364)</u>	<u>(15,129)</u>
Net loss	(14,462)	(11,938)
Less: loss attributable to non-controlling interest	(649)	(1,518)
Net loss attributable to Plymouth Industrial REIT, Inc.	(13,813)	(10,420)
Less: Preferred stock dividends	6,444	6,263
Less: Series B preferred stock accretion to redemption value	7,416	7,601
Less: Loss on extinguishment of Series A Preferred Stock	34	—
Less: Amount allocated to participating securities	182	239
Net loss attributable to common stockholders	<u>\$ (27,889)</u>	<u>\$ (24,523)</u>
Net loss basic and diluted per share attributable to common stockholders	<u>\$ (1.52)</u>	<u>\$ (2.88)</u>
Weighted-average common shares outstanding basic and diluted	<u>18,381,700</u>	<u>8,503,375</u>

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

PLYMOUTH INDUSTRIAL REIT, INC.
CONSOLIDATED STATEMENTS OF CHANGES IN PREFERRED STOCK AND EQUITY

YEARS ENDED DECEMBER 31, 2020 AND 2019

(In thousands, except share and per share amounts)

	Preferred Stock Series A \$0.01 Par Value		Preferred Stock Series B \$0.01 Par Value		Common Stock, \$0.01 Par Value		Additional Paid in Capital	Accumulated Deficit	Stockholders' Equity (Deficit)	Non- controlling Interest	Total Equity (Deficit)
	Shares	Amount	Shares	Amount	Shares	Amount					
Balance January 1, 2019	2,040,000	\$ 48,868	4,411,764	\$ 72,192	4,821,876	\$ 49	\$ 126,327	\$ (137,983)	\$ (11,607)	\$ 14,467	\$ 2,860
Series B preferred stock accretion to redemption value	—	—	—	7,601	—	—	(7,601)	—	(7,601)	—	(7,601)
Net proceeds from common stock	—	—	—	—	9,057,251	90	153,428	—	153,518	—	153,518
Stock based compensation	—	—	—	—	—	—	1,205	—	1,205	—	1,205
Restricted shares issued	—	—	—	—	90,075	1	—	—	1	—	1
Dividends and distributions	—	—	—	—	—	—	(21,774)	—	(21,774)	(1,507)	(23,281)
Redemption of partnership units	—	—	—	—	172,153	1	2,926	—	2,927	(2,927)	—
Reallocation of non-controlling interest	—	—	—	—	—	—	1,748	—	1,748	(1,748)	—
Net loss	—	—	—	—	—	—	—	(10,420)	(10,420)	(1,518)	(11,938)
Balance January 1, 2020	2,040,000	48,868	4,411,764	79,793	14,141,355	141	256,259	(148,403)	107,997	6,767	114,764
Repurchase and extinguishment of Series A Preferred stock	(16,001)	(383)	—	—	—	—	—	(34)	(34)	—	(34)
Series B Preferred stock accretion to redemption value	—	—	—	7,416	—	—	(7,416)	—	(7,416)	—	(7,416)
Net proceeds from common stock	—	—	—	—	10,837,905	108	135,047	—	135,155	—	135,155
Stock based compensation	—	—	—	—	—	—	1,439	—	1,439	—	1,439
Restricted shares issued	—	—	—	—	96,237	—	—	—	—	—	—
Dividends and distributions	—	—	—	—	—	—	(25,180)	—	(25,180)	(744)	(25,924)
Redemption of partnership units	—	—	—	—	268,664	4	4,562	—	4,566	(4,566)	—
Reallocation of non-controlling interest	—	—	—	—	—	—	(3,959)	—	(3,959)	3,959	—
Net loss	—	—	—	—	—	—	—	(13,813)	(13,813)	(649)	(14,462)
Balance, December 31, 2020	2,023,999	\$ 48,485	4,411,764	\$ 87,209	25,344,161	\$ 253	\$ 360,752	\$ (162,250)	\$ 198,755	\$ 4,767	\$ 203,522

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

PLYMOUTH INDUSTRIAL REIT, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

	Year Ended December 31,	
	2020	2019
Operating activities		
Net loss	\$ (14,462)	\$ (11,938)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	56,428	37,381
Straight line rent adjustment	(1,963)	(1,296)
Intangible amortization in rental revenue, net	(2,075)	(1,488)
Amortization of debt related costs	1,467	1,030
Unrealized appreciation/(depreciation) of warrants	103	181
Impairment on real estate lease	311	—
Stock based compensation	1,439	1,205
(Earnings) loss in investment of unconsolidated joint ventures	19	—
Changes in operating assets and liabilities:		
Other assets	(9,614)	(5,724)
Deferred leasing costs	(2,238)	(2,005)
Accounts payable, accrued expenses and other liabilities	12,330	10,371
Net cash provided by operating activities	<u>41,745</u>	<u>27,717</u>
Investing activities		
Acquisition of real estate properties	(246,353)	(195,141)
Real estate improvements	(6,063)	(5,326)
Contribution to and investments in joint venture	(6,702)	—
Net cash used in investing activities	<u>(259,118)</u>	<u>(200,467)</u>
Financing activities		
Proceeds from issuance of common stock, net	135,155	153,518
Proceeds from issuance of secured debt	96,000	63,115
Repayment of secured debt	(86,166)	(64,630)
Proceeds from issuance of unsecured debt	100,000	—
Proceeds from line of credit facility	131,500	141,097
Repayment of line of credit facility	(120,400)	(90,750)
Repurchase of Series A Preferred Stock	(416)	—
Debt issuance costs	(2,935)	(2,233)
Dividends and distributions paid	(25,709)	(19,930)
Net cash provided by financing activities	<u>227,029</u>	<u>180,187</u>
Net increase in cash, cash held in escrow, and restricted cash	9,656	7,437
Cash, cash held in escrow, and restricted cash at beginning of period	22,398	14,961
Cash, cash held in escrow, and restricted cash at end of period	<u>\$ 32,054</u>	<u>\$ 22,398</u>
Supplemental Cash Flow Disclosures:		
Cash paid for interest	<u>\$ 17,316</u>	<u>\$ 13,652</u>
Supplemental Non-Cash Investing and Financing Activities:		
Dividends declared included in dividends payable	<u>\$ 5,725</u>	<u>\$ 5,303</u>
Distribution payable to non-controlling interest holder	<u>\$ 121</u>	<u>\$ 328</u>
Series B accretion to redemption value	<u>\$ 7,416</u>	<u>\$ 7,601</u>
Fixed asset acquisitions included in accounts payables, accrued expenses and other liabilities	<u>\$ 685</u>	<u>\$ 161</u>
Deferred leasing costs included in accounts payables, accrued expenses and other liabilities	<u>\$ 342</u>	<u>\$ 463</u>
New financing lease	<u>\$ 2,207</u>	<u>\$ —</u>
Assumption of mortgage notes	<u>\$ —</u>	<u>\$ 30,582</u>

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

Plymouth Industrial REIT, Inc.
Notes to Consolidated Financial Statements
(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”) is a Maryland corporation formed on March 7, 2011. The Company is structured as an umbrella partnership REIT, commonly called an UPREIT, and owns substantially all of its assets and conducts substantially all of its business through its operating partnership, Plymouth Industrial Operating Partnership, L.P., a Delaware limited partnership (the “Operating Partnership”). The Company, as general partner of the Operating Partnership, controls the Operating Partnership and consolidates the assets, liabilities, and results of operations of the Operating Partnership. As of December 31, 2020, and 2019, the Company owned an 97.7% and 94.2%, respectively, common equity interest in the Operating Partnership.

The Company is a full service, vertically integrated, self-administered and self-managed organization. The Company focuses on the acquisition, ownership and management of single and multi-tenant industrial properties, including distribution centers, warehouses, light industrial and small bay industrial properties, located in primary and secondary markets, as well as select sub-markets, with access to large pools of skilled labor in the main industrial, distribution and logistics corridors of the United States. As of December 31, 2020, the Company, through its subsidiaries, owned 107 industrial properties comprising 141 buildings with an aggregate of approximately 23.3 million square feet.

2. Summary of Significant Accounting Policies

Basis of Presentation

The Company’s consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States (“GAAP”). The Company’s consolidated financial statements include the accounts of the Company, the Operating Partnership and their subsidiaries. All significant intercompany balances and transactions have been eliminated in the consolidation of entities.

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 (“VIEs”) 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.

Consolidated VIEs are those for which the Company is considered to be the primary beneficiary of a VIE. The primary beneficiary is the entity that has a controlling financial interest in the VIE, which is defined by the entity having both of the following characteristics: (1) the power to direct the activities that, when taken together, most significantly impact the VIE’s performance and (2) the obligation to absorb losses or the right to receive the returns from the VIE that could potentially be significant to the VIE. The Company has determined that the Operating Partnership is a VIE and the Company is the primary beneficiary. As the Company’s only significant asset is its investment in the Operating Partnership and, consequently, substantially all of the Company’s assets and liabilities are the assets and liabilities of the Operating Partnership.

Risks and Uncertainties

As a result of the ongoing COVID-19 pandemic, public health officials have recommended and mandated precautions to mitigate the spread of COVID-19, including prohibitions on congregating in heavily populated areas and shelter-in-place orders or similar measures. A number of our tenants have been impacted by such measures as they either temporarily closed down their operations or are scaling back activity in order to comply, causing a strain on their ability to generate revenue. As such, our future operating results may be adversely impacted by our tenants’ inability to generate revenue and pay their rent due as a result of the shut-downs and other actions taken to contain or treat the impact of COVID-19. The extent of such impact will depend on future developments, which are highly uncertain and cannot be predicted.

The state of the overall economy beyond the current impacts of the COVID-19 pandemic can also 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.

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

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 or real estate 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.

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

Minimum rental revenue 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. In accordance with ASC 842, we assess the collectability of lease receivables (including future minimum rental payments) both at commencement and throughout the lease term. If our assessment of collectability changes during the lease term, any difference between the revenue that would have been received under the straight-line method and the lease payments that have been collected will be recognized as a current period adjustment to rental revenue. Rental revenue associated with leases where collectability has been deemed less than probable is recognized on a cash basis in accordance with ASC 842. Management fee revenue represents management fees earned from the unconsolidated joint venture.

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 December 31, 2020 and 2019. The Company maintains cash and restricted cash, which includes tenant security deposits and cash collateral for its borrowings discussed in Note 7, cash held in escrow for real estate tax, insurance, tenant capital improvement and leasing commissions, in bank deposit accounts, which at times may exceed federally insured limits. As of December 31, 2020, the Company has not realized any losses in such cash accounts and believes it mitigates its risk of loss by depositing its cash and restricted cash in highly rated financial institutions. The following table presents a reconciliation of cash, cash held in escrow and restricted cash reported within our consolidated balance sheet to amounts reported within our consolidated statement of cash flows:

	December 31, 2020	December 31, 2019
Cash	\$ 15,668	\$ 10,465
Cash held in escrow	11,939	9,453
Restricted cash	4,447	2,480
Cash, cash held in escrow, and restricted cash	<u>\$ 32,054</u>	<u>\$ 22,398</u>

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.

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

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 \$396 and \$293 at December 31, 2020 and 2019, respectively, discussed in Note 8.

Financial instruments include cash, restricted cash, cash held in escrow and reserves, accounts receivable, accounts payable and accrued expenses and other current liabilities are considered Level 1 in fair value hierarchy. The amounts reported on the balance sheet for these financial instruments approximate their fair value due to their relatively short maturities and prevailing interest rates.

The fair value of our debt and borrowings under line of credit was estimated using Level 3 inputs by calculating the present value of principal and interest payments, using discount rates that best reflect current market interest rates for financings with similar characteristics and credit quality, and assuming each loan is outstanding through its maturity.

