

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, 2022

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:

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
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. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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, 2022) was \$697,207,089.

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 20, 2023 was 43,030,864.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's Definitive Proxy Statement relating to its 2022 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, 2022.

Plymouth Industrial REIT, Inc.

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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. 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:

- the uncertainty and economic impacts of pandemics, epidemics or other public health emergencies or fear of such events, such as the outbreak of COVID-19, 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, 2022, 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 157 distribution centers, warehouse, light industrial and small bay industrial properties which we wholly own as of December 31, 2022, and does not include our property management office located in Columbus, Ohio;
- “gateway markets” means gateway cities and the following six 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, Jacksonville, Florida, Memphis, Tennessee, and Atlanta, Georgia.

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, 2022, the Company owned a 98.9% 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, 2022, the Company’s portfolio consists of 157 industrial properties (the “Company Portfolio”) comprising of 208 buildings located in twelve states with an aggregate of approximately 33.8 million rentable square feet. The Company Portfolio was 99.0% leased to 478 different tenants across 33 industry types as of December 31, 2022.

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 loans, 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, 2022, we had forty-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, 2022, females constituted approximately 40% of our workforce and 40% 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, 11th 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.

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. 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 eleven 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.
- Our hedging strategies may not mitigate the risks related to our variable rate 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.
- Any resurgence of the COVID-19 pandemic or any unforeseen factor that emerges out of that pandemic or any other public health crisis 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.

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 Company Portfolio is 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 eleven 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, 2022: Chicago (21.1%); Cleveland (12.6%); Memphis (12.1%); Indianapolis (10.7%); St. Louis (10.2%); Jacksonville (9.5%); Columbus (9.1%); Cincinnati (6.7%); Atlanta (4.7%); Boston (1.2%); Charlotte (0.8%); Philadelphia (0.7%); and Kansas City (0.6%). 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 properties 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 may be unable to renew leases, lease vacant space or re-lease space as leases expire.

Leases representing 9.7%, 19.4% and 21.9% of the rentable square footage of the industrial properties in our portfolio will expire in 2023, 2024 and 2025, 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.

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 have co-invested and 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 have not been and 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, 2022 consists of approximately \$918.7 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.

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 Secured Overnight Financing Rate ("SOFR"). The Federal Reserve raised interest rates 350 basis points in 2022. 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. At December 31, 2022, we had approximately \$77.5 million (or 8.5% of our indebtedness then outstanding) in variable rate debt outstanding not hedged by interest rate swaps. If we are unable to enter into hedge agreements with respect to, or otherwise refinance, this indebtedness with acceptable terms, the ultimate impact of future interest rate increases could result in unanticipated reductions in our net operating income.

Our hedging strategies may not mitigate our risks associated with variable interest rates

Changes in the interest rates on a material portion of our variable rate debt (48.9%) have been hedged by interest rate swap agreements. These derivative financial instruments involve certain risks, such as the risk of failure of the counterparty to perform under the terms of the contract, that these arrangements may not be effective in reducing our exposure to interest rate changes and that a court could rule that such agreements are not legally enforceable. These instruments may also produce non-qualifying REIT income for purposes of REIT income tests. In addition, the nature, timing and costs of hedging transactions may influence the effectiveness of our hedging strategies. Poorly designed strategies or improperly executed transactions could actually increase our risk and losses. We cannot assure you that our hedging strategies and derivative financial instruments will adequately offset the risk of interest rate volatility or that such instruments will not result in losses that may adversely impact our financial condition.

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 resurgence of the 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 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. A number of our tenants have been impacted by precautionary health measures as they either temporarily closed down their operations or scaled back activity in order to comply, causing a strain on their ability to generate revenue. As such, our future operations may be adversely impacted if our tenants are unable to generate revenue and pay their rent due as a result of any 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.

Any resurgence of 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.

The COVID-19 pandemic did not have a significant negative impact on our operations for the year ended December 31, 2022. We did not enter into any rent deferrals or rent abatements as a result of the pandemic during the year ended December 31, 2022.

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.

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 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 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 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, 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 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 under certain circumstances.

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 Maryland General Corporate Law (“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 Securities Exchange Act of 1934 (“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, 2022, we have 490,299 OP units outstanding, which were issued in connection with the acquisition of certain properties in our portfolio, and we 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.

An increased focus on metrics and reporting related to corporate responsibility, specifically related to ESG factors, may impose additional costs and expose us to new risks.

Investors and other stakeholders have focused on how companies address a variety of environmental, social and governance ("ESG") matters and look to rating systems developed by third party groups to allow comparisons between companies. Although we participate in some of these rating systems, we do not participate, and may not score well, in all of them. Further, the criteria used in these rating systems change frequently, and our scores may drop as criteria changes. We supplement our participation in these rating systems with public disclosures regarding our ESG activities, but investors and stakeholders may look for specific disclosures that we do not provide. Our failure to participate, or score well, in certain ratings systems or to provide certain ESG disclosures and engage in certain ESG initiatives could result in reputational harm and could cause certain investors to be unwilling to invest in our stock, which could impair our ability to raise capital.

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, 2022.

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⁾
Atlanta	11236 Harland Drive	Covington	GA	Warehouse/Distribution	1988	32,361	100%	\$ 134,298	0.1%	\$ 4.15
	1665 Dogwood Drive	Conyers	GA	Warehouse/Distribution	1973	198,000	100%	\$ 702,900	0.5%	\$ 3.55
	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%	\$ 574,668	0.4%	\$ 2.95
	40 Pinyon Road	Covington	GA	Warehouse/Distribution	1997	60,148	100%	\$ 318,572	0.2%	\$ 5.30
	Peachtree City	Peachtree City	GA	Small Bay Industrial	1979-2013	297,926	100%	\$ 1,681,428	1.2%	\$ 5.66
	Peachtree City II	Peachtree City	GA	Small Bay Industrial	1989	117,000	99%	\$ 916,644	0.6%	\$ 7.92
	1099 Dodds Avenue	Adairsville	GA	Warehouse/Distribution	2005	150,000	100%	\$ 585,000	0.4%	\$ 3.90
	1413 Lovers Lane	Augusta	GA	Warehouse/Distribution	1999	200,000	100%	\$ 704,875	0.5%	\$ 3.52
	6739 New Calhoun Highway NE	Shannon	GA	Warehouse/Distribution	1981/1996/ 2017	320,000	100%	\$ 982,400	0.7%	\$ 3.07
Boston	54-56 Milliken	Portland	ME	Warehouse/Light Manufacturing	1966/1995/ 2005/2013/2022	268,713	88%	\$ 1,729,152	1.2%	\$ 7.34
Charlotte	1570 East P Street Extension	Newton	NC	Warehouse/Light Manufacturing	2005	155,220	100%	\$ 1,184,176	0.8%	\$ 7.63
Chicago	11351 W. 183rd	Orland Park	IL	Warehouse/Distribution	2000	18,768	100%	\$ 206,800	0.1%	\$ 11.02
	11601 Central	Alsip	IL	Warehouse/Distribution	1970	260,000	100%	\$ 720,200	0.5%	\$ 2.77
	11746 Austin Ave	Alsip	IL	Warehouse/Light Manufacturing	1970	162,714	100%	\$ 711,299	0.5%	\$ 4.37
	1301 Ridgeview Drive	McHenry	IL	Warehouse/Light Manufacturing	1995/2020	218,064	100%	\$ 909,496	0.6%	\$ 4.17
	13040 South Pulaski	Alsip	IL	Warehouse/Distribution	1976	388,403	100%	\$ 1,932,337	1.3%	\$ 4.98
	1355 Holmes	Elgin	IL	Warehouse/Light Manufacturing	1976/1998	82,456	100%	\$ 437,309	0.3%	\$ 5.30
	13970 West Laurel	Lake Forest	IL	Small Bay Industrial	1990	70,196	100%	\$ 347,730	0.2%	\$ 4.95
	144 Tower Drive	Burr Ridge	IL	Warehouse/Distribution	1971/1988/ 2015	73,785	97%	\$ 483,240	0.3%	\$ 6.74
	1445 Greenleaf	Elk Grove Village	IL	Warehouse/Light Manufacturing	1968	150,000	98%	\$ 876,734	0.6%	\$ 5.96
	1600 Fleetwood	Elgin	IL	Warehouse/Distribution	1968/2016	247,000	100%	\$ 1,394,634	1.0%	\$ 5.65
	16801 Exchange Avenue	Lansing	IL	Warehouse/Light Manufacturing	1987	455,886	100%	\$ 1,658,372	1.1%	\$ 3.64
	1717 West Harvester Road	Chicago	IL	Warehouse/Distribution	1970	465,940	100%	\$ 1,715,424	1.2%	\$ 3.68
	1750 South Lincoln	Freeport	IL	Warehouse/Distribution	2001	499,200	100%	\$ 1,400,523	1.0%	\$ 2.81
	1796 Sherwin	Des Plaines	IL	Warehouse/Distribution	1964	98,879	100%	\$ 620,882	0.4%	\$ 6.28
	1875 Holmes	Elgin	IL	Warehouse/Light Manufacturing	1989	134,415	100%	\$ 629,786	0.4%	\$ 4.69
	189 Seeger Ave	Elk Grove	IL	Small Bay Industrial	1972	25,245	100%	\$ 155,860	0.1%	\$ 6.17
	1900 S. Batavia Ave	Geneva	IL	Warehouse/Distribution	1958/1989/ 2010	513,512	100%	\$ 2,305,669	1.6%	\$ 4.49
	2401 Commerce	Libertyville	IL	Small Bay Industrial	1994/2009	78,574	100%	\$ 642,767	0.4%	\$ 8.18
	2600-2620 Commerce Drive	Libertyville	IL	Warehouse/Distribution	2001	78,743	100%	\$ 554,578	0.4%	\$ 7.04
	28160 North Keith	Lake Forest	IL	Small Bay Industrial	1989	77,924	100%	\$ 386,012	0.3%	\$ 4.95
	3 West College	Arlington Heights	IL	Warehouse/Light Manufacturing	1978/2016	33,263	100%	\$ 282,735	0.2%	\$ 8.50
	350 Armory Drive	South Holland	IL	Warehouse/Light Manufacturing	1972	64,310	100%	\$ 385,880	0.3%	\$ 6.00
	3841 Swanson	Gurnee	IL	Small Bay Industrial	1978	99,625	100%	\$ 465,964	0.3%	\$ 4.68
	3940 Stern	St. Charles	IL	Warehouse/Light Manufacturing	1987	146,959	100%	\$ 661,147	0.5%	\$ 4.50
	4491 Mayflower Road	South Bend	IN	Warehouse/Distribution	2000	77,000	100%	\$ 283,360	0.2%	\$ 3.68
	4915 W 122 nd	Alsip	IL	Small Bay Industrial	1972	153,368	100%	\$ 867,288	0.6%	\$ 5.65
	4955 Ameritech Drive	South Bend	IN	Warehouse/Distribution	2004	228,000	100%	\$ 1,050,300	0.7%	\$ 4.61
	5110 South 6th	Milwaukee	WI	Warehouse/Distribution	1972	58,500	100%	\$ 234,000	0.2%	\$ 4.00
	5502 W. Brick Road	South Bend	IN	Warehouse/Distribution	1998	101,450	100%	\$ 354,061	0.2%	\$ 3.49
	5681 Cleveland Road	South Bend	IN	Warehouse/Distribution	1994	62,550	100%	\$ 218,300	0.2%	\$ 3.49
	5855 Carbonmill Road	South Bend	IN	Warehouse/Distribution	2002	198,000	100%	\$ 881,100	0.6%	\$ 4.45
	6000 West 73 rd	Bedford Park	IL	Warehouse/Distribution	1974	148,091	100%	\$ 612,993	0.4%	\$ 4.14
	6035 West Gross Point Road	Niles	IL	Warehouse/Light Manufacturing	1956/1985	149,474	100%	\$ 614,338	0.4%	\$ 4.11
	6510 West 73 rd	Bedford Park	IL	Warehouse/Distribution	1974	306,552	100%	\$ 1,226,208	0.8%	\$ 4.00
	6558 West 73 rd	Bedford Park	IL	Warehouse/Light Manufacturing	1975	301,000	100%	\$ 1,587,629	1.1%	\$ 5.27
	6751 Sayre	Bedford Park	IL	Warehouse/Light Manufacturing	1973	242,690	100%	\$ 820,292	0.6%	\$ 3.38
	7200 Mason Avenue	Bedford Park	IL	Warehouse/Light Manufacturing	1974	207,345	100%	\$ 858,263	0.6%	\$ 4.14
	7207 Mason Avenue	Bedford Park	IL	Warehouse/Light Manufacturing	1970	84,195	100%	\$ 308,156	0.2%	\$ 3.66
	7420 Meade Avenue	Bedford Park	IL	Warehouse/Light Manufacturing	1970	52,344	100%	\$ 294,173	0.2%	\$ 5.62
	800 Church Street	Lake Zurich	IL	Warehouse/Distribution	1974/2020	116,467	100%	\$ 525,266	0.4%	\$ 4.51
Cincinnati	11540-11630 Mosteller	Sharonville	OH	Warehouse/Light Manufacturing	1959	358,386	100%	\$ 1,184,374	0.8%	\$ 3.30
	2700 Kemper Road	Sharonville	OH	Small Bay Industrial	1990	85,718	97%	\$ 568,776	0.4%	\$ 6.83
	2800 Kemper Road	Sharonville	OH	Small Bay Industrial	1989	82,832	82%	\$ 564,891	0.4%	\$ 8.33
	3741 Port Union Rd	Fairfield	OH	Warehouse/Distribution	1995/2001	53,602	100%	\$ 227,018	0.2%	\$ 4.24
	4115 Thunderbird	Fairfield	OH	Warehouse/Distribution	1991	70,000	100%	\$ 267,750	0.2%	\$ 3.83
	4225-4331 Dues Drive	Cincinnati	OH	Warehouse/Distribution	1972	303,000	100%	\$ 1,216,337	0.8%	\$ 4.01
	7585 Empire Drive	Florence	KY	Warehouse/Light Manufacturing	1973	148,415	100%	\$ 440,769	0.3%	\$ 2.97
	Cornell Commerce Center	Blue Ash	OH	Small Bay Industrial	1976	165,521	100%	\$ 1,071,481	0.7%	\$ 6.47
	Fairfield Business Center	Fairfield	OH	Small Bay Industrial	1990	39,558	100%	\$ 238,535	0.2%	\$ 6.03
	Fisher Industrial Park	Fairfield	OH	Warehouse/Light Manufacturing	1946	1,249,240	98%	\$ 3,922,726	2.7%	\$ 3.19
Cleveland	1120 West 130 th St	Brunswick	OH	Warehouse/Distribution	2000	100,301	100%	\$ 514,090	0.4%	\$ 5.13
	1200 Chester Industrial Parkway N	Avon	OH	Warehouse/Distribution	2007/2009	207,160	100%	\$ 942,578	0.7%	\$ 4.55
	1200 Chester Industrial Parkway S	Avon	OH	Warehouse/Light Manufacturing	1991	90,628	100%	\$ 443,600	0.3%	\$ 4.89
	1350 Moore Road	Avon	OH	Warehouse/Distribution	1997	109,075	100%	\$ 545,375	0.4%	\$ 5.00
	1366 Commerce Drive	Stow	OH	Warehouse/Distribution	1960	216,000	93%	\$ 730,000	0.5%	\$ 3.65