The following table summarizes the aggregate principal outstanding under the Company's indebtedness and the corresponding estimate of fair value as of December 31, 2020 and December 31, 2019:

Indebtedness (in thousands)	December 31, 2020		December 31, 2019	
	Principal Outstanding	Fair Value	Principal Outstanding	Fair Value
Secured debt	\$ 332,011	\$ 351,744	\$ 322,177	\$ 319,376
Unsecured debt	100,000	100,000	—	—
Borrowings under line of credit, net	90,000	90,000	78,900	77,571
Total	522,011	\$ 541,744	401,077	\$ 396,947
Unamortized debt issuance cost, net	(4,507)		(4,491)	
Unamortized premium/(discount), net	658		872	
Total carrying value	\$ 518,162		\$ 397,458	

Debt Issuance Costs

Debt issuance costs other than those associated with the revolving line of credit facility 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 consolidated statements of operations.

Debt issuance costs amounted to \$8,018 and \$6,718 at December 31, 2020 and 2019, respectively, and related accumulated amortization amounted to \$3,511 and \$2,227 at December 31, 2020 and 2019, respectively. At December 31, 2020 and December 31, 2019, the Company has classified net unamortized debt issuance costs of \$2,371 and \$1,133, respectively, related to borrowings under line of credit to other assets in the consolidated balance sheets.

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 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. Forfeitures of unvested shares are recognized in the period the forfeiture occurs.

Earnings (Loss) per Share

The Company follows the two-class method when computing net earnings (loss) per common share as the Company has issued shares that meet the definition of participating securities. The two-class method determines net earnings (loss) per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. 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.

Income Taxes

The Company has operated in a manner that allows it to qualify as a REIT for federal income tax purposes. The Company utilizes an UPREIT organizational structure with the intent to hold properties and securities through an Operating Partnership.

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

The Company elected to be taxed as a real estate investment trust (“REIT”) under the Internal Revenue Code of 1986, as amended, and has operated as such beginning with the tax year ending December 31, 2012. To qualify as a REIT, the Company must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of its 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, the Company generally will not be subject to federal income tax on income that we distribute as dividends to its stockholders. If the Company fails to qualify as a REIT in any taxable year, it 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 tax years following the year during which qualification is lost, unless it can obtain relief under certain statutory provisions. Such an event could materially and adversely affect the net income and net cash available for distribution to stockholders. However, the Company intends to continue to operate in a manner that allows it to qualify for treatment as a REIT.

The Company files income tax returns in the U.S federal jurisdiction and various state and local jurisdictions. The statute of limitations for the Company’s income tax returns is generally three years and as such, the Company’s returns that remain subject to examination would be primarily from 2017 and thereafter. Accrued interest and penalties will be recorded as income tax expense, if the Company records a liability in the future.

To the extent the Company does not utilize the full amount of the annual federal NOLs, the unused amount may normally be carried forward for 20 years to offset taxable income in future years. The Company had federal NOL carryforwards originating from 2012 through 2019 of approximately \$35,322. The Company will incur no federal taxable income during 2020 after utilizing the dividends paid deduction, resulting in net operating loss carryforwards to 2021 of approximately \$35,322. NOLs generated from 2018 and onwards are not limited to 20 years and can be carried forward indefinitely with the exception that they can only offset up to 80% of federal taxable income in future years.

The Company’s tax basis of real estate assets, net of accumulated depreciation, amounted to \$874,892 and \$602,848 as of December 31, 2020 and 2019, respectively.

Real Estate Property Acquisitions

The Company accounts for its real estate property acquisitions in accordance with Financial Accounting Standards Board (“FASB”) ASC 805. The Company has concluded that the acquisition of real estate properties will be accounted for as an asset acquisition as opposed to a business combination. The significant difference between the two accounting models is that within an acquisition of assets, acquisition costs are capitalized as a cost of the assets, whereas in a business combination acquisition costs are expensed and not included as part of the consideration transferred.

The accounting for real estate property acquisitions requires estimates and judgment as to expectations for future cash flows of the acquired property, the allocation of those cash flows to identifiable intangible assets and liabilities, and in determining the estimated fair value for assets acquired and liabilities assumed. The amounts allocated to lease intangibles (leases in place, leasing commissions, tenant relationships, and above and below market leases) are based on management’s estimates and assumptions, as well as other information compiled by management, including independent third party analysis and market data and are generally amortized over the remaining life of the related leases excluding renewal options, except in the case of below market fixed rate rent amounts, which are amortized over the applicable renewal period. Such inputs are Level 3 in the fair value hierarchy. The process for determining the allocation to these components requires management to make estimates and assumptions, including rental rates, land value, discount rates, and exit capitalization rates.

Real Estate and Depreciation

Real estate properties are stated at cost less accumulated depreciation. Depreciation of buildings and other improvements is computed using the straight-line method over the estimated remaining useful lives of the assets, which generally range from 11 to 40 years for buildings and 3 to 13 years for site improvements. If the Company determines that impairment has occurred, the affected assets are reduced to their fair value. Building improvements are capitalized, while maintenance and repair expenses are charged to expense as incurred. Significant renovations and improvements that improve or extend the useful life of the assets are capitalized.

Amortization of Deferred Lease Intangibles - Assets and Liabilities

Deferred lease intangible assets consist of leases in place, leasing commissions, tenant relationships, and above market leases. Deferred lease intangible liabilities represent below market leases. These intangibles have been recorded at their fair market value in connection with the acquisition of properties. Intangible assets are generally amortized over the remaining life of the related lease following the evaluation of potential renewal options.

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

Impairment of Long-Lived Assets

The Company assesses the carrying values of our respective long-lived assets 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, the Company considers 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. 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. 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. The Company has determined there is no impairment of value of real estate properties.

Investment in Unconsolidated Joint Venture

Investment in unconsolidated joint ventures represents a non-controlling equity interest in a joint venture we entered into during October 2020. The Company determined that the venture is not a VIE in accordance with the accounting standard for the consolidation of VIEs. As a result, the Company used the voting interest model under the accounting standard for consolidation in order to determine whether to consolidate the investment in unconsolidated joint ventures. We have concluded that we have the ability to exercise significant influence, however, do not have control or kick out rights and accordingly is accounted for under the equity method of accounting. Accordingly, we initially record our investment at cost, and subsequently adjust for equity in earnings or losses and cash contributions and distributions. Any difference between the carrying amount of these investments on the balance sheet and the underlying equity in net assets will be amortized as an adjustment to equity in income (loss) from unconsolidated real estate over the life of the related asset. Our net equity investment in the joint venture is reflected within the Consolidated Balance Sheets, and our share of net income or loss from the joint venture is included within the Consolidated Statements of Operations. There were no investments in unconsolidated joint venture during the year ended December 31, 2019.

Non-controlling Interests

As further discussed in Note 10, the Company has issued non-controlling interests in its Operating Partnership. The net loss attributable to the non-controlling interests is presented in the Company's consolidated statements of operations.

New Accounting Standards Recently Adopted

We adopted ASU 2016-02, *Leases*, effective January 1, 2019 using the modified retrospective transition approach and elected the package of practical expedients, both provided for under ASU 2018-11, *Leases (Topic 842): Targeted Improvements*. The package of practical expedients allows us not to reassess whether contracts are or contain leases, lease classification, and whether initial direct costs qualify for capitalization. The Company also elected the practical expedient to not separate non-lease components from lease components of our real estate leases.

For arrangements where the Company is the lessee, the adoption of ASU 2016-02 resulted in a material impact on our consolidated balance sheets upon the recognition of the right-of-use asset and the related lease liabilities. The Company recorded an initial right of use asset and lease liability of approximately \$2,096 on the consolidated balance sheet upon adoption of ASU 2016-02 on January 1, 2019. The Company includes the right of use asset within other assets and the corresponding lease liability within accounts payable, accrued expenses and other liabilities in the consolidated balance sheet.

For arrangements where the Company is the lessor, the Company concluded the new lease standard does not have a material impact on the consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, "Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement" ("ASU 2018-13"). ASC 820 defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. ASU 2018-13 is intended to improve the effectiveness of disclosures required by entities regarding recurring and nonrecurring fair value measurements. ASU 2018-13 was effective for the Company for reporting periods beginning after December 15, 2019, with early adoption permitted. The Company adopted ASU 2018-13 on January 1, 2020 and the adoption did not have a material impact on the Company's consolidated financial statements.

New Accounting Pronouncements Issued but not yet Adopted

In March 2020, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2020-04 Reference Rate Reform (Topic 848). ASU 2020-04 contains practical expedients for reference rate reform-related activities that impact debt, leases, derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities occur. The Company is in the process of evaluating the impact of the guidance.

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

3. Real Estate Properties

Real estate properties consisted of the following at December 31, 2020 and 2019:

	December 31, 2020	December 31, 2019
Land	\$ 159,681	\$ 127,439
Buildings and improvements	652,191	474,492
Site improvements	74,129	52,998
Construction in progress	680	859
	<u>886,681</u>	<u>655,788</u>
Less accumulated depreciation	(98,283)	(63,877)
Real estate properties	<u>\$ 788,398</u>	<u>\$ 591,911</u>

Depreciation expense was \$34,406 and \$22,633 for the year ended December 31, 2020 and 2019, respectively.

Acquisition of Properties

The Company made the following acquisitions of properties during the year ended December 31, 2020:

Location	Date Acquired	Square Feet	Properties	Purchase Price (in thousands) ⁽¹⁾
Chicago, IL	January 24, 2020	465,940	1	\$ 18,650
Indianapolis, IN	January 27, 2020	276,240	1	8,800
Atlanta/Savannah, GA	January 28, 2020	924,036	5	34,700
Avon, OH	February 14, 2020	406,863	3	15,750
Atlanta, GA	March 13, 2020	117,000	1	10,056
St. Louis, MO	September 2, 2020	487,150	1	27,000
St. Louis, MO	September 3, 2020	79,258	1	3,712
Jacksonville, FL	September 10, 2020	288,750	1	20,400
Mansfield, OH	October 23, 2020	314,736	1	10,500
Cleveland, OH	November 24, 2020	2,113,623	7	94,000
Year ended December 31, 2020		<u>5,473,596</u>	<u>22</u>	<u>\$ 243,568</u>

The Company made the following acquisitions of properties during the year ended December 31, 2019:

Location	Date Acquired	Square Feet	Properties	Purchase Price (in thousands) ⁽¹⁾
Chicago, IL	January 4, 2019	73,785	1	\$ 5,425
Indianapolis, IN	June 10, 2019	484,879	1	17,100
St. Louis, MO	July 29, 2019	129,000	1	5,400
Memphis, TN	August 29, 2019	566,281	1	22,050 ⁽²⁾
Chicago, IL	August 29, 2019	1,071,129	7	32,250
Cincinnati/Columbus, OH	August 30, 2019	591,695	6	36,200 ⁽³⁾
Atlanta, GA	October 30, 2019	295,693	1	19,400
St. Louis, MO	November 21, 2019	59,055	1	3,525
Shadeland, IN	December 4, 2019	1,747,411	9	49,815
Indianapolis, IN	December 4, 2019	353,000	1	12,150
Findlay, OH	December 20, 2019	405,000	1	16,800
Year ended December 31, 2019		<u>5,776,928</u>	<u>30</u>	<u>\$ 220,115</u>

(1) Purchase price does not include capitalized acquisition costs

(2) The purchase price of \$22,050 includes the assumption of approximately \$9,577 of existing mortgage debt secured by the property.

(3) The purchase price of \$36,200 included the assumption of approximately \$21,005 of existing mortgage debt secured by the property

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

The allocation of the aggregate purchase price in accordance with ASC 805 of the assets and liabilities acquired at their relative fair values as of their acquisition date, is as follows:

	Year ended December 31, 2020		Year ended December 31, 2019	
	Purchase Price ⁽¹⁾	Weighted average amortization period (years) of intangibles at acquisition	Purchase Price	Weighted average amortization period (years) of intangibles at acquisition
Purchase price allocation				
Total Purchase Price				
Purchase price	\$ 243,568	N/A	\$ 220,115	N/A
Acquisition costs	2,785	N/A	5,608	N/A
Total	\$ 246,353		\$ 225,723	
Allocation of Purchase Price				
Land	\$ 32,241	N/A	\$ 34,810	N/A
Building	170,151	N/A	143,313	N/A
Site improvements	21,132	N/A	19,727	N/A
Total real estate properties	223,524		197,850	
Deferred Lease Intangibles				
Tenant relationships	3,768	6.0	5,692	5.1
Leasing commissions	4,041	5.5	4,115	5.0
Above market lease value	2,354	6.5	519	4.4
Below market lease value	(5,975)	6.6	(3,312)	6.2
Above market ground lease value	(1,279)	35.1	—	N/A
Below market ground lease value	431	35.1	—	N/A
Lease in place value	19,489	5.0	21,884	5.0
Net deferred lease intangibles	22,829		28,898	
Assumed debt – market value				
(Above)/below assumed market debt value	—	N/A	(1,025)	4.8
Totals	\$ 246,353		\$ 225,723	

(1) Totals for the year ended December 31, 2020 include the Ohio Properties' totals as outlined below.

On November 24, 2020, the Company acquired seven industrial properties consisting of ten buildings located in the metro-Cleveland, Ohio area (the "Ohio Properties"). The allocation of the aggregate purchase price for the Ohio Properties of the assets and liabilities acquired at their fair values upon acquisition is as follows:

	Ohio Properties Purchase Price	Weighted average amortization period (years) of intangibles at acquisition
Purchase Price Allocation		
Total Purchase Price		
Purchase price	\$ 94,000	N/A
Acquisition costs	1,267	N/A
Total	\$ 95,267	
Allocation of Purchase Price		
Land	\$ 7,577	N/A
Building	74,113	N/A
Site improvements	6,285	N/A
Total real estate properties	87,975	
Deferred Lease Intangibles		
Tenant relationships	641	3.6
Leasing commissions	1,364	3.7
Above market lease value	458	1.7
Below market lease value	(2,847)	6.4
Above market ground lease value	(1,279)	35.1
Below market ground lease value	431	35.1
Lease in place value	8,524	4.5
Net deferred lease intangibles	7,292	
Totals	\$ 95,267	

4. Deferred Lease Intangibles

Deferred lease intangible assets consisted of the following at December 31, 2020 and 2019:

	2020	2019
Above market lease	\$ 6,006	\$ 3,815
Lease in place	71,687	56,005
Tenant relationships	18,825	15,865
Leasing commissions	21,494	16,108
	118,012	91,793
Less accumulated amortization	(51,896)	(34,705)
Deferred lease intangibles	<u>\$ 66,116</u>	<u>\$ 57,088</u>

Deferred lease intangible liabilities consisted of the following at December 31, 2020 and 2019:

	2020	2019
Below market leases	\$ 18,453	\$ 12,983
Less accumulated amortization	(7,103)	(4,669)
Deferred lease intangibles	<u>\$ 11,350</u>	<u>\$ 8,314</u>

Amortization of above and below market leases was recorded as an adjustment to revenues and amounted to \$2,075 and \$1,488 in 2020 and 2019, respectively. Amortization of all other deferred lease intangibles has been included in depreciation and amortization in the accompanying consolidated statements of operations and amounted to \$21,875 and \$14,748 in 2020 and 2019, respectively.

Projected amortization of deferred lease intangibles for the next five years and thereafter as of December 31, 2020 is as follows:

Year	Amortization Expense Related to Other Intangible Lease Assets and Liabilities (in thousands)	Net Increase to Rental Income Related to Above and Below Market Lease Amortization (in thousands)
2021	\$ 19,646	\$ (1,706)
2022	\$ 13,954	\$ (1,567)
2023	\$ 10,457	\$ (1,440)
2024	\$ 6,965	\$ (949)
2025	\$ 4,059	\$ (635)
Thereafter	\$ 7,612	\$ (1,630)

5. Investment in Unconsolidated Joint Venture

On October 23, 2020, a wholly owned subsidiary of the Operating Partnership entered into a \$50,000 equity joint venture agreement (the "MIR JV") with an unrelated third-party partner (the "MIR JV Partner"). The purpose of the MIR JV agreement is to acquire value-add/opportunistic industrial properties that meet certain criteria as outlined within the MIR JV agreement. The Operating Partnership will own a 20% interest in the MIR JV. The Operating Partnership will be responsible for the day-to-day oversight of the MIR JV, its subsidiaries and properties and will be entitled to an annual asset management fee equal to 1% of total equity contributed to the MIR JV by the partners paid quarterly as well as a promote based on return thresholds as set forth in the MIR JV agreement. The MIR JV completed its initial investment of a 28-property portfolio of industrial properties totaling approximately 2.3 million square feet in metropolitan Memphis, Tennessee on December 17, 2020 for \$86,000. The initial investment was funded by the MIR JV via \$30,000 cash equity contributions to the MIR JV on a 20%/80% pro-rata basis and a 7-year secured mortgage for \$56,000.

For the year ended December 31, 2020, we recognized fees of \$5 from the JV related to asset management services we provided to the JV. At December 31, 2020, we had a receivable from the JV of \$ 15 representing unpaid asset management fees.

6. Leases

As a Lessor

We lease our properties to tenants under agreements that are classified as operating leases. We recognize the total minimum lease payments provided for under the leases on a straight-line basis over the lease term. Many of our leases include the recovery of certain operating expenses such as common area maintenance, insurance, real estate taxes and utilities from our tenants. The recovery of such operating expenses is recognized in rental revenue in the consolidated statements of operations. Some of our tenants' leases are subject to changes in the Consumer Price Index ("CPI").

F-16

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

As of December 31, 2020, undiscounted future minimum fixed rental receipts due under non-cancellable operating leases for each of the next five years and total thereafter were as follows (in thousands):

	Future Minimum Fixed Rental Receipts
2021	\$ 87,911
2022	73,799
2023	60,197
2024	47,835
2025	32,933
Thereafter	57,426
Total minimum fixed rental receipts	<u>\$ 360,101</u>

These amounts do not reflect future rental revenue from the renewal or replacement of existing leases and excludes tenant recoveries and rental increases that are not fixed or indexed to CPI.

The Company includes accounts receivable and straight-line rent receivables within other assets in the consolidated balance sheet. For the years ended December 31, 2020 and 2019, rental revenue 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:

Year Ended Year Ended

	December 31, 2020	December 31, 2019
Income from leases	\$ 80,987	\$ 54,603
Straight-line rent adjustments	1,963	1,296
Tenant recoveries	24,811	17,903
Amortization of above market leases	(866)	(668)
Amortization of below market leases	2,941	2,156
Total	<u>\$ 109,836</u>	<u>\$ 75,290</u>

Tenant recoveries included within rental revenue for the year ending December 31, 2020 and 2019 are variable in nature.

On April 8, 2020, the FASB provided feedback on technical inquiries received from stakeholders regarding certain accounting topics affected by the COVID-19 pandemic, including guidance as to whether any concessions granted by a landlord to tenants results in a modification of a lease in accordance to ASC 842. The FASB concluded that a company can, as a policy election, treat any COVID-19 related rent concessions as a provision included within the pre-concession lease arrangement, and therefore, not be classified as a lease modification per ASC 842. In order to be considered a COVID-19 related concession, cash flows may be less than or equal to those prior to the concession, but not substantially greater. As of December 31, 2020, the Company has entered into a limited number of such COVID-19 related rent deferral concessions and has elected not to treat such concessions as a modification of the respective lease.

As a Lessee

Operating Leases

At December 31, 2020, we have four office space operating leases and a single ground operating sublease. The office lease agreements do not contain residual value guarantees or an option to renew. The ground sublease agreement does not contain residual value guarantees and includes multiple options to extend the sublease between nineteen and twenty years for each respective option. The operating leases have remaining lease terms ranging from 3.7 years to 35.0 years, which includes the exercise of a single twenty-year renewal option pertaining to the ground sublease. As of December 31, 2020, total operating right of use assets and lease liabilities were approximately \$7,159 and \$8,545, respectively. The operating lease liability as of December 31, 2020 represents a weighted-average incremental borrowing rate of 6.1% over the weighted-average remaining lease term of 10.1 years. The incremental borrowing rate is our estimated borrowing rate on a fully-collateralized basis for the term of the respective leases.

At December 31, 2019, we had three, non-cancelable office space operating leases. These leases have remaining lease terms ranging from 4.7 years to 5.3 years. The lease agreements do not contain residual value guarantees or options to renew. As of December 31, 2019, total right of use assets and lease liabilities were approximately \$2,104 and \$2,141, respectively. In arriving at the lease liability as of December 31, 2019, we applied a weighted-average incremental borrowing rate of 6.3% over the weighted-average remaining lease term of 5.2 years. The incremental borrowing rate is our estimated borrowing rate on a fully-collateralized basis for the term of the respective leases.

F-17

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

On September 10, 2020, the Company entered into a sublease agreement related to the space previously occupied as its headquarters. The Company's decision to re-locate its headquarters was identified as a triggering event requiring the reassessment of the recoverability of the associated right of use asset which is recorded in other assets. As the Company would not be utilizing this space in the subsequent period, the right of use asset was de-linked from the previously accrued operating lease liability. Following the Company's analysis, it was determined that a fair value assessment was necessary. The Company utilized a discounted cash flow model using level 3 assumptions such as a discount rate to determine the net present value of the remaining right of use asset related to the Company's previously occupied headquarters. The Company concluded that the fair market value of the right of use asset was not fully recoverable and recorded an impairment charge of \$311 during the third quarter to reflect the fair market value of the right of use asset associated with the primary lease.

The following table summarizes the operating lease expense recognized during the year ended December 31, 2020 and 2019 included in the Company's consolidated statements of operations.

	December 31, 2020	December 31, 2019
Operating lease expense included in general and administrative expense attributable to office leases	\$ 984	\$ 466
Operating lease expense included in property expense attributable to ground sublease	5	—
Non-cash adjustment due to straight-line rent adjustments	(340)	(37)
Cash paid for amounts included in the measurement of lease liabilities (operating cash flows)	<u>\$ 649</u>	<u>\$ 429</u>

The following table summarizes the maturity analysis of our operating leases, which is discounted by our incremental borrowing rate to calculate the lease liability for the operating leases in which we are the lessee (in thousands):

	December 31, 2020	December 31, 2019
2021	\$ 1,205	\$ 453
2022	1,217	465
2023	1,240	474
2024	1,249	483
2025	894	479
Thereafter	5,110	108
Total minimum operating lease payments	\$ 10,915	\$ 2,462
Less imputed interest	(2,370)	(321)
Total operating lease liability	<u>\$ 8,545</u>	<u>\$ 2,141</u>

Financing Leases

As of December 31, 2020, we have a single finance lease in which we are the sublessee for a ground lease. The Company includes the financing lease right of use asset within real estate properties and the corresponding liability within financing lease liability in the consolidated balance sheet. The ground sublease agreement does not contain a residual value guarantee and includes multiple options to extend the sublease between nineteen and twenty years for each respective option. The lease has a remaining lease term of approximately 35 years, which includes the exercise of a single twenty-year renewal options. The financing lease liability as of December 31, 2020 represents a weighted-average incremental borrowing rate of 7.8% over the weighted-average remaining lease term of 35 years. The incremental borrowing rate is our estimated borrowing rate on a fully-collateralized basis for the term of the respective lease.

The following table summarizes the financing lease expense recognized during the year ended December 31, 2020 included in the Company's consolidated statements of operations. There were no financing leases for the year ended December 31, 2019.

	December 31, 2020
Depreciation/amortization of financing lease right-of-use assets	\$ 2
Interest expense for financing lease liability	15
Total financing lease cost	\$ 17

F-18

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

The following table summarizes the maturity analysis of our financing lease (in thousands):

	December 31, 2020
2021	\$ 155
2022	155
2023	155
2024	155
2025	170
Thereafter	6,707
Total minimum financing lease payments	\$ 7,497
Less imputed interest	(5,290)
Total financing lease liability	\$ 2,207

7. Indebtedness

The following table sets forth a summary of the Company's borrowings outstanding under its secured and unsecured line of credit and secured and unsecured term loans as of December 31, 2020 and 2019.