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⁾
	14801 County Rd 212	Findlay	OH	Warehouse/Distribution	1998	405,000	100%	\$ 1,500,196	1.0%	\$ 3.70
	1755 Enterprise	Twinsburg	OH	Warehouse/Light Manufacturing	1978/2005	255,570	100%	\$ 1,346,275	0.9%	\$ 5.27
	2100 International Parkway	Canton	OH	Warehouse/Light Manufacturing	2000	274,464	100%	\$ 1,329,778	0.9%	\$ 4.84
	2210 International Parkway	Canton	OH	Warehouse/Distribution	2001	350,000	100%	\$ 1,491,000	1.0%	\$ 4.26
	22209 Rockside Road	Bedford	OH	Warehouse/Distribution	2008/2021	197,518	100%	\$ 1,056,721	0.7%	\$ 5.35
	30339 Diamond Parkway	Glenwillow	OH	Warehouse/Distribution	2007	400,184	100%	\$ 2,607,673	1.8%	\$ 6.52
	31000 Viking Parkway	Westlake	OH	Small Bay Industrial	1998	100,150	100%	\$ 644,411	0.4%	\$ 6.43
	4211 Shuffel Street NW	Canton	OH	Warehouse/Light Manufacturing	1994	255,000	100%	\$ 1,402,500	1.0%	\$ 5.50
	Gilchrist Road I	Mogadore	OH	Warehouse/Distribution	1961-1978	209,592	100%	\$ 808,844	0.6%	\$ 3.86
	Gilchrist Road II	Mogadore	OH	Warehouse/Distribution	1991-1994	473,046	100%	\$ 1,669,461	1.2%	\$ 3.53
	Gilchrist Road III	Mogadore	OH	Warehouse/Distribution	1994/1998	335,521	92%	\$ 1,219,235	0.8%	\$ 3.95
Columbus	100 Paragon Parkway	Mansfield	OH	Warehouse/Distribution	1995	314,736	100%	\$ 975,000	0.7%	\$ 3.10
	1520 Experiment Farm Road	Troy	OH	Warehouse/Light Manufacturing	1997	160,000	100%	\$ 726,240	0.5%	\$ 4.54
	1650-1654 Williams Road	Columbus	OH	Warehouse/Distribution	1973/1974/ 1975	772,450	100%	\$ 2,261,284	1.6%	\$ 2.93
	2120-2138 New World	Columbus	OH	Warehouse/Distribution	1971	121,200	100%	\$ 419,989	0.3%	\$ 3.47
	2180 Corporate Drive	Troy	OH	Warehouse/Light Manufacturing	1996	160,000	100%	\$ 711,434	0.5%	\$ 4.45
	2626 Port Road	Columbus	OH	Warehouse/Distribution	1994	156,641	100%	\$ 505,755	0.3%	\$ 3.23
	2800 Howard Street	Sidney	OH	Warehouse/Light Manufacturing	2016	480,000	100%	\$ 1,541,324	1.1%	\$ 3.21
	3100 Creekside	Lockbourne	OH	Warehouse/Distribution	2000	340,000	100%	\$ 1,394,000	1.0%	\$ 4.10
	3500 Southwest	Grove City	OH	Warehouse/Distribution	1992/2018	527,127	100%	\$ 1,505,475	1.0%	\$ 2.86
	7001 Americana	Reynoldsburg	OH	Warehouse/Distribution	1986/2007/ 2012	54,100	100%	\$ 205,039	0.1%	\$ 3.79
	8273 Green Meadows	Lewis Center	OH	Warehouse/Distribution	1996/2007	77,271	100%	\$ 397,796	0.3%	\$ 5.15
	8288 Green Meadows	Lewis Center	OH	Warehouse/Distribution	1988	300,000	100%	\$ 1,039,953	0.7%	\$ 3.47
	952 Dorset Road	Troy	OH	Small Bay Industrial	1988/1999	76,800	100%	\$ 268,922	0.2%	\$ 3.50
	Graphics Way	Lewis Center	OH	Small Bay Industrial	2000	73,426	100%	\$ 442,789	0.3%	\$ 6.03
	Orange Point	Lewis Center	OH	Small Bay Industrial	2001	143,863	100%	\$ 736,998	0.5%	\$ 5.12
Indianapolis	2900 Shadeland	Indianapolis	IN	Warehouse/Distribution	1957/2001/ 2004	933,439	99%	\$ 2,888,634	2.0%	\$ 3.13
	3035 North Shadeland	Indianapolis	IN	Warehouse/Distribution	1962/2004	562,497	91%	\$ 1,735,742	1.2%	\$ 3.40
	3169 North Shadeland	Indianapolis	IN	Warehouse/Distribution	1979/1993	44,374	95%	\$ 211,831	0.1%	\$ 5.05
	3333 N. Franklin Road	Indianapolis	IN	Warehouse/Distribution	1967	276,240	100%	\$ 1,026,018	0.7%	\$ 3.71
	3525 S. Arlington	Indianapolis	IN	Warehouse/Distribution	1990	219,104	100%	\$ 752,754	0.5%	\$ 3.44
	3701 David Howarth Drive	Lafayette	IN	Warehouse/Distribution	2008/2019	294,730	100%	\$ 1,788,238	1.2%	\$ 6.07
	6555 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1969/1997	314,775	98%	\$ 1,431,078	1.0%	\$ 4.64
	6575 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1998	60,000	100%	\$ 318,000	0.2%	\$ 5.30
	6585 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1998	100,000	100%	\$ 389,404	0.3%	\$ 3.89
	6635 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1998	99,877	100%	\$ 578,192	0.4%	\$ 5.79
	6701 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1990	7,820	100%	\$ 86,411	0.1%	\$ 11.05
	6737 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1995	87,500	100%	\$ 475,563	0.3%	\$ 5.44
	6751 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1997	100,000	100%	\$ 448,502	0.3%	\$ 4.49
	6951 E 30th Street	Indianapolis	IN	Warehouse/Distribution	1995	44,000	100%	\$ 211,254	0.1%	\$ 4.80
	7750 Georgetown Road	Indianapolis	IN	Warehouse/Distribution	2006	102,934	100%	\$ 473,496	0.3%	\$ 4.60
	7901 W. 21st Street	Indianapolis	IN	Warehouse/Distribution	1985/1994	353,000	100%	\$ 1,251,254	0.9%	\$ 3.54
	Sam Jones	Indianapolis	IN	Warehouse/Light Manufacturing	1970	484,879	100%	\$ 1,382,595	1.0%	\$ 2.85
Jacksonville	265 Industrial Boulevard	Midway	GA	Warehouse/Distribution	1988/1999	187,205	100%	\$ 334,350	0.2%	\$ 1.79
	338 Industrial Boulevard	Midway	GA	Warehouse/Distribution	1996/2001	309,084	100%	\$ 951,207	0.7%	\$ 3.08
	430 Industrial Boulevard	Midway	GA	Warehouse/Distribution	1988	47,599	100%	\$ 164,118	0.1%	\$ 3.45
	8000-8001 Belfort Parkway	Jacksonville	FL	Small bay Industrial	1999	85,920	100%	\$ 879,970	0.6%	\$ 10.24
	8451 Western Way	Jacksonville	FL	Warehouse/Light Manufacturing	1968/1975/ 1987	288,750	100%	\$ 2,107,798	1.5%	\$ 7.30
	Center Point Business Park	Jacksonville	FL	Small Bay Industrial	1990-1997	537,800	100%	\$ 4,106,548	2.9%	\$ 7.64
	Liberty Business Park	Jacksonville	FL	Small Bay Industrial	1996-1999	426,916	91%	\$ 3,599,559	2.5%	\$ 9.24
	Salisbury Business Park	Jacksonville	FL	Small Bay Industrial	2001-2012	168,800	100%	\$ 1,720,211	1.2%	\$ 10.19
Kansas City	5450 Deramus Avenue	Kansas City	MO	Warehouse/Light Manufacturing	1976	221,911	100%	\$ 833,288	0.6%	\$ 3.76
Memphis	1700-1710 Dunn Avenue	Memphis	TN	Warehouse/Distribution	1957-1959/ 1963/1973	316,935	100%	\$ 901,651	0.6%	\$ 2.84
	210 American	Jackson	TN	Warehouse/Distribution	1967/1981/ 2012	638,400	100%	\$ 1,432,570	1.0%	\$ 2.24
	2950 Brother Boulevard	Bartlett	TN	Warehouse/Distribution	1987/2019	232,375	87%	\$ 832,320	0.6%	\$ 4.13
	6290 Shelby View Drive	Memphis	TN	Warehouse/Distribution	1999/2003	74,665	100%	\$ 427,333	0.3%	\$ 5.72
	7585 AE Beaty Drive/2995 Appling Road	Bartlett	TN	Warehouse/Distribution	2006	67,557	100%	\$ 626,968	0.4%	\$ 9.28
	Airport Business Park	Memphis	TN	Small Bay Industrial	1985-1989	235,071	88%	\$ 2,413,525	1.7%	\$ 11.69
	Knight Road	Memphis	TN	Warehouse/Distribution	1986	131,904	100%	\$ 428,322	0.3%	\$ 3.25
	Shelby Distribution	Memphis	TN	Warehouse/Distribution	1989	202,303	100%	\$ 630,349	0.4%	\$ 3.12
	South Park	Memphis	TN	Warehouse/Distribution	1991/2005	566,281	100%	\$ 1,855,850	1.3%	\$ 3.28
	10455 Marina Drive	Memphis	MS	Warehouse/Light Manufacturing	1986	161,200	100%	\$ 520,784	0.4%	\$ 3.23
	10682 Ridgewood Road	Memphis	MS	Warehouse/Distribution	1985	90,000	100%	\$ 324,000	0.2%	\$ 3.60
	1814 S Third Street	Memphis	TN	Warehouse/Distribution	1966	88,950	100%	\$ 175,200	0.1%	\$ 1.97
	3650 Distriplex Drive	Memphis	TN	Warehouse/Distribution	1997	330,253	100%	\$ 1,090,303	0.8%	\$ 3.30
	3670 South Perkins Road	Memphis	TN	Warehouse/Light Manufacturing	1974	74,582	100%	\$ 192,422	0.1%	\$ 2.58
	3980 Premier Avenue	Memphis	TN	Warehouse/Distribution	1964	141,256	98%	\$ 335,336	0.2%	\$ 2.43
	5846 Distribution Drive	Memphis	TN	Warehouse/Distribution	1984	34,560	100%	\$ 155,520	0.1%	\$ 4.50
	7560 Priority Lane	Memphis	TN	Warehouse/Distribution	1988	48,750	100%	\$ 210,974	0.1%	\$ 4.33
	8970 Deerfield Drive	Memphis	TN	Warehouse/Distribution	1977	51,320	100%	\$ 192,636	0.1%	\$ 3.75
	Collins Industrial Memphis	Memphis	TN	Small Bay Industrial	1989-2001	247,217	98%	\$ 1,097,250	0.8%	\$ 4.55
	Outland/Burbank Industrial	Memphis	TN	Warehouse/Distribution	1969-1996	367,416	100%	\$ 972,807	0.7%	\$ 2.65
	Outland Center Memphis I	Memphis	TN	Warehouse/Distribution	1988-1989	175,337	95%	\$ 839,222	0.6%	\$ 5.02