Loan	Outstanding Balance at		Interest rate at December 31, 2020	Final Maturity Date
	December 31, 2020	December 31, 2019		
Secured loans:				
AIG Loan	\$ 117,087	\$ 119,592	4.08%	November 1, 2023
Transamerica Loan	72,960	74,214	4.35%	August 1, 2028
Allianz Loan	63,115	63,115	4.07%	April 10, 2026
Minnesota Life Loan	20,870	21,272	3.78%	May 1, 2028
JPMorgan Chase Loan	13,440	13,661	5.23%	January 1, 2027
Lincoln Life Mortgage	9,289	9,507	3.41%	January 10, 2022
Ohio National Life Mortgage	20,250	20,816	4.14%	August 1, 2024
Nationwide Loan	15,000	—	2.97%	October 1, 2027
Total secured loans	\$ 332,011	\$ 322,177		
Unamortized debt issuance costs, net	(3,761)	(4,491)		
Unamortized premium/(discount), net	658	872		
Total secured loans, net	\$ 328,908	\$ 318,558		
Unsecured loans:				
KeyBank unsecured term loan	100,000	—	1.95% ⁽¹⁾	October 8, 2025
Total unsecured loans	\$ 100,000	\$ —		
Unamortized debt issuance costs, net	(746)	—		
Total unsecured loans, net	\$ 99,254	\$ —		
Borrowings under line of credit facility:				
Secured line of credit	—	78,900	—	August 7, 2023
Unsecured line of credit	90,000	—	1.95% ⁽¹⁾	October 8, 2024
Total borrowings under line of credit	\$ 90,000	\$ 78,900		

(1) The 1-month LIBOR rate as of December 31, 2020 was 0.14%. The spread over the applicable rate for the revolving line of credit with KeyBank is based on the Company's total leverage ratio.

F-19

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

2020 Debt Activity

On January 22, 2020, the Operating Partnership (the “KeyBank Term Loan Borrower”) entered into a credit agreement (the “KeyBank Term Loan”) with KeyBank National Association (“KeyBank”) to provide the KeyBank Term Loan Borrower with a term loan with a total commitment of \$100,000, subject to certain conditions. The KeyBank Term Loan matured on October 22, 2020. Borrowings under the Credit Agreement bear interest at either (1) the base rate (determined as 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 100 and 150 basis points for base rate loans or a spread between 200 and 250 basis points for LIBOR rate loans, with the amount of such spread depending on the KeyBank Term Loan Borrower’s total leverage ratio. The credit agreement is secured by the equity interests of certain of the KeyBank Term Loan Borrower’s wholly-owned subsidiary property owners. The credit agreement contains financial covenants as defined within the KeyBank Term Loan agreement.

On October 8, 2020, the Company entered into a new \$300 million unsecured credit facility, comprised of \$200 million revolving credit facility and \$100 million term loan. KeyBanc Capital Markets, as Lead Arranger, arranged the new facility and term loan. Syndicate lenders include Barclays Bank PLC, JPMorgan Chase Bank N.A., Bank of Montreal, and Capital One National Association with KeyBank National Association serving as administrative agent. The unsecured credit facility replaces an existing \$100 million secured facility that was set to mature in August 2023, and the \$100 million unsecured term loan replaces a \$100 million secured term loan that was set to mature on October 22, 2020. The new unsecured revolving credit facility has an accordion feature enabling the Company to increase the total borrowing capacity under the credit facility and term loan up to an aggregate of \$500 million, subject to certain conditions. The new credit facility matures in October 2024 and has two, six-month extension options, subject to certain conditions, and the new term loan matures in October 2025. Amounts outstanding under the facility and the term loan bear interest at LIBOR (at a floor of 0.30%) plus a margin between 145 to 200 basis points, depending on the Company’s total leverage ratio, per the agreement.

On September 2, 2020, a wholly-owned subsidiary of the Operating Partnership entered into a loan agreement (the “Nationwide Loan”) in the amount of \$5,000 in connection with the Company’s acquisition of a property in St. Louis. The Nationwide Loan, held by Nationwide Life Insurance Company (“Nationwide”), bears interest at 2.97% and is secured by the property. The Nationwide Loan requires monthly installments of interest only through October 1, 2023 and afterwards, monthly installments of principal plus accrued interest through October 1, 2027, at which time a balloon payment is required. The Company has the right to prepay the borrowings outstanding, subject to a prepayment penalty in effect until the loan approaches maturity.

2019 Debt Activity

On March 21, 2019, certain wholly-owned subsidiaries of the Operating Partnership (the “Allianz Borrowers”) entered into a loan agreement with Allianz Life Insurance Company of North America (the “Allianz Loan”), which provided the Company \$63,115 of commercial mortgage loans. The Company used proceeds of \$63,115 from the Allianz Loan to retire secured borrowings of the same amount obtained under a secured Libor-based bridge loan provided by KeyBank on December 14, 2018. The Allianz Loan bears interest at a fixed rate of 4.07% per annum and is required to make interest-only payments through April 2022. Thereafter, the Company will make monthly payments of principal plus accrued interest with a balloon payment on April 10, 2026. The Company has the right to prepay the borrowings outstanding, subject to a prepayment penalty in effect until the loan approaches maturity.

On August 29, 2019, a wholly-owned subsidiary of the Operating Partnership (the “South Park Borrower”) assumed a mortgage (the “Lincoln Life Mortgage”) in the amount of \$9,577 in connection with the Company’s acquisition of a property in Memphis. The Lincoln Life Mortgage, held by Lincoln National, bears interest at 8.41% and is secured by the property. The Lincoln Life Mortgage requires monthly installments of principal plus accrued interest through January 10, 2022, at which time a balloon payment is required. The Company has the right to prepay the borrowings outstanding, subject to a prepayment penalty in effect until the mortgage approaches maturity.

On August 30, 2019, a wholly-owned subsidiary of the Operating Partnership (the “Orange Point Borrower”) assumed a mortgage (the “Ohio National Life Mortgage”) in the amount of \$21,005 in connection with the Company’s acquisition of the 6-property portfolio in Cincinnati and Columbus. The Ohio National Life Mortgage, held by Ohio National Life Insurance Company, bears interest at 4.14% and is secured by the properties. The Ohio National Life Mortgage requires monthly installments of principal plus accrued interest through August 1, 2024, at which time a balloon payment is required. The Company has the right to prepay the borrowings outstanding, subject to a prepayment penalty in effect until the mortgage approaches maturity.

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

Future Principal Payments of Debt

Principal payments on the Company's long-term debt due in each of the next five years and thereafter as of December 31, 2020 are as follows:

Year ending December 31:	Amount
2021	\$ 5,389
2022	15,176
2023	115,716
2024	112,128
2025	103,884
Thereafter	169,718
Total aggregate principal payments	<u>\$ 522,011</u>

Financial Covenant Considerations

The Company is in compliance with all respective financial covenants for our secured and unsecured debt and revolving line of credit facility as of December 31, 2020.

8. Common Stock

Follow-on Offerings

During May 2019, the Company completed a follow-on public offering of 3,425,000 shares of common stock, including 425,000 shares of common stock issued upon exercise of the underwriters' overallotment option, at \$17.50 per share resulting in net proceeds of approximately \$55,857.

During September 2019, the Company completed a follow-on public offering of 3,450,000 shares of common stock, including 450,000 shares of common stock issued upon exercise of the underwriters' overallotment option, at \$18.00 per share resulting in net proceeds of approximately \$58,756.

On August 28, 2020, the Company completed a follow-on public offering of 8,625,000 shares of common stock, including 1,125,000 shares of common stock issued upon exercise of the underwriters' overallotment option at \$12.85 per share resulting in net proceeds of approximately \$104,420.

ATM Program

On July 30, 2018, the Company and Operating Partnership filed a shelf registration statement on Form S-3 with the U.S. Securities and Exchange Commission ("SEC") registering an aggregate of \$500,000 of securities, consisting of an indeterminate amount of common stock, preferred stock, depository shares, warrants, rights to purchase our common stock and debt securities.

On August 24, 2018, the Company entered into a distribution agreement with D.A. Davidson & Co., KeyBanc Capital Markets and National Securities Corporation (the "Agents"), pursuant to which the Company may issue and sell, from time to time, shares of its common stock having an aggregate offering price of up to \$50,000 through an "at-the-market equity offering program" (the "ATM program").

On February 27, 2020, the Company entered into a distribution agreement with KeyBanc Capital Markets Inc., Barclays Capital Inc., J.P. Morgan Securities, LLC, Capital One Securities, Inc., Robert W. Baird & Co. Incorporated, BMO Capital Markets Corp., D.A. Davidson & Co. and National Securities Corporation pursuant to which the Company may issue and sell, from time to time, shares of its common stock, with aggregate gross sales proceeds of up to \$100,000, through an "at-the-market" equity offering program (the "\$100 Million ATM Program"). All \$ 50,000 of common shares available under the ATM Program were issued prior to establishing the \$100 Million ATM Program.

During the year ended December 31, 2020, the Company issued 2,212,905 shares of its common stock under both ATM programs for a weighted average share price of \$14.19, resulting in net proceeds of approximately \$30,735, of which 558,900 shares were sold in the quarter ended December 31, 2020. As of December 31, 2020, the Company had approximately \$78,811 available for issuance under the \$100 Million ATM program.

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

Common Stock Warrants

The Company has warrants outstanding to acquire 351,082 shares of the Company's common stock at an exercise price of \$16.39 per share, which expire in 2022. The warrants are accounted for as a liability within accounts payable, accrued expenses and other liabilities on the accompanying 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 re-measured at each financial reporting period with any changes in fair value recognized as an unrealized appreciation/depreciation of warrants in the accompanying consolidated statements of operations. The warrants are not included in the computation of diluted net loss per share as they are anti-dilutive for the periods presented since the Company recorded a net loss during the years ended December 31, 2020 and 2019.

A roll-forward of the warrants is as follows:

Balance at January 1, 2019	\$	112
Unrealized appreciation/(depreciation)		181
Balance at December 31, 2019		<u>293</u>
Unrealized appreciation/(depreciation)		103
Balance at December 31, 2020	\$	<u>396</u>

The warrants in the amount of \$396 at December 31, 2020 represent their fair value determined using a Binomial Valuation Model applying Level 3 inputs as described in Note 2. The significant inputs into the model were: exercise price of \$16.39, volatility of 27.4%, an expected annual dividend of \$0.80, a term of 1.45 years and an annual risk-free interest rate of 0.13%. The warrants in the amount of \$293 at December 31, 2019 represent their fair value determined using a Binomial Valuation Model applying Level 3 inputs as described in Note 2. The significant inputs into the model were: exercise price of \$18.96, volatility of 18.1%, an expected annual dividend of \$1.50, a term of 2.5 years and an annual risk-free interest rate of 1.6%.

Common Stock Dividends

The following table sets forth the common stock distributions that were declared during the years ended December 31, 2020 and 2019.

	Cash Dividends Declared per Share	Aggregate Amount
2020		
First quarter	\$ 0.3750	\$ 5,545
Second quarter	\$ 0.2000	\$ 3,179
Third quarter	\$ 0.2000	\$ 4,943
Fourth quarter	\$ 0.2000	\$ 5,069
2019		
First quarter	\$ 0.3750	\$ 1,923
Second quarter	\$ 0.3750	\$ 3,257
Third quarter	\$ 0.3750	\$ 5,027
Fourth quarter	\$ 0.3750	\$ 5,303

Characterization of Common Stock Dividends

Earnings and profits (as defined under the Internal Revenue Code), the current and accumulated amounts of which determine the taxability of distributions to stockholders, vary from net income attributable to common stockholders and taxable income because of the different depreciation recovery periods, depreciation methods, and other items. Distributions in excess of earnings and profits generally constitute a return of capital. The following table shows the characterization of the distributions on the Company's common stock for the year ended December 31, 2020.