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⁾
	Outland Center Memphis II	Memphis	TN	Warehouse/Distribution	1989	232,200	100%	\$ 706,699	0.5%	\$ 3.04
	Place Industrial Memphis	Memphis	TN	Warehouse/Distribution	1980-1988	85,631	100%	\$ 380,197	0.3%	\$ 4.44
	Shelby Distribution II	Memphis	TN	Warehouse/Distribution	1998	113,240	100%	\$ 418,671	0.3%	\$ 3.70
	Willow Lake Industrial	Memphis	TN	Warehouse/Distribution	1989	75,643	100%	\$ 341,109	0.2%	\$ 4.51
Philadelphia	4 East Stow	Marlton	NJ	Warehouse/Distribution	1986	156,634	100%	\$ 1,040,693	0.7%	\$ 6.66
St. Louis	11646 Lakeside Crossing	St. Louis	MO	Warehouse/Distribution	2005	100,021	100%	\$ 748,492	0.5%	\$ 7.48
	160-275 Corporate Woods Place	Bridgeton	MO	Warehouse/Distribution	1990	155,434	100%	\$ 608,300	0.4%	\$ 3.91
	1901-1939 Beltway Dr	Overland	MO	Warehouse/Distribution	1986	76,485	75%	\$ 548,939	0.4%	\$ 9.57
	3051 Gateway	Edwardsville	IL	Warehouse/Light Manufacturing	2016	521,171	100%	\$ 2,475,562	1.7%	\$ 4.75
	349 Gateway	Edwardsville	IL	Warehouse/Light Manufacturing	2016	624,159	100%	\$ 2,652,676	1.8%	\$ 4.25
	3919 Lakeview Corporate Drive	Edwardsville	IL	Warehouse/Distribution	2019	769,500	100%	\$ 3,461,981	2.4%	\$ 4.50
	4848 Park 370 Boulevard	Hazelwood	MO	Warehouse/Light Manufacturing	2006	76,092	100%	\$ 476,293	0.3%	\$ 6.26
	9150 Latty Avenue	Berkeley	MO	Warehouse/Distribution	1965/2018	142,364	100%	\$ 640,638	0.4%	\$ 4.50
	Grissom Drive	St. Louis	MO	Warehouse/Light Manufacturing	1970	79,258	100%	\$ 301,180	0.2%	\$ 3.80
	Metro St Louis	Maryland Heights	MO	Warehouse/Light Manufacturing	1979	59,055	100%	\$ 316,185	0.2%	\$ 5.35
	Phantom Drive	Hazelwood	MO	Warehouse/Distribution	1971	129,000	97%	\$ 541,002	0.4%	\$ 4.32
	St. Louis Commerce Center	St. Louis	MO	Warehouse/Distribution	1999-2001	487,150	100%	\$ 2,072,160	1.4%	\$ 4.25
Existing Portfolio – Industrial Properties						33,836,673	99.0%	\$ 144,987,175	100%	\$ 4.33

- (1) Property listing includes all wholly owned properties as of December 31, 2022.
(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, 2022, by 12.
(4) Represents the percentage of total annualized rent for properties owned as of December 31, 2022.
(5) Calculated by multiplying rental payments (defined as cash rents before abatements) for the month ended December 31, 2022, by 12, and then dividing by leased square feet for such property as of December 31, 2022.

As of December 31, 2022, 72 of our 157 properties were encumbered by mortgage indebtedness totaling \$391,228, 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, 2022.

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	97	99.3%	21,724,130	64.2%	\$ 83,330,591	57.5%	\$ 3.86
Warehouse/Light Manufacturing	38	99.1%	8,723,093	25.8%	\$ 37,839,023	26.1%	\$ 4.38
Small Bay Industrial ⁽¹⁾	22	97.3%	3,389,450	10.0%	\$ 23,817,561	16.4%	\$ 7.22
Total Company Portfolio	157	99.0%	33,836,673	100%	\$ 144,987,175	100%	\$ 4.33

- (1) Small bay industrial is inclusive of flex space totaling 553,277 rentable square feet and annualized base rent of \$5,885,143.

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, 2022.

Market	Number of Properties	Occupancy	Total Rentable Square Feet	Percentage of Rentable Square Feet	Annualized Base Rent	Percentage of Annualized Base Rent
Chicago	40	99.9%	6,930,887	20.4%	\$ 30,621,105	21.0%
Memphis	25	98.4%	4,783,046	14.0%	17,502,017	12.1%
Indianapolis	17	98.3%	4,085,169	12.1%	15,448,966	10.7%
Cleveland	16	98.9%	3,979,209	11.8%	18,251,736	12.6%
Columbus	15	100.0%	3,757,614	11.1%	13,131,996	9.1%
St. Louis	12	99.3%	3,219,689	9.5%	14,843,409	10.2%
Cincinnati	10	98.6%	2,556,272	7.6%	9,702,657	6.7%
Atlanta	10	99.9%	1,670,235	4.9%	6,834,217	4.7%
Jacksonville	8	98.2%	2,052,074	6.1%	13,863,763	9.6%
Kansas City	1	100.0%	221,911	0.7%	833,288	0.6%
Boston	1	87.6%	268,713	0.8%	1,729,152	1.2%
Philadelphia	1	99.8%	156,634	0.5%	1,040,693	0.7%
Charlotte	1	100.0%	155,220	0.5%	1,184,176	0.8%
Total Company Portfolio	157	99.0%	33,836,673	100%	\$ 144,987,175	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, 2022.

Industry	Total Leased Square Feet	Number of Leases	Percentage of Leased Square Feet	Annualized Base Rent	Percentage of Annualized Base Rent	Annualized Base Rent per Square Foot
Logistics & Transportation	9,807,690	89	29.3%	\$ 39,029,677	26.9%	\$ 3.98
Automotive	2,375,092	27	7.1%	10,766,624	7.4%	4.53
Wholesale/Retail	2,359,107	32	7.0%	10,514,719	7.3%	4.46
Food & Beverage	1,898,596	25	5.7%	8,803,442	6.1%	4.64
Printing & Paper	1,872,092	16	5.6%	7,075,496	4.9%	3.78
Home & Garden	1,841,386	18	5.5%	6,048,555	4.2%	3.28
Construction	1,773,623	42	5.3%	7,727,681	5.3%	4.36
Cardboard and Packaging	1,558,027	18	4.6%	6,018,467	4.2%	3.86
Light Manufacturing	1,234,493	12	3.7%	4,390,616	3.0%	3.56
Education	926,896	8	2.8%	4,402,215	3.0%	4.75
Other Industries	7,861,363	233	23.4%	40,209,683	27.7%	5.11
Total Company Portfolio	33,508,365	520	100%	\$ 144,987,175	100%	\$ 4.33

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, 2022.

Tenant	Market	Industry	# of Leases	Total Leased Square Feet	Expiration	Annualized Base Rent/SF	Annualized Base Rent	Percent of Total Annualized Rent
FedEx Supply Chain, Inc.	St. Louis	Logistics & Transportation	1	769,500	7/31/2024	\$ 4.50	\$ 3,461,981	2.4%
Geodis Logistics, LLC	St. Louis	Logistics & Transportation	1	624,159	8/31/2025	4.25	2,652,676	1.8%
Royal Canin U.S.A., Inc.	St. Louis	Wholesale/Retail	1	521,171	5/31/2025	4.75	2,475,562	1.7%
Houghton Mifflin Harcourt Company	Chicago	Education	1	513,512	3/31/2026	4.49	2,305,669	1.6%
ODW Logistics, Inc.	Columbus	Logistics & Transportation	1	772,450	6/30/2025	2.93	2,261,284	1.6%
Archway Marketing Holdings, Inc.	Chicago	Logistics & Transportation	3	503,000	3/31/2026	4.40	2,213,260	1.5%
ASW Supply Chain Services, LLC	Cleveland	Logistics & Transportation	5	577,237	12/31/2023	3.58	2,065,130	1.4%
Balta US, Inc.	Jacksonville	Home & Garden	2	629,084	12/31/2028	3.07	1,933,607	1.3%
Communications Test Design, Inc.	Memphis	Logistics & Transportation	2	566,281	12/31/2024	3.28	1,855,850	1.3%
Winston Products, LLC	Cleveland	Automotive	2	266,803	4/30/2032	6.81	1,816,650	1.3%
Ten Largest Tenants by Annualized Rent			19	5,743,197		\$ 4.01	\$ 23,041,669	15.9%
All Other			501	27,765,168		4.39	121,945,506	84.1%
Total Company Portfolio			520	33,508,365		\$ 4.33	\$ 144,987,175	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, 2022, there were 405 triple-net leases in the Company Portfolio, representing approximately 78.8% 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, 2022, there were 53 modified net leases in the Company Portfolio, representing approximately 10.8% 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, 2022, there were 62 gross leases in the Company Portfolio, representing approximately 10.4% of the annualized base rent.

Lease Expirations

As of December 31, 2022, the weighted average in-place remaining lease term of the Company Portfolio was 3.7 years. The following table sets forth a summary schedule of lease expirations for leases in place as of December 31, 2022, plus available space, for each of the ten full calendar years commencing December 31, 2022, 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	328,308	1.0%	\$ —	—	\$ —
2023	3,276,074	9.7%	13,700,025	9.4%	4.18
2024	6,565,204	19.4%	27,365,683	18.9%	4.17
2025	7,402,504	21.9%	31,382,815	21.6%	4.24
2026	4,447,610	13.1%	21,062,479	14.5%	4.74
2027	4,608,602	13.6%	20,093,596	13.9%	4.36
2028	2,167,689	6.4%	9,486,532	6.5%	4.38
2029	2,048,414	6.1%	8,222,849	5.7%	4.01
2030	379,260	1.1%	1,940,810	1.3%	5.12
2031	899,367	2.7%	2,981,564	2.1%	3.32
2032	480,000	1.4%	1,541,324	1.1%	3.21
Thereafter	1,233,641	3.6%	7,209,498	5.0%	5.84
Total Company Portfolio	33,836,673	100%	\$ 144,987,175	100%	\$ 4.33

(1) Annualized rent is calculated by multiplying rental payments (defined as cash rents before abatements) for the month ended December 31, 2022, 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, 2022.

(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, 2022.

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 20, 2023, we had 43,030,864 shares of common stock outstanding held of record by a total of approximately 140 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, 2022, the closing price of our common stock, as reported on the NYSE, was \$19.18.

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 12 in the accompanying Notes to Consolidated Financial Statements.

As of December 31, 2022, the total shares issued under the Plan were as follows:

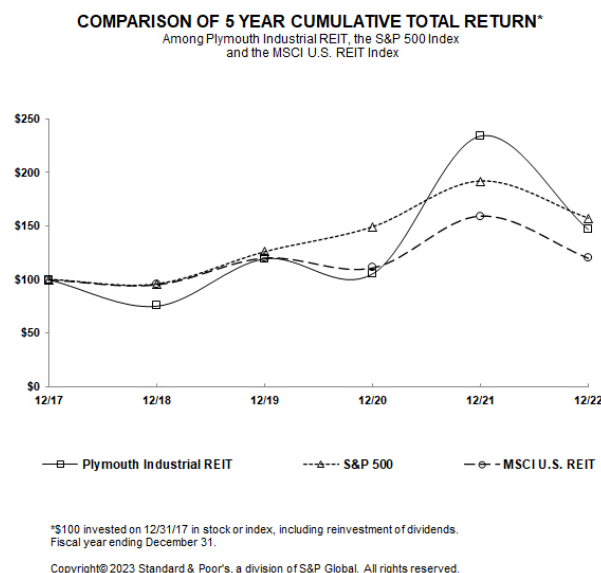
	# of Securities to be Issued Upon Exercise of Outstanding Options, Warrants, and Rights	Weighted-Average Exercise Price of Outstanding Options, Warrants, and Rights	# of Securities Remaining Available for Future Issuance Under Equity Compensation Plans
Equity Compensation Plans Approved by Security Holders	280,074 (1)	n/a	248,873
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

Performance Graph

The following graph provides a comparison of the cumulative total return on our common stock with the cumulative total return on the Standard & Poor's 500 Index and the MSCI US REIT Index. The MSCI US REIT Index represents performance of publicly-traded REITs. Returns over the indicated period are based on historical data and should not be considered indicative of future returns. The graph covers the period from December 31, 2017 to December 31, 2022 and assumes that \$100 was invested in our common stock and in each index on December 31, 2017 and that all dividends were reinvested.



This performance graph shall not be deemed “filed” for purposes of Section 18 of the Exchange Act, or incorporated by reference into any filing by us under the Securities Act, except as shall be expressly set forth by specific reference in such filing.

ITEM 6. [Reserved]

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, 2022 and 2021.

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 157 industrial properties located in eleven states with an aggregate of approximately 33.8 million rentable square feet leased to 478 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.

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.

Rental Revenue and Tenant Recoveries

We receive income primarily from rental revenue from our properties. The amount of rental revenue generated by the Company Portfolio depends principally on the occupancy levels and lease rates at our properties, our ability to lease currently available space and space that becomes available as a result of lease expirations and on the rental rates at our properties. The Company Portfolio was approximately 99.0% and 97.4% occupied as of December 31, 2022, and 2021, 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, 2023, through to December 31, 2024, an aggregate of 28.3% of the annualized base rent leases in the Company Portfolio are scheduled to expire, which we believe will provide us an opportunity to adjust below market leases to reflect current market conditions.

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, 2022.

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, 2022								
	Renewals	4,602,355	60.2%	\$ 4.31	\$ 4.87	13.0%	\$ 0.15	\$ 0.16
	New Leases	3,041,526	39.8%	\$ 3.51	\$ 4.51	28.5%	\$ 0.40	\$ 0.23
	Total	7,643,881	100%	\$ 3.99	\$ 4.73	18.5%	\$ 0.25	\$ 0.19

Conditions in Our Markets

The Company Portfolio is located in various primary and secondary markets within 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, 2022, during the subsequent 12 to 24 months and, as a result, our general and administrative expenses will increase further.

Critical Accounting Estimates

The preparation of our consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported period. Certain estimates, judgments and assumptions are inherently subjective and based on the existing business and market conditions and are therefore continually evaluated based upon available information and experience. The following item requires significant estimation or judgement.