Declaration Date	Date of Record	Payable Date	Cash Distribution	Ordinary Dividend	Return of Capital
12/14/2019	12/31/2019	1/31/2020	\$ 0.3750	\$ 0.264071	\$ 0.110929
3/16/2020	3/31/2020	4/30/2020	\$ 0.3750	\$ 0.264071	\$ 0.110929
6/12/2020	6/30/2020	7/31/2020	\$ 0.2000	\$ 0.140838	\$ 0.059162
9/15/2020	9/30/2020	10/30/2020	\$ 0.2000	\$ 0.140838	\$ 0.059162
12/15/2020	12/31/2020	1/29/2021	\$ 0.2000 ⁽¹⁾	—	—

(1) This distribution was in excess of current and accumulated earnings and profits. Per IRC Section 857(b)(9), this distribution will not impact the basis of securities held by US taxpayer(s) for tax year 2021.

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

9. Preferred Stock

Series A Preferred Stock

In the fourth quarter of 2017, the Company completed the offering of 2,040,000 shares of Series A Preferred Stock, including 240,000 shares exercised under the underwriter's over-allotment, at a per share price of \$25.00 for net cash proceeds of \$48,868. The offering of the Series A Preferred Stock was registered with the SEC, pursuant to a registration statement on Form S-11 declared effective on October 18, 2017.

The relevant features of the Series A Preferred Stock are as follows:

Liquidation Rights

In the event of any voluntary or involuntary liquidation, dissolution, or winding-up of the affairs of the Company, the holders of shares of the Series A Preferred Stock shall be entitled to be paid out of the assets of the Company available for distribution to its stockholders on parity with Series B Preferred as set forth below, before any payment shall be made to the holders of Common Stock, an amount per share equal to \$25.00 per share, plus any accrued and unpaid dividends.

Redemption Rights

Holders of the Series A Preferred Stock have the right to require the Company to redeem for cash, their shares of Series A Preferred Stock in the event of a change in control of the Company or a delisting of the Company's shares. The Company also has the right to redeem the shares of Series A Preferred Stock in the event of a change in control of the Company or a delisting of the Company's shares. Since this contingent redemption right is outside of the control of the Company, the Company has presented its Series A Preferred Stock as temporary equity. The redemption price is \$25.00 per share, plus any accrued and unpaid dividends.

The Company has the right to redeem the Series A Preferred Stock at its option commencing on December 31, 2022 at \$25.00 per share, plus any accrued and unpaid dividends.

Conversion

The shares of Series A Preferred Stock are not convertible.

Voting Rights

Holders of shares of the Series A Preferred Stock generally do not have any voting rights, except in the event dividends are in arrears for six or more quarterly periods (whether or not consecutive), the number of directors of the Company's board of directors will automatically be increased by two and holders of shares of Series A Preferred Stock, voting together as a single class with the holders of the Series B Preferred or any other then-outstanding class or series of capital stock ranking on parity with the Series A Preferred Stock upon which like voting rights have been conferred and are exercisable, or collectively, any Voting Preferred Stock and the holders of Series A Preferred Stock will be entitled to vote for the election of two additional directors to serve on our board of directors, until all unpaid dividends for past dividend periods shall have been paid in full.

Protective Rights

As long as the shares of Series A Preferred Stock remain outstanding, the Company cannot, without the affirmative vote or consent of the holders of at least two-thirds of the outstanding shares of Series A Preferred Stock voting together as a single class with any voting preferred stock, among other things, authorize, create or issue, or increase the number of authorized or issued shares of, any class or series of capital stock ranking senior to the Series A Preferred Stock with respect to payment of dividends or the distribution of assets upon our liquidation, dissolution or winding up, or reclassify any of our authorized capital stock into such capital stock, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase such capital stock.

Dividend Rights

When, as and if authorized by our board of directors, holders of Series A Preferred Stock are entitled to receive cumulative cash dividends from, and including, the issue date, payable quarterly in arrears on the last day of March, June, September and December of each year, beginning on December 31, 2017 until December 31, 2024, at the rate of 7.5% per annum on the \$25.00 liquidation preference per share (equivalent to a fixed annual rate of \$1.875 per share ("Initial Rate")).

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

On and after December 31, 2024, if any shares of Series A Preferred Stock are outstanding, the Company will pay cumulative cash dividends on each then-outstanding share of Series A Preferred Stock at an annual dividend rate equal to the Initial Rate plus an additional 1.5% of the liquidation preference per annum, which will increase by an additional 1.5% of the liquidation preference per annum on each subsequent December 31 thereafter, subject to a maximum annual dividend rate of 11.5% while the Series A Preferred Stock remains outstanding.

The following table sets forth the Series A Preferred Stock distributions that were declared or paid during the years ended December 31, 2020 and 2019.

	Cash Dividends Declared per Share	Aggregate Amount
2020		
First quarter	\$ 0.4688	\$ 956
Second quarter	\$ 0.4688	\$ 956
Third quarter	\$ 0.4688	\$ 956
Fourth quarter	\$ 0.4688	\$ 949
2019		
First quarter	\$ 0.4688	\$ 956
Second quarter	\$ 0.4688	\$ 956
Third quarter	\$ 0.4688	\$ 956
Fourth quarter	\$ 0.4688	\$ 956

Characterization of Series A Preferred Stock Dividends

Earnings and profits (as defined under the Internal Revenue Code), the current and accumulated amounts of which determine the taxability of distributions to stockholders, vary from net income attributable to common stockholders and taxable income because of the different depreciation recovery periods, depreciation methods, and other items. Distributions in excess of earnings and profits generally constitute a return of capital. The following table shows the characterization of the distributions on the Company's Series A Preferred Stock for the year ended December 31, 2020.

Declaration Date	Date of Record	Payable Date	Cash Distribution	Ordinary Dividend	Return of Capital
2/28/2020	3/13/2020	3/31/2020	\$ 0.4688	\$ 0.4688	\$ —
6/1/2020	6/15/2020	6/30/2020	\$ 0.4688	\$ 0.4688	\$ —
9/1/2020	9/15/2020	9/30/2020	\$ 0.4688	\$ 0.4688	\$ —
12/1/2020	12/15/2020	12/31/2020	\$ 0.4688	\$ 0.4688	\$ —

Repurchase and Retirement of Series A Preferred Stock

During Q4 2020, the Company's Board of Directors approved the repurchase and retirement of the Company's Series A Preferred Stock up to a maximum of \$5,000 of the respective Series A Preferred Stock outstanding. The Company commenced its repurchasing of its Series A Preferred Stock on the open market on November 11, 2020. For the year ended December 31, 2020, the Company has repurchased and retired 16,001 Series A Preferred stock.

Series B Preferred Stock

On December 14, 2018, the Company in a private placement exempt from registration under the federal securities laws (the "Private Placement"), completed the offering of 4,411,764 shares of the Company's Series B Convertible Redeemable Preferred Stock (the "Series B Preferred Stock") at a purchase price of \$17.00 per share for an aggregate consideration of \$75,000 (the "Purchase Price") or \$71,800, net of issuance costs.

The relevant features of the Series B Preferred Stock are as follows:

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

Liquidation Preference

The Series B Preferred Stock ranks senior to the shares of the Company's common stock, par value \$0.01 per share (the "Common Stock"), and ranks on a parity with the shares of the Company's 7.50% Series A Cumulative Redeemable Preferred Stock, in each case, with respect to dividend rights and rights on the distribution of assets on any voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company. The shares of Series B Preferred Stock have a Liquidation Preference, (Series B Liquidation Preference) which is defined as an amount per share equal to the greater of (a) an amount necessary for the Investor to receive a 12.0% annual internal rate of return on the issue price of \$17.00, taking into account dividends paid from December 14, 2018 until (i) the date of the voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, (ii) the Conversion Date, or (iii) the Redemption Date, as the case may be, and (b) \$21.89 (subject to adjustment), plus accrued and unpaid dividends through and including (x) the date of such voluntary or involuntary liquidation, dissolution or winding up of the affairs of the Company, (y) the Conversion Date, or (z) the Redemption Date, as the case may be. For the years ended December 31, 2020 and 2019, accretion recorded in relation to the 12% annual internal rate of return and offering costs is \$7,416 and \$7,601, respectively.

Redemption Rights

The Company and the holders of the Series B Preferred Stock each have the right to redeem the shares of the Series B Preferred Stock upon certain change of control events, including a delisting of the Company's common stock. At the option of each holder of Series B Preferred Stock, the Company shall redeem all of the Series B Preferred Stock at a price equal to the greater of (1) an amount in cash equal to 100% of the Liquidation Preference thereof and (2) the consideration the holders would have received if they had converted their shares of Series B Preferred Stock into Common Stock immediately prior to the change of control event. At any time, following December 31, 2022, the Company may elect to redeem up to fifty percent (50.0%) of the outstanding shares of Series B Preferred Stock, and at any time following December 31, 2023, the Company may elect to redeem up to one hundred percent (100.0%) of the outstanding shares of Series B Preferred Stock for an amount in cash per share of Series B Preferred Stock equal to the Redemption Price per share of Series B Preferred Stock. The Redemption Price is defined as the greater of (i) the Liquidation Preference per share of Series B Preferred Stock as of the Redemption Date or (ii) the 20-day volume weighted average price per share; provided, however, following such time as the number of shares of Series B Preferred Stock that shall have been redeemed is equal to the maximum number of shares of Series B Preferred Stock that can be converted (whether into cash or shares of Common Stock) such that, if all such shares of Series B Preferred Stock had been converted into Common Stock, the certain percentage investment ownership thresholds would have been reached (but not exceeded), the Redemption Price shall be equal to the Liquidation Preference.

Since the holders of the Series B Preferred Stock have a contingent redemption right that is outside the control of the Company, the Company has presented its Series B Preferred Stock as temporary equity.

Conversion Rights

The holders of the Series B Preferred Stock have the right to convert their shares of Series B Preferred Stock commencing January 1, 2022. Beginning January 1, 2022, if the 20-day volume weighted average price per share of Common Stock is equal to or exceeds \$26.35 (subject to adjustment), the Company has the right to convert each share of Series B Preferred Stock. Commencing December 31, 2024, the Series B Preferred Stock, subject to availability of funds, are to be automatically converted.

Any conversion of shares of Series B Preferred Stock may be settled by the Company, at its option, in shares of Common Stock, cash or any combination thereof. However, unless and until the Company's stockholders have approved the issuance of greater than 19.99% of the outstanding Common Stock as of the date of the closing of the Private Placement, (December 14, 2018) as required by the NYSE rules and regulations ("stockholder approval"), the Series B Preferred Stock may not be converted into more than 19.99% of the Company's outstanding Common Stock as of the date of the closing of the Private Placement. In addition, the Company cannot opt to convert the Series B Preferred Stock into more than 9.9% of the outstanding Common Stock without approval of the holders of Series B Preferred Stock.