Purchase Price Accounting

We have determined that judgments regarding the allocation of the purchase price of acquired real estate properties based upon the fair value of the assets acquired and liabilities assumed to be a critical accounting estimate. As discussed below in “Critical Accounting Policies,” we allocate the purchase price of acquired real estate properties based upon the fair value of the assets acquired and liabilities assumed, which generally consist of land, buildings, tenant improvements, mortgage debt assumed, if applicable, and deferred leasing intangibles, which includes in-place leases, above market and below market leases, and tenant relationships, and is therefore subject to subjective analysis and uncertainty. The purchase price is allocated to the fair value of the tangible assets of an acquired property by valuing the property as if it were vacant. The determination of fair value includes the use of significant assumptions such as rental rates, land value, discount rates, and exit capitalization rates. Acquired above and below market lease intangibles are valued based on the present value of the difference between prevailing market rental rates and the in-place rental rates measured over a period equal to the remaining term of the lease for above market leases or the remaining term of the lease plus the term of any below market fixed rate renewal options for below market leases. The purchase price is further allocated to in-place lease values based on an estimate of the lease revenue received during a reasonable lease-up period as if the property was vacant on the date of acquisition. The allocation of the purchase price to mortgage debt assumed, if applicable, is determined by comparing the net present value of remaining debt payments at the stated rate per the mortgage agreement to the net present value of the remaining debt payments using the prevailing market borrowing rates. We do not believe that the conclusions we reached regarding the allocation of the purchase price of acquired real estate properties, in the current economic and operating environment, would result in a materially different conclusion within any reasonable range of assumptions that could have been applied.

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 and liabilities 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.

Derivative Instruments and Hedging Activities

We record all derivatives on the accompanying consolidated balance sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether we have elected to designate a derivative in a hedging relationship and apply hedge accounting, and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. We may enter into derivative contracts that are intended to economically hedge certain of its risks, even though hedge accounting does not apply, or we elect not to apply hedge accounting.

In accordance with fair value measurement guidance, we made an accounting policy election to measure the credit risk of our derivative financial instruments that are subject to master netting arrangements on a net basis by counterparty portfolio. Credit risk is the risk of failure of the counterparty to perform under the terms of the contract. We minimize the credit risk in our derivative financial instruments by entering into transactions with various high-quality counterparties. Our exposure to credit risk at any point is generally limited to amounts recorded as assets on the accompanying consolidated balance sheets.

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 based on market participant assumptions 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.

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 generally 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.

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 to 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.

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, 2022, and 2021, 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, 2021 through December 31, 2022.

The discussion of our Same Store Portfolio and our total portfolio for the comparison of the years ended December 31, 2021 and 2020 that are not included in this Form 10-K can be found in "Management's Discussion and Analysis of Financial Condition and Results of Operations" Item 7 of our Annual Report on Form 10-K for the year ended December 31, 2021, which was filed with the SEC on February 23, 2022.

Year Ended December 31, 2022, Compared to Year Ended December 31, 2021

The following table summarizes the results of operations for our Same Store Portfolio, our acquisitions, dispositions and other and total portfolio for the years ended December 31, 2022 and 2021 (dollars in thousands):

	Same Store Portfolio				Acquisitions, Dispositions and Other				Total Portfolio			
	Year Ended December 31,		Change		Year Ended December 31,		Change		Year Ended December 31,		Change	
	2022	2021	\$	%	2022	2021	\$	%	2022	2021	\$	%
Revenue:												
Rental revenue	\$ 125,436	\$ 120,826	\$ 4,610	3.8%	\$ 58,006	\$ 19,444	\$ 38,562	198.3%	\$ 183,442	\$ 140,270	\$ 43,172	30.8%
Management fee revenue and other income	—	—	—	—	94	348	(254)	(73.0%)	94	348	(254)	(73.0%)
Total revenues	125,436	120,826	4,610	3.8%	58,100	19,792	38,308	193.6%	183,536	140,618	42,918	30.5%
Property expenses	40,670	40,936	(266)	(0.6%)	15,931	6,700	9,231	137.8%	56,601	47,636	8,965	18.8%
Depreciation and amortization									95,312	70,642	24,670	34.9%
General and administrative									15,939	12,920	3,019	23.4%
Total operating expenses									167,852	131,198	36,654	27.9%
Other income (expense):												
Interest expense									(32,217)	(19,968)	(12,249)	61.3%
Earnings (loss) in investment of unconsolidated joint venture									(147)	(850)	703	-82.7%
Loss on extinguishment of debt									(2,176)	(523)	(1,653)	316.1%
Gain on sale of real estate									—	1,775	(1,775)	(100.0%)
(Appreciation) depreciation of warrants									1,760	(5,121)	6,881	(134.4%)
Total other income (expense)									(32,780)	(24,687)	(8,093)	32.8%
Net loss									\$ (17,096)	\$ (15,267)	\$ (1,829)	12.0%

Rental revenue: Rental revenue increased \$43,172 to \$183,442 for the year ended December 31, 2022 as compared to \$140,270 for the year ended December 31, 2021. The increase was primarily related to a net increase in rental revenue from Acquisitions, Dispositions and Other of \$38,562 and an increase of \$4,610 from Same Store Portfolio primarily due to scheduled rent steps, leasing activities, and tenant reimbursements for the year ended December 31, 2022.

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

Property expenses: Property expenses increased \$8,965 for the year ended December 31, 2022 to \$56,601 as compared to \$47,636 for the year ended December 31, 2021 primarily due to a net increase in expenses related to Acquisitions, Dispositions and Other of \$9,231. Property expenses for the Same Store Portfolio decreased approximately \$266 primarily due to a decrease in real estate taxes and utilities, partially offset by an increase in other operating expenses.

Depreciation and amortization: Depreciation and amortization expense increased by approximately \$24,670 to approximately \$95,312 for the year ended December 31, 2022 as compared to \$70,642 for the year ended December 31, 2021, primarily due to a net increase from Acquisitions, Dispositions and Other of \$29,615 and a decrease of \$4,945 for the Same Store Portfolio due to the full depreciation and amortization of certain assets during the year ended December 31, 2022.

General and administrative: General and administrative expenses increased approximately \$3,019 to \$15,939 for the year ended December 31, 2022 as compared to \$12,920 for the year ended December 31, 2021. The increase is attributable primarily to a net increase in payroll expense of \$1,025 due to increased head count and compensation increases, an increase in professional fees of \$440 and an increase in non-cash stock compensation of \$1,045.

Interest expense: Interest expense increased by approximately \$12,249 to \$32,217 for the year ended December 31, 2022 as compared to \$19,968 for the year ended December 31, 2021. The increase is primarily due to additional borrowings associated with our acquisition activity and increases in 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, 2022 and 2021.

(In thousands)

	Year Ended December 31,	
	2022	2021
Changes in accrued interest	\$ 2,248	\$ 191
Amortization of debt related costs	2,163	1,605
Total change in accrued interest and amortization of debt related costs	4,411	1,796
Cash interest paid	28,931	18,172
Capitalized interest	(1,125)	—
Total interest expense	\$ 32,217	\$ 19,968

Earnings (loss) in investment of unconsolidated joint venture: Earnings (loss) in investment of unconsolidated joint venture represents the Company's pro-rata share of the net loss recognized by the former MIR JV, which was consolidated into the Company's consolidated financial statements following the Company's acquisition of the remaining 80% interest in the MIR JV from the MIR JV Partner on March 11, 2022.

Loss on extinguishment of debt: Loss on extinguishment of debt of \$2,176 for the year ended December 31, 2022 was due to the repayment of the JPMorgan Chase Loan. Loss on extinguishment of debt of \$523 for the year ended December 31, 2021 was due to the partial repayment of the Transamerica Loan.

Gain on sale of real estate: Gain on sale of real estate of \$1,775 represents the gain realized on the sale of real estate for the year ended December 31, 2021. No sales of real estate occurred during the year ended December 31, 2022.

(Appreciation) depreciation of warrants: (Appreciation) depreciation of warrants represents the change in the fair market value of our common stock warrants. For the years ended December 31, 2022 and 2021, the Company recorded a depreciation of warrants of \$1,760 and an appreciation of warrants of \$5,121, respectively. During Q1 2022, all common stock warrants were fully exercised on a cash-less basis and no warrants remained outstanding as of December 31, 2022.

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,		
	2022	2021	2020
NOI:			
Net loss	\$ (17,096)	\$ (15,267)	\$ (14,462)
General and administrative	15,939	12,920	10,362
Depreciation and amortization	95,312	70,642	56,428
Interest expense	32,217	19,968	18,931
(Earnings) loss in investment of unconsolidated joint venture	147	850	19
Loss on extinguishment of debt	2,176	523	—
Gain on sale of real estate	—	(1,775)	—
Impairment on real estate lease	—	—	311
Appreciation (depreciation) of warrants	(1,760)	5,121	103
Management fee revenue and other income	(94)	(348)	(15)
NOI	\$ 126,841	\$ 92,634	\$ 71,677

EBITDAre

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”). EBITDAre 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, appreciation (depreciation) of warrants, loss on impairments, and loss on extinguishment of debt. We believe that EBITDAre 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 EBITDAre for the periods presented:

(In thousands)

	Year Ended December 31,		
	2022	2021	2020
EBITDAre:			
Net loss	\$ (17,096)	\$ (15,267)	\$ (14,462)
Depreciation and amortization	95,312	70,642	56,428
Interest expense	32,217	19,968	18,931
Loss on extinguishment of debt	2,176	523	—
Gain on sale of real estate	—	(1,775)	—
Appreciation (depreciation) of warrants	(1,760)	5,121	103
EBITDAre	\$ 110,849	\$ 79,212	\$ 61,000

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, acquisition and transaction related expenses for transactions not completed, and certain non-cash operating expenses such as impairment on real estate lease, 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:

(In thousands)

	Year Ended December 31,		
	2022	2021	2020
FFO:			
Net loss	\$ (17,096)	\$ (15,267)	\$ (14,462)
Gain on sale of real estate	—	(1,775)	—
Depreciation and amortization	95,312	70,642	56,428
Depreciation and amortization from unconsolidated joint venture	268	1,539	64
FFO	\$ 78,484	\$ 55,139	\$ 42,030
Preferred stock dividends	(4,866)	(6,608)	(6,444)
Acquisition expenses	201	—	—
Appreciation (depreciation) of warrants	(1,760)	5,121	103
Loss on extinguishment of debt	2,176	523	—
Impairment on real estate lease	—	—	311
Core FFO	\$ 74,235	\$ 54,175	\$ 36,000

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, capitalized interest 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,		
	2022	2021	2020
AFFO:			
Core FFO	\$ 74,235	\$ 54,175	\$ 36,000
Amortization of debt related costs	2,163	1,605	1,467
Non-cash interest expense	2,248	191	148
Stock compensation	2,603	1,559	1,439
Capitalized interest	(1,125)	—	—
Straight line rent	(3,682)	(3,700)	(1,963)
Above/below market lease rents	(3,151)	(2,096)	(2,075)
Recurring capital expenditures ⁽¹⁾	(6,793)	(8,767)	(3,263)
AFFO	\$ 66,498	\$ 42,967	\$ 31,753

(1)Excludes non-recurring capital expenditures of \$60,350, \$22,547 and \$5,427 for the years ended December 31, 2022, 2021 and 2020, respectively.

Cash Flow

A summary of our cash flows for the years ended December 31, 2022 and 2021 are as follows:

(In thousands)

	Year Ended December 31,	
	2022	2021
Net cash provided by operating activities	\$ 72,228	\$ 57,940
Net cash used in investing activities	\$ (252,357)	\$ (356,080)
Net cash provided by financing activities	\$ 167,968	\$ 309,460

Operating activities: Net cash provided by operating activities for the year ended December 31, 2022 increased approximately \$14,288 compared to the year ended December 31, 2021. The increase was primarily attributable to incremental operating cash flows from acquisitions completed during 2022 and same store properties.

Investing activities: Net cash used in investing activities for the year ended December 31, 2022 decreased approximately \$103,723 compared to the year ended December 31, 2021 primarily due to a decrease in property acquisitions completed during 2022 totaling \$197,085 as opposed to \$337,030 during 2021, a decrease in proceeds from the sale of real estate property and land parcel of \$6,036 during 2021, offset by an increase in capital expenditures of \$30,186.

Financing activities: Net cash provided by financing activities for the year ended December 31, 2022 decreased approximately \$141,492 compared to the year ended December 31, 2021. The change was predominantly driven by an decrease of \$116,148 in net proceeds from the issuance of common stock, secured and unsecured debt and the line of credit, and a decrease in debt issuance costs and repurchase and extinguishment of Series A Preferred stock of \$1,850, offset by an increase of \$15,000 in redemption of Series B Preferred Stock during 2022 and an increase of \$8,494 in dividends paid.

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 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.

As of December 31, 2022, we had available liquidity of approximately \$303.7 million, comprised of \$31.2 million in cash and cash equivalents and \$272.5 million of borrowing capacity on our KeyBank unsecured 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 KeyBank line of credit and unsecured KeyBank Term Loans, which bear interest at a variable rate.