The initial conversion rate is one share of Series B Preferred Stock for one share of Common Stock, subject to proportionate adjustments for certain transactions affecting the Company's securities such as stock dividends, stock splits, combinations and other corporate reorganization events, provided that the value of the Common Stock, determined in accordance with terms of the Articles Supplementary is equal to or greater than the liquidation preference of the Series B Preferred Stock. To the extent the Company opts to settle the conversion of shares of Series B Preferred Stock in cash, (1) until such time as the maximum number of shares of Series B Preferred Stock have been converted such that, if all such shares had been converted into Common Stock, stockholder approval would be necessary to convert additional shares into Common Stock, the Company will pay cash equal to

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

the greater of the liquidation preference or the 20-day volume weighted average price per share (20 Day VWAP), and (2) following such time, the Company will pay cash equal to the liquidation preference per share of Series B Preferred Stock. On December 31, 2024, all issued and outstanding shares of Series B Preferred Stock are required to convert at the Settlement Amount as of that date, provided, however, that prior to the receipt of stockholder approval, conversion of the Series B Preferred Stock into Common Stock shall be subject to the 19.99% threshold; provided, further, however, that prior to the receipt of the 10.0% Consent, conversion of the Series B Preferred Stock into Common Stock shall be subject to the 10.0% threshold. The Settlement Amount is defined as follows:

- If a Physical Settlement is elected by the Company, the Company shall deliver to the converting holder in respect of each share of Series B Preferred Stock being converted a number of shares of Common Stock equal to the greater of (i) one (1) share of Common Stock or (ii) the quotient of the Liquidation Preference divided by the 20-Day VWAP;
- If a Cash Settlement is elected by the Company, the Company shall pay to the converting holder in respect of each share of Series B Preferred Stock being converted into cash in an amount equal to the greater of (i) the Liquidation Preference or (ii) the 20-Day VWAP. This Cash Settlement is without regard to the 10.0% Threshold or the 19.99% Threshold; provided, however, following such time as the maximum number of shares of Series B Preferred Stock have been converted pursuant to this Conversion Section (whether into cash or shares of Common Stock) such that, if all such shares of Series B Preferred Stock had been converted into Common Stock (disregarding the 10.0% Threshold), the 19.99% Threshold would have been reached (but not exceeded), the Cash Settlement Amount shall be equal to the Liquidation Preference; and
- If a Combination Settlement is elected by the Company, the Company shall pay or deliver, as the case may be, in respect of each share of Series B Preferred Stock being converted, a Settlement Amount equal to, at the election of the Company, either (i) cash equal to the Cash Settlement Amount or (ii) a number of shares of Common Stock; provided, however, that any Physical Settlement or Combination Settlement shall be subject to (i) the 10.0% Threshold until such time as the 10.0% Consent is received and (ii) the 19.99% Threshold until such time as the stockholder approval is received.

Voting Rights

Holders of the Series B Preferred Stock generally do not have any voting rights, except in the event dividends are in arrears for six or more quarterly periods (whether or not consecutive), the number of directors of the Company's board of directors will automatically be increased by two and holders of Series B Preferred Stock, voting together as a single class with the holders of the Series A Preferred or any other then-outstanding class or series of capital stock ranking on parity with the Series B Preferred Stock upon which like voting rights have been conferred and are exercisable, or collectively, any Voting Preferred Stock and the holders of Series B Preferred Stock will be entitled to vote for the election of two additional directors to serve on our board of directors, until all unpaid dividends for past dividend periods shall have been paid in full.

After December 31, 2024, holders of Series B Preferred Stock will be entitled to vote as a single class with the holders of Common Stock on an as-converted basis (up to a maximum of 19.99% of the Common Stock outstanding on the date of the closing of the Private Placement, unless stockholder approval has been received).

Protective Rights

The Company is required to obtain an affirmative vote of a majority of the holders of Series B Preferred Stock to (i) authorize, create, issue or increase, or reclassify any class of capital stock into any class or series of Senior Equity Securities or Parity Equity Securities (as such terms are defined in the Articles Supplementary), (ii) authorize any class of partnership interests in the Operating Partnership that are senior to the partnership interests currently in existence, (iii) amend, alter, repeal or otherwise change the rights, preferences, privileges or powers of the Series B Preferred Stock, (iv) approve any dividend other than cash dividends paid in the ordinary course of business consistent with past practice, or required to be paid by the Company to maintain REIT status, (v) affect any voluntary deregistration under the Securities Exchange Act of 1934, as amended, or voluntary delisting with the NYSE with respect to the Common Stock, (vi) incur any indebtedness in excess of the limits set forth in the Articles Supplementary, (vii) adopt a "poison pill" or similar anti-takeover agreement or plan, and (viii) following December 31, 2024, enter into a Change in Control Transaction (as defined in the Articles Supplementary) or make certain acquisitions.

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

Dividend Rights

The Series B Preferred Stock bears cumulative dividends, payable in cash, at a rate equal to (a) 3.25% for the period from the issue date through and including December 31, 2019, (b) 3.50% from January 1, 2020 through and including December 31, 2020, (c) 3.75% from January 1, 2021 through and including December 31, 2021, (d) 4.00% from January 1, 2022 through and including December 31, 2022, (e) 6.50% from January 1, 2023 through and including December 31, 2023, (f) 12.00% from January 1, 2024 through and including December 31, 2024 and (g) 15.00% from and after January 1, 2025. Dividends on the Series B Preferred Stock are payable quarterly in arrears on January 15, April 15, July 15 and October 15 of each year or, if such date is not a Business Day, on the immediately succeeding Business Day.

The following table sets forth the Series B preferred stock dividends that were declared during the year ended December 31, 2020 and the year ended December 31, 2019.

	Cash Dividends Declared per Share	Aggregate Amount
2020		
First quarter	\$ 0.14875	\$ 657
Second quarter	\$ 0.14875	\$ 657
Third quarter	\$ 0.14875	\$ 657
Fourth quarter	\$ 0.14875	\$ 656
2019		
First quarter	\$ 0.13813	\$ 610
Second quarter	\$ 0.13813	\$ 610
Third quarter	\$ 0.13813	\$ 610
Fourth quarter	\$ 0.13813	\$ 610

10. Non-Controlling Interests

Operating Partnership Units Acquisitions

In connection with the acquisition of the Shadeland Portfolio on August 11, 2017, the Company, through its 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. In connection with the Cincinnati, Ohio acquisition on October 15, 2018, the Company, through its Operating Partnership issued 626,011 OP Units at \$17.00 per OP Unit for a total of approximately \$10,642 to the former owners of the property. The holders of the OP Units are entitled to receive distributions concurrent with the dividends paid on our common stock.

During the year ended December 31, 2020, 268,664 OP units were redeemed for 268,664 shares of our common stock. During the year ended December 31, 2019, 172,153 OP units were redeemed for 172,153 shares of our common stock.

The Company adjusted the carrying value of noncontrolling interest to reflect its share of the book value of the Operating Partnership reflecting the change in the Company's ownership of the Operating Partnership. Such adjustments are recorded to additional paid-in capital as a rebalancing of noncontrolling interest on the accompanying consolidated statements of changes in preferred stock and equity. OP units outstanding as of December 31, 2020 and 2019, was 606,632 and 875,296, respectively.

The following table sets forth the OP Unit distributions that were declared during the years ended December 31, 2020 and 2019.

	Cash Distributions Declared per OP Unit	Aggregate Amount
2020		
First quarter	\$ 0.375	\$ 324
Second quarter	\$ 0.200	\$ 164
Third quarter	\$ 0.200	\$ 135
Fourth quarter	\$ 0.200	\$ 121
2019		
First quarter	\$ 0.375	\$ 393
Second quarter	\$ 0.375	\$ 393
Third quarter	\$ 0.375	\$ 393
Fourth quarter	\$ 0.375	\$ 328

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

The proportionate share of the loss attributed to the partnership units was \$649 and \$1,518 for the year ended December 31, 2020 and 2019, respectively.

11. Incentive Award Plan

In April 2014, the Company's Board of Directors adopted, and in June 2014 the Company's stockholders approved, the 2014 Incentive Award Plan, or Plan, under which the Company may grant cash and equity incentive awards to eligible service providers in order to attract, motivate and retain the talent for which we compete. The aggregate number of shares of the Company's common stock and/or LTIP units of partnership interest in the Company's Operating Partnership, or LTIP units that are available for issuance under awards granted pursuant to the Plan is 375,000 shares/LTIP units. In July 2020 the Plan was amended and increased the number of shares/units available per the Plan to 875,000 shares/LTIP units. Shares and units granted under the Plan may be authorized but unissued shares/LTIP units, or, if authorized by the board of directors, shares purchased in the open market. If an award under the Plan is forfeited, expires or is settled for cash, any shares/LTIP units subject to such award may, to the extent of such forfeiture, expiration or cash settlement, be used again for new grants under the Plan. However, the following shares/LTIP units may not be used again for grant under the Plan: (1) shares/LTIP units tendered or withheld to satisfy grant or exercise price or tax withholding obligations associated with an award; (2) shares subject to a stock appreciation right, or SAR, that are not issued in connection with the stock settlement of the SAR on its exercise; and (3) shares purchased on the open market with the cash proceeds from the exercise of options.

The Plan provides for the grant of stock options, including incentive stock options, or ISOs, and nonqualified stock options, or NSOs, restricted stock, dividend equivalents, stock payments, restricted stock units, or RSUs, performance shares, other incentive awards, LTIP units, SARs, and cash awards. In addition, the Company will grant its Independent Board of Directors restricted stock as part of their remuneration. Shares granted as part of the Plan vest equally over a four-year period while those granted to the Company's Independent Board of Directors vest equally over a three-year period. Annual grants given to the Company's Independent Board of Directors vest the earlier of one year from the date of grant, or, the next annual shareholder meeting. Holders of restricted shares of common stock have voting rights and rights to receive dividends, however, the restricted shares of common stock may not be sold, transferred, assigned or pledged and are subject to forfeiture prior to the respective vesting period. The following table is a summary of the total restricted shares granted for the years ended December 31, 2020 and 2019:

	Shares
Unvested restricted stock at January 1, 2019	124,051
Granted	90,075
Forfeited	—
Vested	(51,942)
Unvested restricted stock at December 31, 2019	162,184
Granted	101,540
Forfeited	(5,303)
Vested	(68,196)
Unvested restricted stock at December 31, 2020	190,225

The Company recorded equity-based compensation in the amount of \$1,439 and \$1,205 for the years ended December 31, 2020 and 2019, respectively, which is included in general and administrative expenses in the accompanying consolidated statement of operations. Equity-based compensation expense for shares issued to employees and directors is based on the grant-date fair value of the award and recognized on a straight-line basis over the requisite period of the award. The unrecognized compensation expense associated with the Company's restricted shares of common stock was \$2,405 and \$2,275 for the years ended December 31, 2020 and 2019, respectively, and is expected to be recognized over a weighted average period of approximately 3.0 years and 2.8 years, respectively. The fair value of the 101,540 restricted shares granted during 2020 was approximately \$1,665 with a weighted average fair value of \$16.40 per share. The fair value of the 90,075 restricted shares granted during 2019 was approximately \$1,559 with a weighted average fair value of \$17.31 per share.

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

12. Earnings per Share

Net loss per Common Share

Basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	Year Ended December 31,	
	2020	2019
Numerator		
Net loss	\$ (14,462)	\$ (11,938)
Less: loss attributable to non-controlling interest	(649)	(1,518)
Net loss attributable to Plymouth Industrial REIT, Inc.	(13,813)	(10,420)
Less: Preferred stock dividends	6,444	6,263
Less: Series B preferred stock accretion to redemption value	7,416	7,601
Less: Loss on extinguishment of Series A Preferred Stock	34	—
Less: amount allocated to participating securities	182	239
Net loss attributable to common stockholders	<u>\$ (27,889)</u>	<u>\$ (24,523)</u>
Denominator		
Weighted-average common shares outstanding basic and diluted	<u>18,381,700</u>	<u>8,503,375</u>
Net loss per share attributable to common stockholders – basic and diluted	<u>\$ (1.52)</u>	<u>\$ (2.88)</u>

The Company uses the two-class method of computing earnings per common share in which participating securities are included within the basic earnings per share (“EPS”) calculation. The amount allocated to participating securities is according to dividends declared (whether paid or unpaid). The restricted stock does not have any participatory rights in undistributed earnings. The unvested shares of restricted stock are accounted for as participating securities as they contain nonforfeitable rights to dividends.

In periods where there is a net loss, the weighted average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common stockholders is the same. The Company’s potential dilutive securities as of December 31, 2020 include the 351,082 shares of common stock warrants and 190,225 shares of restricted common stock. The stock warrants and restricted common shares have been excluded from the computation of diluted net loss per share attributable to common stockholders as the effect of including them would reduce the net loss per share.

13. Commitments and Contingencies

Employment Agreements

The Company has entered into employment agreements with the Company’s Chief Executive Officer, President and Chief Investment Officer, Chief Financial Officer, and Executive Vice President Asset Management. As approved by the compensation committee of the Board of Directors the agreements provide for base salaries ranging from \$300 to \$550 annually with discretionary cash performance awards. The agreements contain provisions for equity awards, general benefits, and termination and severance provisions, consistent with similar positions and companies.

Legal Proceedings

The Company is not currently party to any material legal proceedings. At each reporting date, the Company evaluates whether or not a potential loss amount or a potential range of loss is probable and reasonably estimable under the provisions of the authoritative guidance that addresses accounting for contingencies. The Company expenses as incurred, the costs related to such legal proceedings.

Contingent Liability

In conjunction with the issuance of the OP Units for acquisitions, the agreements contain 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 these investments and has no plans to sell or transfer any interest that would give rise to a taxable transaction.

14. Retirement Plan

The Company in December, 2014 established an individual SEP IRA retirement account plan for all employees. The Company has accrued a contribution for 2020 in the amount of \$351 and an amount of \$240 for 2019, which is included in accounts payable, accrued expenses and other liabilities in the accompanying consolidated balance sheets at December 31, 2020 and 2019, respectively. The Company has no control or administrative responsibility related to the individual accounts and is not obligated to fund them in future years.

15. Subsequent Events

The Company identified the following events subsequent to December 31, 2020 that are not recognized in the financial statements.

The Company sold 2,658,756 of its common shares pursuant to the \$100 million ATM program at a weighted average price of \$4.86 per share, resulting in gross proceeds of approximately \$39,515. The last sale of shares was on January 27, 2021. There were no additional issuances via the \$100 million ATM program as of the date of the financial statements issuance.

F-30

Schedule III

Schedule III Plymouth Industrial REIT Inc. Real Estate Properties and Accumulated Depreciation December 31, 2020 (\$ in thousands)

Metro Area	Address	Initial Costs to the Company			Costs Capitalized Subsequent to Acquisition	Gross Amounts at Close of Period			Accumulated Depreciation (3)	Year Acquired	Year Built/Renovated (4)	Depreciable Life (in years) (5)
		Encumbrances	Land	Building and Improvements		Land	Building and Improvements	Total (2)				
Atlanta, GA	11236 Harland Drive	(1)	\$ 159	\$ 909	12	\$ 159	\$ 921	1,080	178	2017	1988	20
Atlanta, GA	11236 Harland Drive		112	—	—	112	—	112	—	2018	—	—
Atlanta, GA	1665 Dogwood Drive	(1)	494	6,027	6	494	6,033	6,527	991	2017	1973	20
Atlanta, GA	1715 Dogwood Drive	(1)	270	2,879	1	270	2,880	3,150	442	2017	1973	22
Atlanta, GA	265, 338, 430 Industrial Boulevard		2,562	15,116	—	2,562	15,116	17,678	823	2020	1988/1999	18
Atlanta, GA	32 Dart Road	(1)	256	4,454	405	256	4,859	5,115	1,716	2014	1988	18
Atlanta, GA	40 Pinyon Road		794	2,669	—	794	2,669	3,463	122	2020	1997	28
Atlanta, GA	611 Highway 74 S.		3,283	13,560	54	3,283	13,614	16,897	1,016	2019	1979-2013	25
Atlanta, GA	665 Highway 74 South		1,237	6,952	—	1,237	6,952	8,189	224	2020	1989	36
Atlanta, GA	6739 New Calhoun Highway NE		2,876	7,599	—	2,876	7,599	10,475	523	2020	1981/2017	20
Chicago, IL	11351 W. 183rd Street	(1)	361	1,685	—	361	1,685	2,046	455	2014	2000	34
Chicago, IL	11601 Central Avenue	(1)	3,479	6,545	7	3,479	6,552	10,031	1,228	2017	1970	21
Chicago, IL	11746 Austin Ave		1,062	4,420	25	1,062	4,445	5,507	295	2019	1970	25
Chicago, IL	13040 South Pulaski Avenue		3,520	11,115	140	3,520	11,255	14,775	2,659	2017	1976	16
Chicago, IL	1355 Holmes Road	(1)	1,012	2,789	133	1,012	2,922	3,934	1,219	2014	1975/1999	16
Chicago, IL	13970 West Laurel Drive	(1)	1,447	1,377	321	1,447	1,698	3,145	408	2017	1990	14
Chicago, IL	144 Tower Drive		866	4,174	29	866	4,203	5,069	328	2019	1971/1988 & 2015	29
Chicago, IL	1455-1645 Greenleaf Avenue	(1)	1,926	5,137	554	1,926	5,691	7,617	921	2017	1968	21
Chicago, IL	1600 Fleetwood Drive	(1)	2,699	9,530	83	2,699	9,613	12,312	1,274	2018	1968	23
Chicago, IL	16801 Exchange Ave		1,905	9,454	152	1,905	9,606	11,511	673	2019	1968	24
Chicago, IL	1717 West Harvester Road		3,843	12,848	—	3,843	12,848	16,691	1,012	2020	1970	15
Chicago, IL	1750 South Lincoln Drive	(1)	489	9,270	707	489	9,977	10,466	1,509	2017	2001	24
Chicago, IL	1796 Sherwin Avenue		1,542	3,598	98	1,542	3,696	5,238	783	2017	1964	19
Chicago, IL	1875 Holmes Road	(1)	1,597	5,199	271	1,597	5,470	7,067	2,198	2014	1989	16
Chicago, IL	189 Seegers Road	(1)	470	1,369	29	470	1,398	1,868	420	2014	1972	21
Chicago, IL	2401 Commerce Drive	(1)	486	4,597	701	486	5,298	5,784	1,363	2014	1994	28
Chicago, IL	28160 North Keith Drive	(1)	1,614	1,643	—	1,614	1,643	3,257	379	2017	1989	16
Chicago, IL	3 West College Drive	(1)	728	1,531	13	728	1,544	2,272	191	2018	1978	26
Chicago, IL	330 Armory Drive		516	1,330	5	516	1,335	1,851	77	2019	1972/2017	35
Chicago, IL	350 Armory Drive		442	835	109	442	944	1,386	77	2019	1972	21
Chicago, IL	3841-3865 Swanson Court	(1)	1,640	2,247	117	1,640	2,364	4,004	487	2017	1978	17
Chicago, IL	3940 Stern Avenue	(1)	1,156	5,139	802	1,156	5,941	7,097	2,144	2014	1987	16
Chicago, IL	440 South McLean	(1)	1,332	2,248	280	1,332	2,528	3,860	529	2017	1968/1998	15
Chicago, IL	4915 West 122nd Street		848	3,632	124	848	3,756	4,604	229	2019	1972	26
Chicago, IL	6000 West 73rd Street	(1)	1,891	3,403	—	1,891	3,403	5,294	730	2017	1974	17
Chicago, IL	6510 West 73rd Street	(1)	4,229	4,105	15	4,229	4,120	8,349	967	2017	1974	18
Chicago, IL	6558 West 73rd Street	(1)	3,444	2,325	1	3,444	2,326	5,770	574	2017	1975	16
Chicago, IL	6751 Sayre Avenue	(1)	2,891	5,743	—	2,891	5,743	8,634	958	2017	1973	22
Chicago, IL	7200 Mason Ave	(1)	2,519	5,482	—	2,519	5,482	8,001	1,052	2017	1974	18
Chicago, IL	7207 Mason Avenue		887	2,608	—	887	2,608	3,495	235	2019	1970	20
Chicago, IL	7420 Meade Ave		586	367	104	586	471	1,057	60	2019	1970	20
Cincinnati, OH	2700-2758 E. Kemper Road	(1)	847	5,196	22	847	5,218	6,065	305	2019	1990	35
Cincinnati, OH	2800-2888 E. Kemper Road	(1)	752	5,448	8	752	5,456	6,208	310	2019	1989	35
Cincinnati, OH	4115 Thunderbird Lane	(1)	275	2,093	56	275	2,149	2,424	771	2014	1991	22
Cincinnati, OH	4514-4548 Cornell Road	(1)	998	7,281	351	998	7,632	8,630	463	2019	1976	28
Cincinnati, OH	Fisher Industrial Park	(1)	4,147	18,147	195	4,147	18,342	22,489	2,606	2018	1946	20
Cincinnati, OH	Mosteller Distribution Center	(1)	1,501	9,424	31	1,501	9,455	10,956	4,413	2014	1959	14
Cincinnati, OH	6900-6918 Fairfield Business Drive	(1)	244	2,020	—	244	2,020	2,264	90	2019	1990	38
Cleveland, OH	1200 Chester Industrial Parkway North		1,213	6,602	—	1,213	6,602	7,815	288	2020	2007/2009	27
Cleveland, OH	1200 Chester Industrial Parkway South		562	2,689	—	562	2,689	3,251	137	2020	1991	23
Cleveland, OH	1350 Moore Road		809	2,860	—	809	2,860	3,669	172	2020	1997	20
Cleveland, OH	1366 Commerce Drive		1,069	4,363	—	1,069	4,363	5,432	33	2020	1960	13
Cleveland, OH	14801 Country Rd 212		985	13,062	1	985	13,063	14,048	668	2019	1998	25
Cleveland, OH	1755 Enterprise Parkway	(1)	1,411	12,281	959	1,411	13,240	14,651	3,574	2014	1979/2005	27
Cleveland, OH	2100 International Parkway (2)		—	14,818	—	—	14,818	14,818	47	2020	2000	31
Cleveland, OH	2210 International Parkway		—	15,033	—	—	15,033	15,033	49	2020	2001	27
Cleveland, OH	30339 Diamond Parkway		2,815	22,792	69	2,815	22,861	25,676	1,884	2018	2007	34
Cleveland, OH	Gilchrist Road I		1,775	6,541	—	1,775	6,541	8,316	39	2020	1961/1978	17
Cleveland, OH	Gilchrist Road II		2,671	14,959	—	2,671	14,959	17,630	88	2020	1994/1998	22
Cleveland, OH	Gilchrist Road III		977	12,416	—	977	12,416	13,393	52	2020	1994/1998	22
Cleveland, OH	4211 Shuffel Street NW		1,086	12,287	—	1,086	12,287	13,373	64	2020	1994	21
Columbus, OH	100 Paragon Parkway		582	9,130	—	582	9,130	9,712	133	2020	1995	17
Columbus, OH	2120 - 2138 New World Drive	(1)	400	3,007	80	400	3,087	3,487	720	2017	1971	18
Columbus, OH	3100 Creekside Parkway	(1)	1,203	9,603	490	1,203	10,093	11,296	2,693	2014	2004	27
Columbus, OH	3500 Southwest Boulevard	(1)	1,488	16,730	1,955	1,488	18,685	20,173	6,083	2014	1992	22
Columbus, OH	459 Orange Point Drive	(1)	1,256	6,793	64	1,256	6,857	8,113	307	2019	2001	40
Columbus, OH	7001 American Pkwy	(1)	331	1,416	82	331	1,498	1,829	594	2014	1986/2007 & 2012	20
Columbus, OH	7719 Graphics Way	(1)	1,297	2,743	—	1,297	2,743	4,040	150	2019	2000	40
Columbus, OH	8273 Green Meadows Dr.	(1)	341	2,266	393	341	2,659	3,000	708	2014	1996/2007	27
Columbus, OH	8288 Green Meadows Dr.	(1)	1,107	8,413	480	1,107	8,893	10,000	3,668	2014	1988	17
Florence, KY	7585 Empire Drive	(1)	644	2,658	40	644	2,698	3,342	1,584	2014	1973	11
Indianapolis, IN	2900 N. Shadeland Avenue		4,632	14,572	342	4,632	14,914	19,546	1,458	2019	1957/1992	15
Indianapolis, IN	3035 North Shadeland Ave		1,966	11,740	578	1,966	12,318	14,284	2,827	2017	1962/2004	17
Indianapolis, IN	3169 North Shadeland Ave	(1)	148	884	(109)	148	775	923	248	2017	1979/2014	17
Indianapolis, IN	3333 N. Franklin Road		1,363	6,525	—	1,363	6,525	7,888	476	2020	1967	15
Indianapolis, IN	4430 Sam Jones Expressway		2,644	12,570	56	2,644	12,626	15,270	1,063	2019	1970	22
Indianapolis, IN	6555 East 30th Street		1,881	6,636	317	1,881	6,953	8,834	598	2019	1969/1997	17
Indianapolis, IN	6575 East 30th Street		566	1,408	2	566	1,410	1,976	117	2019	1998	19