At December 31, 2022, we had \$527,500 of outstanding variable rate debt. As of December 31, 2022, all our outstanding variable debt, with the exception of the KeyBank unsecured line of credit which had a balance of \$77,500, was fixed with interest rate swaps through maturity. The KeyBank unsecured line of credit was subject to a weighted average interest rate of 3.86% during the year ended December 31, 2022. Based on the variable rate borrowings for our KeyBank unsecured line of credit outstanding during the year ended December 31, 2022, we estimate that had the average interest rate on our weighted average borrowings increased by 25 basis points for the year ended December 31, 2022, our interest expense for the year would have increased by approximately \$709. This estimate assumes the interest rate of each borrowing is raised by 25 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, 2022

The following is a schedule of our indebtedness as of December 31, 2022 (\$ in thousands):

Loan	Outstanding Balance	Interest rate at December 31, 2022	Final Maturity Date
Secured debt:			
AIG Loan	\$ 111,758	4.08%	November 1, 2023
Transamerica Loan	67,398	4.35%	August 1, 2028
Allianz Loan	62,388	4.07%	April 10, 2026
Minnesota Life Loan	20,019	3.78%	May 1, 2028
Minnesota Life Memphis Industrial Loan	56,000	3.15%	January 1, 2028
Lincoln Life Gateway Mortgage	28,800	3.43%	January 1, 2028
Ohio National Life Mortgage	19,045	4.14%	August 1, 2024
Nationwide Loan	15,000	2.97%	October 1, 2027
Midland National Life Insurance Mortgage	10,820	3.50%	March 10, 2028
Total secured debt	391,228		
Unamortized debt issuance costs, net	(1,985)		
Unamortized premium/(discount), net	288		
Secured debt, net	389,531		
Unsecured debt:			
\$100m KeyBank Term Loan	100,000	3.10% ⁽¹⁾⁽²⁾	August 11, 2026
\$200m KeyBank Term Loan	200,000	3.13% ⁽¹⁾⁽²⁾	February 11, 2027
\$150m KeyBank Term Loan	150,000	4.50% ⁽¹⁾⁽²⁾	May 2, 2027
Total unsecured debt	450,000		
Unamortized debt issuance costs, net	(2,655)		
Unsecured debt, net	447,345		
Borrowings under line of credit:			
KeyBank unsecured line of credit	77,500	5.77% ⁽¹⁾	August 11, 2025
Total borrowings under line of credit	\$ 77,500		

(1) For the month of December 2022, the one-month term SOFR for our unsecured debt and borrowings under line of credit was 4.124%. The spread over the applicable rate for the \$100m, \$150m, and \$200m KeyBank Term Loans and KeyBank unsecured line of credit is based on the Company's total leverage ratio plus the 0.1% SOFR index adjustment.

(2) As of December 31, 2022, the one-month term SOFR for the \$100m, \$150m and \$200m KeyBank Term Loans was swapped to a fixed rate of 1.504%, 2.904%, and 1.5273%, respectively.

2022 Debt Activity

On March 11, 2022, a wholly-owned subsidiary of the Operating Partnership assumed a mortgage (the "Minnesota Life Memphis Industrial Loan") with a balance of \$56,000 in conjunction with our acquisition of all outstanding interests in the entity owning the portfolio in Memphis, Tennessee. The Minnesota Life Memphis Industrial Loan, held by Minnesota Life Insurance Company, matures on January 1, 2028, bears interest at 3.15% and is secured by the properties. The Minnesota Life Memphis Industrial Loan requires monthly installments of interest only through January 1, 2023, and afterwards, monthly installments of principal plus accrued interest through January 1, 2028, 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.

On May 2, 2022, the Company entered into an amendment to the KeyBank unsecured facility. The credit facility agreement, as amended, expanded the availability on the KeyBank unsecured line of credit up to \$350 million and entered into a new \$150 million unsecured term loan (the "\$150m KeyBank Term Loan"), with an accordion feature that allows the total borrowing capacity under the credit facility to be increased to \$1 billion, subject to certain conditions. The \$150m KeyBank Term Loan matures in May 2027. The maturity date for the KeyBank unsecured line of credit remains unchanged. The amendment also provided for the transition of the reference rate for the KeyBank unsecured line of credit and the \$100m, \$200m, and \$150m KeyBank Term Loans from 1-month LIBOR to Secured Overnight Financing Rate ("SOFR"). Borrowings under the credit agreement, as amended, 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 Adjusted Term SOFR for a one month tenor plus 1.0% or (2) SOFR, plus, in either case, a spread (A) between 35 and 90 basis points for revolver base rate loans or between 135 and 190 basis points for revolver SOFR rate loans and (B) between 30 and 85 basis points for term base rate loans or between 130 and 185 basis points for term SOFR rate loans, with the amount of the spread depending on the Company's total leverage ratio.

Stock Issuances

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

On June 11, 2021, the Company and Operating Partnership filed a shelf registration statement on Form S-3 ("2021 \$750 Million S-3 Filing") with the U.S. Securities and Exchange Commission ("SEC") registering an aggregate of \$750,000 of securities, consisting of an indeterminate amount of common stock, preferred stock, depository shares, warrants, rights to purchase our common stock and debt securities. As of December 31, 2022, the Company has \$583,401 available for issuance under the 2021 \$750 Million S-3 Filing.

ATM Program

On May 26, 2021, the Company entered into a distribution agreement with KeyBanc Capital Markets Inc., Robert W. Baird & Co. Incorporated, Barclays Capital Inc., Berenberg Capital Markets LLC, BMO Capital Markets Corp., Capital One Securities Inc., JMP Securities LLC, J.P. Morgan Securities, LLC, National Securities Corporation and Wedbush Securities Inc 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 \$125,000 through an “at-the-market” equity offering program (the “2021 \$125 Million ATM Program”).

On August 10, 2021, the Company entered into an amendment to the 2021 \$125 Million ATM Program (the “2021 Amended ATM Program”) to reference the Company’s shelf registration statement on Form S-3 that was filed with the Securities and Exchange Commission on June 11, 2021. The Company, under the 2021 Amended ATM Program may issue and sell, from time to time, shares of its common stock, with aggregate gross sales proceeds of up to \$82,288 through an “at-the-market” equity offering program.

On November 9, 2021, the Company entered into a distribution agreement with KeyBanc Capital Markets Inc., Robert W. Baird & Co. Incorporated, Barclays Capital Inc., Berenberg Capital Markets LLC, BMO Capital Markets Corp., Capital One Securities Inc., JMP Securities LLC, J.P. Morgan Securities, LLC, National Securities Corporation, Wedbush Securities Inc and Wells Fargo Securities 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 \$200,000 through an “at-the-market” equity offering program (the “2021 \$200 Million ATM Program”).

For the year ending December 31, 2022, the Company has issued 2,345,247 shares of its common stock under the 2021 \$200 Million ATM Program for aggregate net proceeds of approximately \$58,179. The Company has approximately \$95,179 available for issuance under the 2021 \$200 Million ATM Program.

Contractual Obligations and Commitments

The following table sets forth our obligations and commitments as of December 31, 2022:

(in thousands)

	Payments Due by Period						
	Total	2023	2024	2025	2026	2027	Thereafter
Principal payments - secured debt	\$ 391,228	\$ 116,598	\$ 23,180	\$ 4,961	\$ 62,740	\$ 17,650	\$ 166,099
Principal payments - unsecured debt	450,000	—	—	—	100,000	350,000	—
Principal payments - borrowings under line of credit	77,500	—	—	77,500	—	—	—
Interest payments - secured debt	50,584	14,649	10,062	9,374	7,606	6,595	2,298
Interest payments - unsecured debt	65,920	16,110	16,110	16,110	14,818	2,772	—
Interest payments - borrowings under line of credit ⁽¹⁾	16,025	4,472	4,472	4,472	2,609	—	—
Office Leases	7,208	1,274	1,243	857	764	779	2,291
Ground Leases ⁽²⁾	8,576	192	192	207	209	209	7,567
Total Contractual Obligations	\$ 1,067,041	\$ 153,295	\$ 55,259	\$ 113,481	\$ 188,746	\$ 378,005	\$ 178,255

(1) Interest payments for the \$100m, \$150m and \$200m KeyBank Term Loans are calculated using a fixed rate of 1.504%, 2.904%, and 1.5273%, respectively and 5.77% on the borrowings under line of credit.

(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 \$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.

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

Off-Balance Sheet Arrangements

As of December 31, 2022, we have no off-balance sheet arrangements.

Inflation

Prior to 2021, the rate of inflation was low and had minimal impact on the performance of our industrial properties in the markets in which we operate, however, inflation has significantly increased during 2021 and 2022 and may remain at an elevated level or increase further. 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

The Company uses interest rate swap agreements as a derivative instrument to manage interest rate risk and is recognized on the consolidated balance sheets at fair value. As of December 31, 2022, all our outstanding variable rate debt, with the exception of the KeyBank unsecured line of credit, was fixed with interest rate swaps through maturity. We recognize all derivatives within the consolidated balance sheets at fair value. 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, 2022, the Company has entered into five interest rate swap agreements.

The following table details our outstanding interest rate swaps as of December 31, 2022.

Interest Rate Swap Counterparty	Trade Date	Effective Date	Maturity Date	SOFR Interest Strike Rate	Notional Value ⁽¹⁾	Fair Value ⁽²⁾
					December 31, 2022	
Capital One, N.A.	July 13, 2022	July 1, 2022	February 11, 2027	1.527% ⁽³⁾	\$ 200,000	\$ 17,062
JPMorgan Chase Bank, N.A.	July 13, 2022	July 1, 2022	August 8, 2026	1.504% ⁽³⁾	\$ 100,000	\$ 7,932
JPMorgan Chase Bank, N.A.	August 19, 2022	September 1, 2022	May 2, 2027	2.904%	\$ 75,000	\$ 2,565
Wells Fargo Bank, N.A.	August 19, 2022	September 1, 2022	May 2, 2027	2.904%	\$ 37,500	\$ 1,283
Capital One, N.A.	August 19, 2022	September 1, 2022	May 2, 2027	2.904%	\$ 37,500	\$ 1,273

(1) Represents the notional value of interest rate swaps effective as of December 31, 2022.

(2) As of December 31, 2022, all our interest rate swaps were in an asset position.

(3) On July 13, 2022, the Company entered into amendments to the \$200,000 and \$100,000 notional interest rate swap agreements with Capital One, N.A. and JPMorgan Chase Bank, N.A., respectively. The amendments transitioned the previous USD-LIBOR floating rates to USD-SOFR CME Term floating rates and are effective as of July 1, 2022.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of December 31, 2022, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Company has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

During the next twelve months, the Company estimates that an additional \$16,041 will be reclassified as a decrease to interest expense. 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

Response to this item is included in Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" above.

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 and CFO, as appropriate to allow timely decisions regarding required disclosure.

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, 2022. As a result of this evaluation, the CEO and CFO have concluded that our disclosure controls and procedures were effective as of December 31, 2022 to provide the reasonable assurance described above.

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

The management of Plymouth Industrial REIT, Inc. is responsible for establishing and maintaining adequate internal control over financial reporting as such term is defined in Rule 13a-15(f) under the Exchange Act. Internal control over financial reporting is a process designed 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.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

Management has assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2022 using the criteria described in *Internal Control – Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on the evaluation, management has concluded that our internal control over financial reporting was effective as of December 31, 2022.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2022 has been audited by PricewaterhouseCoopers LLP, an independent registered public accounting firm, as stated in their report which appears herein.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended December 31, 2022 that have materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

ITEM 9C. HOLDING FOREIGN COMPANIES ACCOUNTABLE ACT

Not applicable.

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, 2023, in connection with our 2023 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, 2023, in connection with our 2023 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, 2023, in connection with our 2023 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, 2023, in connection with our 2023 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, 2023, in connection with our 2023 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	Second Amended and Restated 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)
10.19	First Amendment to Second Amended and Restated Credit Agreement, dated as of August 11, 2021, by and among Plymouth Industrial OP, LP, the Guarantors, KeyBank National Association and the other Lenders (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on August 17, 2021)
10.20	Term Loan Agreement, dated as of August 11, 2021, 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 10.2 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on August 17, 2021)
10.21	Distribution Agreement, dated as of November 9, 2021, by and among Plymouth Industrial REIT, Inc., Plymouth Industrial OP, LP and the Agents party thereto (incorporated by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K (File No. 001-38106) filed on November 9, 2021)
10.22	Employment Agreement with Anthony Saladino, dated as of February 23, 2022 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-381061) filed on February 23, 2022)†
10.23	Second Amendment, Increase and Joinder Agreement to Second Amended and Restated Credit Agreement, dated as of May 2, 2022, 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. 001-381061) filed on May 4, 2022)
10.24	First Amendment and Joinder to Term Loan Credit Agreement, dated as of May 2, 2022, 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 10.2 to the Company's Current Report on Form 8-K (File No. 001-381061) filed on May 4, 2022)
21.1	List of Subsidiaries*
23.1	Consent of Pricewaterhouse Coopers 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.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Jeffrey E. Witherell</u> Jeffrey E. Witherell	Chairman of the Board, Chief Executive Officer and Director (Principal Executive Officer)	February 23, 2023
<u>/s/ Anthony Saladino</u> Anthony Saladino	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	February 23, 2023
<u>/s/ Pendleton P. White, Jr.</u> Pendleton P. White, Jr.	President, Chief Investment Officer and Director	February 23, 2023
<u>/s/ Martin Barber</u> Martin Barber	Director	February 23, 2023
<u>/s/ Philip S. Cottone</u> Philip S. Cottone	Director	February 23, 2023
<u>/s/ Richard DeAgazio</u> Richard DeAgazio	Director	February 23, 2023
<u>/s/ David G. Gaw</u> David G. Gaw	Director	February 23, 2023
<u>/s/ John W. Guinee III</u> John W. Guinee III	Director	February 23, 2023
<u>/s/ Caitlin Murphy</u> Caitlin Murphy	Director	February 23, 2023

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CONSOLIDATED FINANCIAL STATEMENTS

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Report of Independent Registered Public Accounting Firm

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

Opinions on the Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated balance sheets of Plymouth Industrial REIT, Inc. and its subsidiaries (the “Company”) as of December 31, 2022 and 2021, and the related consolidated statements of operations, of comprehensive income (loss), of changes in preferred stock and equity, and of cash flows for each of the three years in the period ended December 31, 2022, including the related notes and financial statement schedule listed in the accompanying index (collectively referred to as the “consolidated financial statements”). We also have audited the Company’s internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2022 in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the COSO.

Basis for Opinions

The Company’s management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in Management’s Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the Company’s consolidated financial statements and on the Company’s internal control over financial reporting based on our audits. 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 audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements 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 audits 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. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (ii) 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 company are being made only in accordance with authorizations of management and directors of the company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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 2022, the Company completed 29 property acquisitions for a total purchase price of \$260.0 million, of which \$30.9 million of land, \$210.2 million of buildings and site improvements, and \$18.7 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 determining the fair values 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 audit evidence related to management's assumptions for 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 testing the effectiveness of controls relating to purchase price accounting, including controls over the allocation of the purchase price to the assets acquired and liabilities assumed. These procedures also included, among others, testing of management's process for determining the fair values of the tangible and intangible 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 assumptions used by management for 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 management's assumptions used in the models for the rental rates, land value, discount rates, and exit capitalization rates.

/s/PricewaterhouseCoopers LLP
Boston, Massachusetts
February 23, 2023

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

PLYMOUTH INDUSTRIAL REIT, INC.
CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share amounts)

	December 31, 2022	December 31, 2021
Assets		
Real estate properties	\$ 1,555,846	\$ 1,254,007
Less accumulated depreciation	(205,629)	(142,192)
Real estate properties, net	1,350,217	1,111,815
Cash	11,003	26,232
Cash held in escrow	13,376	11,893
Restricted cash	6,834	5,249
Deferred lease intangibles, net	70,718	75,864
Investment in unconsolidated joint venture	—	5,833
Interest rate swaps	30,115	—
Other assets	39,055	33,919
Total assets	<u>\$ 1,521,318</u>	<u>\$ 1,270,805</u>
Liabilities, Preferred Stock and Equity		
Liabilities:		
Secured debt, net	\$ 389,531	\$ 352,075
Unsecured debt, net	447,345	297,840
Borrowings under line of credit	77,500	38,000
Accounts payable, accrued expenses and other liabilities	72,551	66,880
Deferred lease intangibles, net	8,918	10,273
Financing lease liability	2,248	2,227
Total liabilities	<u>998,093</u>	<u>767,295</u>
Commitments and contingencies (Note 14)		
Preferred stock, par value \$0.01 per share, 100,000,000 shares authorized, Series A: 1,955,513 and 2,023,551 shares issued and outstanding at December 31, 2022 and 2021, respectively (aggregate liquidation preference of \$48,888 and \$50,589 at December 31, 2022 and 2021, respectively)	46,844	48,473
Series B: 0 and 4,411,764 shares issued and outstanding at December 31, 2022 and 2021, respectively (aggregate liquidation preference of \$0 and \$97,277 at December 31, 2022 and 2021, respectively)	—	94,437
Equity:		
Common stock, \$0.01 par value: 900,000,000 shares authorized; 42,849,489 and 36,110,659 shares issued and outstanding at December 31, 2022 and 2021, respectively	428	361
Additional paid in capital	635,068	532,666
Accumulated deficit	(194,243)	(177,258)
Accumulated other comprehensive income	29,739	—
Total stockholders' equity	<u>470,992</u>	<u>355,769</u>
Non-controlling interest	5,389	4,831
Total equity	<u>476,381</u>	<u>360,600</u>
Total liabilities, preferred stock and equity	<u>\$ 1,521,318</u>	<u>\$ 1,270,805</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,		
	2022	2021	2020
Rental revenue	\$ 183,442	\$ 140,270	\$ 109,836
Management fee revenue and other income	94	348	15
Total revenues	183,536	140,618	109,851
Operating expenses:			
Property	56,601	47,636	38,159
Depreciation and amortization	95,312	70,642	56,428
General and administrative	15,939	12,920	10,362
Total operating expenses	167,852	131,198	104,949
Other income (expense):			
Interest expense	(32,217)	(19,968)	(18,931)
Impairment on real estate lease	—	—	(311)
Earnings (loss) in investment of unconsolidated joint venture	(147)	(850)	(19)
Loss on extinguishment of debt	(2,176)	(523)	—
Gain on sale of real estate	—	1,775	—
(Appreciation) depreciation of warrants	1,760	(5,121)	(103)
Total other income (expense)	(32,780)	(24,687)	(19,364)
Net loss	(17,096)	(15,267)	(14,462)
Less: Net loss attributable to non-controlling interest	(210)	(259)	(649)
Net loss attributable to Plymouth Industrial REIT, Inc.	(16,886)	(15,008)	(13,813)
Less: Preferred Stock dividends	4,866	6,608	6,444
Less: Series B Preferred Stock accretion to redemption value	4,621	7,228	7,416
Less: Loss on extinguishment of Series A Preferred Stock	99	—	34
Less: Amount allocated to participating securities	256	201	182
Net loss attributable to common stockholders	\$ (26,728)	\$ (29,045)	\$ (27,889)
Net loss basic and diluted per share attributable to common stockholders	\$ (0.67)	\$ (0.94)	\$ (1.52)
Weighted-average common shares outstanding basic and diluted	39,779,128	30,910,581	18,381,700

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

PLYMOUTH INDUSTRIAL REIT, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Year Ended December 31,		
	2022	2021	2020
Net loss	\$ (17,096)	\$ (15,267)	\$ (14,462)
Other comprehensive income:			
Unrealized gain (loss) on interest rate swaps	30,115	—	—
Other comprehensive income	30,115	—	—
Comprehensive income (loss)	13,019	(15,267)	(14,462)
Less: Net loss attributable to non-controlling interest	(210)	(259)	(649)
Less: Other comprehensive income (loss) attributable to non-controlling interest	376	—	—
Comprehensive income (loss) attributable to Plymouth Industrial REIT, Inc.	<u>\$ 12,853</u>	<u>\$ (15,008)</u>	<u>\$ (13,813)</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, 2022, 2021 AND 2020

(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	Accumulated Other Comprehensive Income	Stockholders' Equity	Non- controlling Interest	Total Equity
	Shares	Amount	Shares	Amount	Shares	Amount						
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 (forfeited)	—	—	—	—	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
Repurchase and extinguishment of Series A Preferred Stock	(448)	(12)	—	—	—	—	—	—	—	—	—	—
Series B Preferred Stock accretion to redemption value	—	—	—	7,228	—	(7,228)	—	—	—	(7,228)	—	(7,228)
Net proceeds from common stock	—	—	—	—	10,524,731	106	211,927	—	—	212,033	—	212,033
Stock based compensation	—	—	—	—	—	—	1,559	—	—	1,559	—	1,559
Restricted shares issued (forfeited)	—	—	—	—	125,434	1	—	—	—	1	—	1
Dividends and distributions	—	—	—	—	—	—	(33,584)	—	—	(33,584)	(436)	(34,020)
Redemption of partnership units	—	—	—	—	116,333	1	2,086	—	—	2,087	(2,087)	—
Reallocation of non-controlling interest	—	—	—	—	—	—	(2,846)	—	—	(2,846)	2,846	—
Net loss	—	—	—	—	—	—	—	(15,008)	—	(15,008)	(259)	(15,267)
Balance, December 31, 2021	2,023,551	\$ 48,473	4,411,764	\$ 94,437	36,110,659	\$ 361	\$ 532,666	\$ (177,258)	\$ —	\$ 355,769	\$ 4,831	\$ 360,600
Repurchase and extinguishment of Series A Preferred Stock	(68,038)	(1,629)	—	—	—	—	—	(99)	—	(99)	—	(99)
Series B Preferred Stock accretion to redemption value	—	—	—	4,621	—	(4,621)	—	—	—	(4,621)	—	(4,621)
Conversion of Series B Preferred Stock	—	—	(4,411,764)	(99,058)	4,121,393	41	84,017	—	—	84,058	—	84,058
Net proceeds from common stock	—	—	—	—	2,345,247	24	58,155	—	—	58,179	—	58,179
Stock based compensation	—	—	—	—	—	—	2,603	—	—	2,603	—	2,603
Restricted shares issued (forfeited)	—	—	—	—	132,250	—	—	—	—	—	—	—
Conversion of common stock warrants	—	—	—	—	139,940	2	3,756	—	—	3,758	—	3,758
Dividends and distributions	—	—	—	—	—	—	(40,684)	—	—	(40,684)	(432)	(41,116)
Other comprehensive income	—	—	—	—	—	—	—	29,739	29,739	—	376	30,115
Reallocation of non-controlling interest	—	—	—	—	—	—	(824)	—	—	(824)	824	—
Net loss	—	—	—	—	—	—	—	(16,886)	—	(16,886)	(210)	(17,096)
Balance, December 31, 2022	1,955,513	\$ 46,844	—	\$ —	42,849,489	\$ 428	\$ 635,068	\$ (194,243)	\$ 29,739	\$ 470,992	\$ 5,389	\$ 476,381

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,		
	2022	2021	2020
Operating activities			
Net loss	\$ (17,096)	\$ (15,267)	\$ (14,462)
Adjustments to reconcile net loss to net cash provided by operating activities:			
Depreciation and amortization	95,312	70,642	56,428
Straight line rent adjustment	(3,682)	(3,700)	(1,963)
Intangible amortization in rental revenue, net	(3,151)	(2,096)	(2,075)
Loss on extinguishment of debt	2,176	523	—
Amortization of debt related costs	2,163	1,605	1,467
Appreciation (depreciation) of warrants	(1,760)	5,121	103
Impairment on real estate lease	—	—	311
Stock based compensation	2,603	1,559	1,439
(Earnings) loss in investment of unconsolidated joint venture	147	850	19
Gain on sale of real estate	—	(1,775)	—
Changes in operating assets and liabilities:			
Other assets	(915)	(3,883)	(9,614)
Deferred leasing costs	(5,668)	(5,564)	(2,238)
Accounts payable, accrued expenses and other liabilities	2,099	9,925	12,330
Net cash provided by operating activities	72,228	57,940	41,745
Investing activities			
Acquisition of real estate properties	(197,085)	(337,030)	(246,353)
Real estate improvements	(55,494)	(25,308)	(6,063)
Proceeds from sale of real estate, net	222	6,258	—
Contribution to and investments in unconsolidated joint venture	—	—	(6,702)
Net cash used in investing activities	(252,357)	(356,080)	(259,118)
Financing activities			
Proceeds from issuance of common stock, net	58,179	212,033	135,155
Proceeds from issuance of secured debt	—	—	96,000
Proceeds from issuance of unsecured debt	150,000	200,000	100,000
Repayment of secured debt	(21,186)	(17,392)	(86,166)
Proceeds from line of credit facility	213,000	139,000	131,500
Repayment of line of credit facility	(173,500)	(191,000)	(120,400)
Repurchase of Series A Preferred Stock	(1,728)	(12)	(416)
Redemption of Series B Preferred Stock	(15,000)	—	—
Debt issuance costs	(1,826)	(1,692)	(2,935)
Dividends and distributions paid	(39,971)	(31,477)	(25,709)
Net cash provided by financing activities	167,968	309,460	227,029
Net (decrease) increase in cash, cash held in escrow, and restricted cash	(12,161)	11,320	9,656
Cash, cash held in escrow, and restricted cash at beginning of period	43,374	32,054	22,398
Cash, cash held in escrow, and restricted cash at end of period	<u>\$ 31,213</u>	<u>\$ 43,374</u>	<u>\$ 32,054</u>
Supplemental Cash Flow Disclosures:			
Cash paid for interest	<u>\$ 28,931</u>	<u>\$ 18,172</u>	<u>\$ 17,316</u>
Assumption of cash, cash held in escrow, and restricted cash upon consolidation of investment in joint venture	<u>2,895</u>	<u>—</u>	<u>—</u>
Supplemental Non-cash Financing and Investing Activities:			
Dividends declared included in dividends payable	<u>\$ 9,426</u>	<u>\$ 8,286</u>	<u>\$ 5,725</u>
Distribution payable to non-controlling interest holder	<u>\$ 108</u>	<u>\$ 103</u>	<u>\$ 121</u>
Series B accretion to redemption value	<u>\$ 4,621</u>	<u>\$ 7,228</u>	<u>\$ 7,416</u>
Real estate improvements included in accounts payable, accrued expenses and other liabilities	<u>\$ 6,997</u>	<u>\$ 1,377</u>	<u>\$ 685</u>
Deferred leasing costs included in accounts payable, accrued expenses and other liabilities	<u>\$ 483</u>	<u>\$ 91</u>	<u>\$ 342</u>
New financing lease	<u>—</u>	<u>—</u>	<u>2,207</u>
Assumption of secured debt	<u>\$ —</u>	<u>\$ 39,620</u>	<u>\$ —</u>
Conversion of common stock warrants	<u>\$ 3,758</u>	<u>\$ —</u>	<u>\$ —</u>
Conversion of Series B Preferred Stock	<u>\$ 84,058</u>	<u>\$ —</u>	<u>\$ —</u>
Consolidation of net book value of investment in joint venture	<u>\$ 5,686</u>	<u>\$ —</u>	<u>\$ —</u>
Assumption of other assets upon consolidation of investment in joint venture	<u>\$ 638</u>	<u>\$ —</u>	<u>\$ —</u>
Assumption of accounts payable, accrued expenses and other liabilities upon consolidation of investment in joint venture	<u>\$ 1,955</u>	<u>\$ —</u>	<u>\$ —</u>
Assumption of secured debt upon consolidation of investment in joint venture	<u>\$ 56,000</u>	<u>\$ —</u>	<u>\$ —</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, 2022 and 2021, the Company owned a 98.9% and 98.7%, respectively, equity interest in the Operating Partnership.

The Company is a real estate investment trust 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, located in primary and secondary markets within the main industrial, distribution and logistics corridors of the United States. As of December 31, 2022, the Company, through its subsidiaries, owned 157 industrial properties comprising 208 buildings with an aggregate of approximately 33.8 million square feet, and our property management office building located in Columbus, Ohio, totaling approximately 17,260 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 of America (“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. The Company’s only significant asset is its investment in the Operating Partnership, therefore, substantially all of the Company’s assets and liabilities are the assets and liabilities of the Operating Partnership.