Indianapolis, IN	6585 East 30th Street		669	2,216	60	669	2,276	2,945	175	2019	1998	19
Indianapolis, IN	6635 East 30th Street		535	2,567	23	535	2,590	3,125	178	2019	1998	19
Indianapolis, IN	6701 East 30th Street		334	428	2	334	430	764	62	2019	1990	17
Indianapolis, IN	6737 East 30th Street		609	1,858	2	609	1,860	2,469	162	2019	1995	17
Indianapolis, IN	6751 East 30th Street		709	2,083	2	709	2,085	2,794	167	2019	1997	18
Indianapolis, IN	6951 East 30th Street		424	1,323	50	424	1,373	1,797	105	2019	1995	21
Indianapolis, IN	7901 W. 21st Street		1,870	8,844	15	1,870	8,859	10,729	572	2019	1985/1994	20
Jackson, TN	210 American Dr.	(1)	928	10,442	452	928	10,894	11,822	5,450	2014	1967/1981 & 2012	13
Jacksonville, FL	Center Point Business Park	(1)	9,848	26,411	664	9,848	27,075	36,923	2,180	2018	1990-1997	35
Jacksonville, FL	Liberty Business Park	(1)	9,347	26,978	202	9,347	27,180	36,527	2,147	2018	1996-1999	38
Jacksonville, FL	Salisbury Business Park	(1)	4,354	9,049	16	4,354	9,065	13,419	809	2018	2001-2012	32
Jacksonville, FL	8451 Western Way		4,240	13,983	—	4,240	13,983	18,223	186	2020	1968/1987	32
Marlton, NJ	4 East Stow Road	(1)	1,580	6,954	123	1,580	7,077	8,657	2,722	2014	1986	22
Memphis, TN	3635 Knight Road	(1)	422	2,820	48	422	2,868	3,290	598	2017	1986	18
Memphis, TN	4540-4600 Pleasant Hill Road	(1)	1,375	18,854	6	1,375	18,860	20,235	757	2019	1991/2005	37
Memphis, TN	6005, 6045 & 6075 Shelby Dr.	(1)	488	4,919	1,692	488	6,611	7,099	2,225	2014	1989	19
Memphis, TN	Airport Business Park		1,511	4,352	439	1,511	4,791	6,302	1,272	2017	1985-1989	26
Milwaukee, WI	5110 South 6th Street, IL	(1)	689	1,014	129	689	1,143	1,832	296	2017	1972	16
Portland, ME	56 Milliken Road		1,418	7,482	338	1,418	7,820	9,238	2,995	2014	1966/1995, 2005,	20
South Bend, IN	4491 N Mayflower Road		289	2,422	—	289	2,422	2,711	385	2017	2000	27
South Bend, IN	4955 Ameritech Drive		856	7,251	237	856	7,488	8,344	1,152	2017	2004	27
South Bend, IN	5855 West Carbonmill Road		743	6,269	—	743	6,269	7,012	994	2017	2002	27
South Bend, IN	5861 W Cleveland Road		234	1,966	36	234	2,002	2,236	315	2017	1994	27
South Bend, IN	West Brick Road		381	3,209	59	381	3,268	3,649	517	2017	1998	27
St. Louis, MO	2635-2645 Metro Boulevard		656	2,576	—	656	2,576	3,232	116	2019	1979	30
St. Louis, MO	5531 - 5555 Phantom Drive		1,133	3,976	1	1,133	3,977	5,110	286	2019	1971	22
St. Louis, MO	Grissom Drive		656	2,780	—	656	2,780	3,436	59	2020	1970	19
St. Louis, MO	St. Louis Commerce Center	(1)	3,927	20,995	—	3,927	20,995	24,922	253	2020	2001	33
Total Real Estate Owned			\$ 159,681	\$ 707,337	\$ 16,356	\$ 159,681	\$ 723,693	\$ 883,374	\$ 98,084			

Note (1) These properties secure the \$332,011 Secured Debt.

Note (2) Total does not include corporate office leasehold improvements of \$2,382 and the finance lease right of use asset of \$925 related to the ground sublease at 2100 International Parkway.

Note (3) Total does not include accumulated depreciation related to corporate office leasehold improvements of \$199.

Note (4) Renovation means significant upgrades, alterations, or additions to building interiors or exteriors and/or systems.

Note (5) Depreciation is calculated over the remaining useful life of the respective property as determined at the time of the purchase allocation, ranging from 11-40 years for buildings and 3-13 years for improvements

As of December 31, 2020, the gross aggregate basis for Federal tax purposes of investments in real estate was approximately \$927,125.

Plymouth Industrial REIT, Inc.
Real Estate Properties and Accumulated Depreciation
December 31, 2020 and 2019 (\$ in thousands)

	Year Ended December 31,	
	2020	2019
Real Estate		
Balance at the beginning of the year	\$ 655,788	\$ 452,610
Additions during the year	231,040	203,213
Disposals during the year	(147)	(35)
Balance at the end of the year	<u>\$ 886,681</u>	<u>\$ 655,788</u>
Accumulated Depreciation		
Balance at the beginning of the year	\$ 63,877	\$ 41,279
Depreciation expense	34,484	22,633
Disposals during the year	(78)	(35)
Balance at the end of the year	<u>\$ 98,283</u>	<u>\$ 63,877</u>

SUBSIDIARIES OF PLYMOUTH INDUSTRIAL REIT, INC.

<u>Name</u>	<u>State or Jurisdiction of Organization</u>
Plymouth Industrial OP, LP	Delaware
Plymouth OP Limited LLC	Delaware
Plymouth Industrial 20 Financial LLC	Delaware
Plymouth Industrial 20 LLC	Delaware
Plymouth 4 East Stow LLC	Delaware
Plymouth 32 Dart LLC	Delaware
Plymouth 56 Milliken LLC	Delaware
Plymouth 189 Seegers LLC	Delaware
Plymouth 210 American LLC	Delaware
Plymouth 1355 Holmes LLC	Delaware
Plymouth 1755 Enterprise LLC	Delaware
Plymouth 1875 Holmes LLC	Delaware
Plymouth 2401 Commerce LLC	Delaware
Plymouth 3100 Creekside LLC	Delaware
Plymouth 3500 Southwest LLC	Delaware
Plymouth 3940 Stern LLC	Delaware
Plymouth 4115 Thunderbird LLC	Delaware
Plymouth 7001 Americana LLC	Delaware
Plymouth 7585 Empire LLC	Delaware
Plymouth 8273 Green Meadows LLC	Delaware
Plymouth 8288 Green Meadows LLC	Delaware
Plymouth 11351 West 183rd LLC	Delaware
Plymouth Mosteller LLC	Delaware
Plymouth Shelby LLC	Delaware
Plymouth MWG Holdings LLC	Delaware
Plymouth MWG 5110 South 6th LLC	Delaware
Plymouth MWG 1445 Greenleaf LLC	Delaware
Plymouth MWG 1750 South Lincoln LLC	Delaware
Plymouth MWG 1796 Sherwin LLC	Delaware
Plymouth MWG 3841 Swanson LLC	Delaware
Plymouth MWG 5110 South 6th LLC	Delaware
Plymouth MWG 6000 West 73rd LLC	Delaware
Plymouth MWG 6510 West 73rd LLC	Delaware
Plymouth MWG 6558 West 73rd LLC	Delaware
Plymouth MWG 6751 South Sayre LLC	Delaware
Plymouth MWG 7200 South Mason LLC	Delaware
Plymouth MWG 11601 South Central LLC	Delaware
Plymouth MWG 13040 South Pulaski LLC	Delaware
Plymouth MWG 13970 West Laurel LLC	Delaware
Plymouth MWG 28160 North Keith LLC	Delaware
Plymouth 3635 Knight Road LLC	Delaware
Plymouth Memphis ABP LLC	Delaware
Plymouth New World LLC	Delaware
Plymouth North Shadeland LLC	Delaware
Plymouth South Bend LLC	Delaware
Plymouth South McLean LLC	Delaware
Plymouth Dogwood LLC	Delaware
Plymouth 11236 Harland LLC	Delaware

SUBSIDIARIES OF PLYMOUTH INDUSTRIAL REIT, INC. (continued)

<u>Name</u>	<u>State or Jurisdiction of Organization</u>
Plymouth 144 Tower LLC	Delaware
Plymouth 4430 Sam Jones LLC	Delaware
Plymouth Phantom Drive LLC	Delaware
Plymouth South Chicago LLC	Delaware
Plymouth Southpark LLC	Delaware
Plymouth Orange Point LLC	Delaware
Plymouth Peachtree City One LLC	Delaware
Plymouth 2635 Metro LLC	Delaware
Plymouth Shadeland Commerce Center LLC	Delaware
Plymouth 7901 West 21st Street LLC	Delaware
Plymouth 14801 County Road 212 LLC	Delaware
Plymouth New Calhoun GA LLC	Delaware
Plymouth Pinyon GA LLC	Delaware
Plymouth Peachtree City Two LLC	Delaware
Plymouth Grissom Drive MO LLC	Delaware
Plymouth Paragon Parkway OH LLC	Delaware
Plymouth Commerce Drive OH LLC	Delaware
Plymouth Gilchrist Road OH LLC	Delaware
Plymouth Deramus MO LLC	Delaware
Plymouth Avon Industrial LLC	Delaware
Plymouth North Franklin IN LLC	Delaware
Plymouth Midway GA LLC	Delaware
Plymouth West Harvester IL LLC	Delaware
Plymouth STL Commerce Center MO LLC	Delaware
Plymouth Western Way FL LLC	Delaware
Plymouth Shuffel Street OH LLC	Delaware
Plymouth International Parkway OH LLC	Delaware
Plymouth MIR Member LLC	Delaware
Plymouth Salisbury Business Park LLC	Delaware
Plymouth Liberty Business Park LLC	Delaware
Plymouth Center Point Business Park LLC	Delaware
Plymouth Dixie Highway LLC	Delaware
Plymouth 30339 Diamond Parkway LLC	Delaware
Plymouth 1600 Fleetwood LLC	Delaware
Plymouth 3 West College LLC	Delaware

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (No. 333-226050 and 333-226438) and Form S-8 (No. 333-218735 and 333-251104) of Plymouth Industrial REIT, Inc. of our report dated February 26, 2021 relating to the financial statements and financial statement schedule which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Boston, MA
February 26, 2021

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM'S CONSENT

We consent to the incorporation by reference in the Registration Statements of Plymouth Industrial REIT, Inc. on Form S-3 (File No. 333-226438) and Form S-8 (File No. 333-251104) of our report dated February 26, 2020, with respect to our audit of the consolidated financial statements as of December 31, 2019, which report is included in this Annual Report on Form 10-K of Plymouth Industrial REIT, Inc. for the year ended December 31, 2020.

/s/ Marcum llp

Marcum llp
Boston, Massachusetts
February 25, 2021

**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 annual report on Form 10-K 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: February 26, 2021

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

**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 annual report on Form 10-K 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: February 26, 2021

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

**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 Annual Report on Form 10-K of Plymouth Industrial REIT, Inc. (the "Registrant") for the annual period ended December 31, 2020, 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: February 26, 2021

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

**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 Annual Report on Form 10-K of Plymouth Industrial REIT, Inc. (the "Registrant") for the annual period ended December 31, 2020, 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: February 26, 2021

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