Risks and Uncertainties

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

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 and liabilities of 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.

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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, 2022 and 2021. The Company maintains cash and restricted cash, which includes tenant security deposits and cash collateral for its borrowings discussed in Note 7, and 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, 2022, 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 sheets to amounts reported within our consolidated statements of cash flows:

	December 31, 2022	December 31, 2021
Cash	\$ 11,003	\$ 26,232
Cash held in escrow	13,376	11,893
Restricted cash	6,834	5,249
Cash, cash held in escrow, and restricted cash	<u>\$ 31,213</u>	<u>\$ 43,374</u>

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 \$10,815 and \$9,710 at December 31, 2022 and 2021, respectively, and related accumulated amortization amounted to \$6,175 and \$4,689 at December 31, 2022 and 2021, respectively. At December 31, 2022 and 2021, the Company has classified net unamortized debt issuance costs of \$2,306 and \$2,405, respectively, related to borrowings under the line of credit to other assets in the consolidated balance sheets.

Derivative Instruments and Hedging Activities

We record all derivatives on the accompanying consolidated balance sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether we have elected to designate a derivative in a hedging relationship and apply hedge accounting, and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged risk in a fair value hedge or the earnings effect of the hedged forecasted transactions in a cash flow hedge. We may enter into derivative contracts that are intended to economically hedge certain of its risks, even though hedge accounting does not apply, or we elect not to apply hedge accounting.

In accordance with fair value measurement guidance, we made an accounting policy election to measure the credit risk of our derivative financial instruments that are subject to master netting arrangements on a net basis by the counterparty portfolio. Credit risk is the risk of failure of the counterparty to perform under the terms of the contract. We minimize the credit risk in our derivative financial instruments by entering into transactions with various high-quality counterparties. Our exposure to credit risk at any point is generally limited to amounts recorded as assets on the accompanying consolidated balance sheets.

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 common stock warrants are not included in the computation of diluted net loss per share as they are anti-dilutive for the periods presented.

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Fair Value of Financial Instruments

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

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

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

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

The availability of observable inputs can vary among the various types of financial assets and liabilities. To the extent that the valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for financial statement disclosure purposes, the level in the fair value hierarchy within which the fair value measurement is categorized is based on the lowest level input that is significant to the overall fair value measurement. Level 3 inputs are applied in determining the fair value of our debt, interest rate swaps, and warrants to purchase common stock as discussed in Notes 7, 8 and 9.

Financial instruments including 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 consolidated balance sheets for these financial instruments approximate their fair value due to their relatively short maturities and prevailing interest rates. Derivative financial instruments are considered Level 2 in the fair value hierarchy as discussed in Note 8.

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 determined there was no impairment of value of real estate properties as of December 31, 2022 and 2021.

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.

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.

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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 2019 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 2021 of approximately \$35,322. The Company will incur no federal taxable income during 2022 after utilizing the dividends paid deduction, resulting in net operating loss carryforwards to 2023 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.

Investment in Unconsolidated Joint Venture

Investment in unconsolidated joint venture 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 venture. We have concluded that we have the ability to exercise significant influence, however, do not have control or kick out rights and therefore the investment in the unconsolidated joint venture is accounted for under the equity method of accounting. Accordingly, we initially recorded 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 consolidated balance sheets and the underlying equity in net assets will be amortized as an adjustment to equity in earnings (loss) in investment of unconsolidated joint venture 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.

On March 11, 2022, the Company acquired full ownership of the unconsolidated joint venture as discussed in Note 5.

Leases

For leases in which we are the lessee, a right of use asset and lease liability is recorded on the consolidated balance sheets equal to the present value of the fixed lease payments of the corresponding lease. To determine our operating right of use asset and lease liability, we estimate an appropriate incremental borrowing rate on a fully-collateralized basis for the terms of the leases by utilizing a market-based approach. Since the terms under our ground leases are significantly longer than the terms of borrowings available to us on a fully-collateralized basis, the estimate of this rate requires significant judgment, and considers factors such as market based pricing on longer duration financing instruments.

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.

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.

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Real Estate Depreciation and Amortization of Deferred Lease Intangibles - Assets and Liabilities

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. Depreciation expense was \$63,623, \$45,387 and \$34,406 for the years ended December 31, 2022, 2021 and 2020, respectively.

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 and liabilities are generally amortized over the remaining life of the related lease following the evaluation of potential renewal options. Amortization of above and below market leases was recorded as an adjustment to rental revenue and amounted to \$3,151, \$2,096 and \$2,075 for the years ended December 31, 2022, 2021 and 2020 respectively. Amortization of all other deferred lease intangibles has been included in depreciation and amortization expense in the accompanying consolidated statements of operations and amounted to \$31,689, \$25,255 and \$21,875 for the years ended December 31, 2022, 2021 and 2020, respectively.

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 to 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.

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.

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.

Accounting Pronouncements

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 was effective upon issuance on a prospective basis beginning January 1, 2020, and may be elected over time as reference rate activities occur. During the second quarter of 2022, we elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future London Interbank Offered Rate (“LIBOR”) indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding instrument. To date, the adoption of ASU 2020-04 has not had a material impact on our consolidated financial statements.

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3. Real Estate Properties, Net

Real estate properties, net consisted of the following at December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Land	\$ 231,829	\$ 201,164
Buildings and improvements	1,141,832	930,678
Site improvements	132,295	108,756
Construction in progress	49,890	13,409
	<u>1,555,846</u>	<u>1,254,007</u>
Less accumulated depreciation	(205,629)	(142,192)
Real estate properties, net	<u>\$ 1,350,217</u>	<u>\$ 1,111,815</u>

Acquisition of Properties

The Company made the following acquisitions of properties during the year ended December 31, 2022:

Location	Date Acquired	Square Feet	Properties	Purchase Price (in thousands) ⁽¹⁾
Atlanta, GA	January 20, 2022	150,000	1	\$ 9,750
Jacksonville, FL	February 7, 2022	85,920	1	12,300
Cincinnati, OH; Columbus, OH; Indianapolis, IN	February 24, 2022	678,745	3	43,250
Memphis, TN	March 11, 2022	2,320,773	16	106,508 ⁽²⁾
Memphis, TN	March 11, 2022	67,557	1	8,150
Atlanta, GA	March 15, 2022	200,000	1	12,500
St. Louis, MO	April 6, 2022	76,485	1	8,450
Chicago, IL	April 14, 2022	78,743	1	7,300
Cincinnati, OH; Cleveland, OH	May 18, 2022	153,903	2	12,700
Charlotte, NC	May 19, 2022	155,220	1	20,400
Cleveland, OH	July 7, 2022	197,518	1	16,500
Year ended December 31, 2022		<u>4,164,864</u>	<u>29</u>	<u>\$ 257,808</u>

The Company made the following acquisitions of properties during the year ended December 31, 2021:

Location	Date Acquired	Square Feet	Properties	Purchase Price (in thousands) ⁽¹⁾
Kansas City, MO	February 12, 2021	221,911	1	\$ 8,600
St. Louis, MO	March 23, 2021	142,364	1	7,800
Chicago, IL	March 25, 2021	149,474	1	7,900
Cleveland, OH	March 29, 2021	100,150	1	7,700
Columbus, OH	March 29, 2021	772,450	1	29,000
Memphis, TN	June 29, 2021	74,665	1	5,250
St. Louis, MO	June 30, 2021	155,434	1	8,800
Memphis, TN	July 9, 2021	232,375	1	9,200
Memphis, TN	July 30, 2021	316,935	1	6,277
Chicago, IL	August 12, 2021	513,512	1	30,100 ⁽³⁾
St. Louis, MO	August 24, 2021	769,500	1	55,200
St. Louis, MO	October 5, 2021	100,021	1	11,100
St. Louis, MO	October 5, 2021	76,092	1	7,700
St. Louis, MO	October 7, 2021	1,145,330	2	75,100 ⁽⁴⁾
Indianapolis, IN	October 26, 2021	294,730	1	23,100
Indianapolis, IN	November 1, 2021	102,934	1	7,450
Columbus, OH	November 4, 2021	396,800	3	22,500
Columbus, OH ⁽⁵⁾	December 1, 2021	17,260	1	3,600
Chicago, IL	December 2, 2021	334,531	2	24,000
Cincinnati, OH	December 23, 2021	480,000	1	23,500
Year ended December 31, 2021		<u>6,396,468</u>	<u>24</u>	<u>\$ 373,877</u>

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- (1) Purchase price does not include capitalized acquisition costs.
(2) The purchase price of \$106,508 included the assumption of \$56,000 of existing debt secured by the properties and the consolidation of the net book value of investment in joint venture of \$5,686. In addition, we consolidated financial assets of approximately \$3,533, comprised of cash, cash held in escrow and other assets, and liabilities of approximately \$1,955 comprised of accounts payable, accrued expenses and other current liabilities.
(3) The purchase price of \$30,100 included the assumption of \$10,820 of existing debt secured by the property.
(4) The purchase price of \$75,100 included the assumption of \$28,800 of existing debt secured by the property.
(5) Represents purchase of our property management office building in Columbus, Ohio.

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

	Year ended December 31, 2022		Year ended December 31, 2021	
	Purchase Price	Weighted Average Amortization Period (years) of Intangibles at Acquisition	Purchase Price ⁽¹⁾	Weighted Average Amortization Period (years) of Intangibles at Acquisition
Purchase price allocation				
Total Purchase Price				
Purchase price	\$ 257,808	N/A	\$ 373,877	N/A
Acquisition costs	2,280	N/A	2,773	N/A
Total	<u>\$ 260,088</u>		<u>\$ 376,650</u>	
Allocation of Purchase Price				
Land	\$ 30,887	N/A	\$ 43,498	N/A
Building	186,710	N/A	269,686	N/A
Site improvements	23,538	N/A	35,055	N/A
Total real estate properties	<u>241,135</u>		<u>348,239</u>	
Deferred Lease Intangibles				
Tenant relationships	3,429	3.8	5,763	4.8
Leasing commissions	2,678	4.0	5,003	4.6
Above market lease	732	4.3	160	11.0
Below market lease	(2,520)	7.4	(2,019)	6.4
Lease in place	14,367	3.7	19,764	4.4
Net deferred lease intangibles	<u>18,686</u>		<u>28,671</u>	
Assumed debt – market value				
(Above)/below assumed market debt value	267	5.8	(260)	6.3
Totals	<u>\$ 260,088</u>		<u>\$ 376,650</u>	

(1) Totals for the year ended December 31, 2021 include the purchase of our property management office in Columbus, Ohio.

All acquisitions completed during the years ended December 31, 2022 and 2021 were considered asset acquisitions under ASC 805.

Sale of Real Estate

There were no sales of real estate during the year ended December 31, 2022. During the year ended December 31, 2021, the Company sold a single, 98,340 square foot property located in Chicago, IL for approximately \$2,037 and a single, 74,613 square foot property located in Chicago, IL for approximately \$1,159, recognizing a net gain of \$1,775. The Company also completed the sale of a small piece of land located in Memphis, TN for \$167. No gain or loss was recognized on the sale of the land.

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4. Deferred Lease Intangibles, Net

Deferred lease intangible assets, net consisted of the following at December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Above market lease	\$ 6,077	\$ 5,693
Lease in place	95,684	87,336
Tenant relationships	26,175	23,761
Leasing commissions	38,078	30,733
	<u>166,014</u>	<u>147,523</u>
Less accumulated amortization	(95,296)	(71,659)
Deferred lease intangible assets, net	<u>\$ 70,718</u>	<u>\$ 75,864</u>

Deferred lease intangible liabilities, net consisted of the following at December 31, 2022 and 2021:

	December 31, 2022	December 31, 2021
Below market leases	\$ 20,452	\$ 19,791
Less accumulated amortization	(11,534)	(9,518)
Deferred lease intangible liabilities, net	<u>\$ 8,918</u>	<u>\$ 10,273</u>

Projected amortization of deferred lease intangibles for the next five years and thereafter as of December 31, 2022 is as follows:

Year	Amortization Expense Related to Other Intangible Lease Assets and Liabilities (in thousands)	Net Increase to Rental Revenue Related to Above and Below Market Lease Amortization (in thousands)
2023	\$ 23,724	\$ (1,843)
2024	\$ 16,548	\$ (1,282)
2025	\$ 10,458	\$ (853)
2026	\$ 6,156	\$ (577)
2027	\$ 4,504	\$ (535)
Thereafter	\$ 6,994	\$ (1,494)

5. Investment in Unconsolidated Joint Venture

On October 23, 2020, a wholly owned subsidiary of the Operating Partnership entered into a \$150,000 equity joint venture agreement (the “MIR JV”) with an unrelated third-party partner (the “MIR JV Partner”). The purpose of the MIR JV agreement was to acquire value-add/opportunistic industrial properties that met certain criteria as outlined within the MIR JV agreement. The Operating Partnership owned a 20% interest in the MIR JV. The Operating Partnership was responsible for the day-to-day oversight of the MIR JV, its subsidiaries and properties and was 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.

On March 11, 2022, the Company acquired the remaining 80% interest in the MIR JV from the MIR JV Partner for \$46,401, as well as the assumption of the \$56,000 secured mortgage. Upon the completion of the acquisition of the MIR JV Partner’s interest, the Company fully consolidated the former MIR JV assets and liabilities into its consolidated financial statements. Assets consolidated included the 28-building portfolio of industrial buildings and financial assets of approximately \$3,533, comprised of cash, cash held in escrow, other assets and the net book value of our 20% investment in the former MIR JV of \$5,686. Liabilities consolidated included the 7-year secured mortgage of \$56,000 and approximately \$1,955 accounts payable, accrued expenses and other current liabilities.

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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").

As of December 31, 2022, undiscounted future minimum fixed rental payments due under non-cancellable operating leases for each of the next five years and thereafter were as follows (in thousands):

Leases - Schedule of Lessor Future Minimum Rental Receipts under Non-Cancellable Leases

<u>Year</u>	<u>Future Minimum Fixed Rental Payments</u>
2023	\$ 139,821
2024	123,483
2025	95,589
2026	67,601
2027	48,883
Thereafter	91,508
Total minimum fixed rental receipts	<u>\$ 566,885</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 sheets. For the years ended December 31, 2022, 2021 and 2020, 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:

	<u>Year Ended December 31,</u>		
	<u>2022</u>	<u>2021</u>	<u>2020</u>
Income from leases	\$ 134,252	\$ 102,314	\$ 80,987
Straight-line rent adjustments	3,682	3,700	1,963
Tenant recoveries	42,357	32,160	24,811
Amortization of above market leases	(723)	(1,000)	(866)
Amortization of below market leases	3,874	3,096	2,941
Total	<u>\$ 183,442</u>	<u>\$ 140,270</u>	<u>\$ 109,836</u>

Tenant recoveries included within rental revenue for the years ending December 31, 2022, 2021 and 2020 are variable in nature.

As a Lessee

Operating Leases

As of December 31, 2022, we have five 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 1.4 years to 33.0 years, which includes the exercise of a single twenty-year renewal option pertaining to the ground sublease. As of December 31, 2022, total operating right of use assets and lease liabilities were approximately \$5,703 and \$6,844, respectively. The operating lease liability as of December 31, 2022 represents a weighted-average incremental borrowing rate of 4.0% over the weighted-average remaining lease term of 8.6 years. The incremental borrowing rate is our estimated borrowing rate on a fully-collateralized basis for the term of the respective leases.

As of December 31, 2021, we had five 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 had remaining lease terms ranging from 2.4 years to 34.0 years, which includes the exercise of a single twenty-year renewal option pertaining to the ground sublease. As of December 31, 2021, total operating right of use assets and lease liabilities were approximately \$6,552 and \$7,830, respectively. The operating lease liability as of December 31, 2021 represents a weighted-average incremental borrowing rate of 4.1% over the weighted-average remaining lease term of 9.2 years. The incremental borrowing rate is our estimated borrowing rate on a fully-collateralized basis for the term of the respective leases.

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The following table summarizes the operating lease expense recognized during the years ended December 31, 2022, 2021 and 2020 included in the Company's consolidated statements of operations.

	Year Ended December 31,		
	2022	2021	2020
Operating lease expense included in general and administrative expense attributable to office leases	\$ 838	\$ 806	\$ 984
Operating lease expense included in property expense attributable to ground sublease	36	47	5
Non-cash adjustment due to straight-line rent adjustments	109	143	(340)
Cash paid for amounts included in the measurement of lease liabilities (operating cash flows)	\$ 983	\$ 996	\$ 649

The following table summarizes the maturity analysis of our operating leases, which is discounted by our incremental borrowing rate to calculate the lease liability as included in accounts payable, accrued expenses and other liabilities in the Company's consolidated balance sheets for the operating leases in which we are the lessee (in thousands):

Year	December 31, 2022
2023	\$ 1,311
2024	1,280
2025	894
2026	803
2027	818
Thereafter	3,491
Total minimum operating lease payments	\$ 8,597
Less imputed interest	(1,753)
Total operating lease liability	\$ 6,844

Financing Leases

As of December 31, 2022, 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 sheets. 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 33 years, which includes the exercise of a single twenty-year renewal option. The financing lease liability as of December 31, 2022 represents a weighted-average incremental borrowing rate of 7.8% over the weighted-average remaining lease term of 33 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 years ended December 31, 2022 and 2021 included in the Company's consolidated statements of operations.

	Year Ended December 31,		
	2022	2021	2020
Depreciation/amortization of financing lease right-of-use assets	\$ 28	\$ 26	\$ 2
Interest expense for financing lease liability	176	175	15
Total financing lease cost	\$ 204	\$ 201	\$ 17

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

Year	December 31, 2022
2023	\$ 155
2024	155
2025	170
2026	170
2027	170
Thereafter	6,367
Total minimum financing lease payments	\$ 7,187
Less imputed interest	(4,939)
Total financing lease liability	\$ 2,248

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7. Indebtedness

The following table sets forth a summary of the Company's borrowings outstanding under its respective secured debt, unsecured line of credit and unsecured debt as of December 31, 2022 and 2021.

	Outstanding Balance at		Interest rate at December 31, 2022	Final Maturity Date
Debt	December 31, 2022	December 31, 2021		
Secured debt:				
AIG Loan	\$ 111,758	\$ 114,477	4.08%	November 1, 2023
Transamerica Loan	67,398	68,709	4.35%	August 1, 2028
Allianz Loan	62,388	63,115	4.07%	April 10, 2026
Minnesota Life Loan	20,019	20,453	3.78%	May 1, 2028
Minnesota Life Memphis Industrial Loan	56,000	—	3.15%	January 1, 2028
JPMorgan Chase Loan	—	13,205	5.23%	January 1, 2027
Ohio National Life Mortgage	19,045	19,660	4.14%	August 1, 2024
Nationwide Loan	15,000	15,000	2.97%	October 1, 2027
Lincoln Life Gateway Mortgage	28,800	28,800	3.43%	January 1, 2028
Midland National Life Insurance Mortgage	10,820	10,820	3.50%	March 10, 2028
Total secured debt	\$ 391,228	\$ 354,239		
Unamortized debt issuance costs, net	(1,985)	(2,861)		
Unamortized premium/(discount), net	288	697		
Total secured debt, net	\$ 389,531	\$ 352,075		
Unsecured debt:				
\$100m KeyBank Term Loan	100,000	100,000	3.10% ⁽¹⁾⁽²⁾	August 11, 2026
\$200m KeyBank Term Loan	200,000	200,000	3.13% ⁽¹⁾⁽²⁾	February 11, 2027
\$150m KeyBank Term Loan	150,000	—	4.50% ⁽¹⁾⁽²⁾	May 2, 2027
Total unsecured debt	\$ 450,000	\$ 300,000		
Unamortized debt issuance costs, net	(2,655)	(2,160)		
Total unsecured debt, net	\$ 447,345	\$ 297,840		
Borrowings under line of credit:				
KeyBank unsecured line of credit	77,500	38,000	5.77% ⁽¹⁾	August 11, 2025
Total borrowings under line of credit	\$ 77,500	\$ 38,000		

- (1) For the month of December 2022, the one-month term SOFR for our unsecured debt and borrowings under line of credit was 4.124%. The spread over the applicable rate for the \$100m, \$150m, and \$200m KeyBank Term Loans and KeyBank unsecured line of credit is based on the Company's total leverage ratio plus the 0.1% SOFR index adjustment.
- (2) As of December 31, 2022, the one-month term SOFR for the \$100m, \$150m and \$200m KeyBank Term Loans was swapped to a fixed rate of 1.504%, 2.904%, and 1.5273%, respectively.

2022 Debt Activity

On February 1, 2022, the Company repaid in full, the outstanding principal and interest balance of approximately \$13,245 on the JPMorgan Chase Loan. The Company recognized a \$2,176 loss on extinguishment of debt resulting from prepayment penalty and fees incurred as a result of the repayment.

On March 11, 2022, a wholly-owned subsidiary of the Operating Partnership assumed a mortgage (the "Minnesota Life Memphis Industrial Loan") with a balance of \$56,000 in conjunction with our acquisition of all outstanding interests in the entity owning the portfolio in Memphis, Tennessee. The Minnesota Life Memphis Industrial Loan, held by Minnesota Life Insurance Company, matures on January 1, 2028, bears interest at 3.15% and is secured by the properties. The Minnesota Life Memphis Industrial Loan requires monthly installments of interest only through January 1, 2023, and afterwards, monthly installments of principal plus accrued interest through January 1, 2028, 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.

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On May 2, 2022, the Company entered into an amendment to the KeyBank unsecured facility. The credit facility agreement, as amended, expanded the availability on the KeyBank unsecured line of credit up to \$350 million and entered into a new \$150 million unsecured term loan (the “\$150m KeyBank Term Loan”), with an accordion feature that allows the total borrowing capacity under the credit facility to be increased to \$1 billion, subject to certain conditions. The \$150m KeyBank Term Loan matures in May 2027. The maturity date for the KeyBank unsecured line of credit remains unchanged. The amendment also provided for the transition of the reference rate for the KeyBank unsecured line of credit and the \$100m, \$200m, and \$150m KeyBank Term Loans from 1-month LIBOR to Secured Overnight Financing Rate (“SOFR”). Borrowings under the credit agreement, as amended, 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 Adjusted Term SOFR for a one month tenor plus 1.0% or (2) SOFR, plus, in either case, a spread (A) between 35 and 90 basis points for revolver base rate loans or between 135 and 190 basis points for revolver SOFR rate loans and (B) between 30 and 85 basis points for term base rate loans or between 130 and 185 basis points for term SOFR rate loans, with the amount of the spread depending on the Company’s total leverage ratio.

2021 Debt Activity

On August 11, 2021, the Company entered into a combined \$500 million unsecured credit facility, which is comprised of an amended \$200 million revolving credit facility (the “KeyBank unsecured line of credit”), an amended \$100 million term loan (the “\$100m KeyBank unsecured term loan”), and a new \$200 million term loan (the “\$200m KeyBank unsecured term loan”). The combined unsecured credit facility has an accordion feature enabling the Company to increase the total borrowing capacity under the credit facility up to an aggregate of \$1 billion, subject to certain conditions. The amended KeyBank unsecured line of credit matures in August 2025 and has two, six-month extension options, subject to certain conditions, the amended \$100m KeyBank unsecured term loan matures in August 2026, and the new \$200m KeyBank unsecured term loan matures in February 2027. Amounts outstanding under the KeyBank unsecured line of credit bear interest at LIBOR plus a margin between 135 to 190 basis points with no LIBOR floor and amounts outstanding under the \$100m KeyBank unsecured term loan and \$200m KeyBank unsecured term loan term facilities bear interest at LIBOR plus a margin between 130 and 185 basis points, in either case depending on the Company’s leverage.

On August 12, 2021, a wholly-owned subsidiary of the Operating Partnership assumed a mortgage (the “Midland Mortgage”) with a balance of \$10,820 as part of our acquisition of the property in Chicago, Illinois. The Midland Mortgage, held by Midland National Life Insurance Company, matures on March 10, 2028, bears interest at 3.5% and is secured by the property. The Midland Mortgage requires monthly installments of interest only through March 10, 2023 and afterwards, monthly installments of principal plus accrued interest through March 10, 2028, 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.

On October 7, 2021, a wholly-owned subsidiary of the Operating Partnership assumed a mortgage (the “Lincoln Life Gateway Mortgage”) with a balance of \$28,800 as part of our acquisition of the property in St. Louis, Missouri. The Lincoln Life Gateway Mortgage, held by Lincoln National Life Insurance Company, matures on January 1, 2028, bears interest at 3.43% and is secured by the property. The Lincoln Life Gateway Mortgage requires monthly installments of interest only through January 1, 2028, 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.

On October 12, 2021, the Company repaid in full, the outstanding principal and interest balance of approximately \$9,149 on the Lincoln Life Mortgage.

Financial Covenant Considerations

The Company is in compliance with all respective financial covenants for our secured and unsecured debt and unsecured line of credit as of December 31, 2022.

Fair Value of Debt

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.

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The following table summarizes the aggregate principal outstanding under the Company's indebtedness and the corresponding estimate of fair value as of December 31, 2022 and 2021:

Indebtedness (in thousands)	December 31, 2022		December 31, 2021	
	Principal Outstanding	Fair Value	Principal Outstanding	Fair Value
Secured debt	\$ 391,228	\$ 372,682	\$ 354,239	\$ 369,459
Unsecured debt	450,000	450,000	300,000	300,000
Borrowings under line of credit, net	77,500	77,500	38,000	38,000
Total	918,728	\$ 900,182	\$ 692,239	\$ 707,459
Unamortized debt issuance cost, net	(4,640)		(5,021)	
Unamortized premium/(discount), net	288		697	
Total carrying value	\$ 914,376		\$ 687,915	

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, 2022 are as follows:

<u>Year</u>	<u>Amount</u>
2023	\$ 116,598
2024	23,180
2025	82,461
2026	162,740
2027	367,650
Thereafter	166,099
Total aggregate principal payments	<u>\$ 918,728</u>

8. Derivative Financial Instruments

Risk Management Objective of Using Derivatives

The Company is exposed to certain risk arising from both its business operations and economic conditions. The Company principally manages its exposures to a wide variety of business and operational risks through management of its core business activities. The Company manages economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of its assets and liabilities and the use of derivative financial instruments. Specifically, the Company enters into derivative financial instruments to manage exposures that arise from business activities that result in the receipt or payment of future known and uncertain cash amounts, the value of which are determined by interest rates. The Company's derivative financial instruments are used to manage differences in the amount, timing, and duration of the Company's known or expected cash receipts and its known or expected cash payments principally related to the Company's borrowings.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. During 2022, such derivatives were used to hedge the variable cash flows associated with existing variable-rate debt. There were no such derivatives during 2021.

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The following table sets forth a summary of our interest rate swaps as of December 31, 2022 and 2021.

Interest Rate Swap Counterparty	Trade Date	Effective Date	Maturity Date	SOFR Interest Strike Rate	Notional Value ⁽¹⁾		Fair Value ⁽²⁾	
					December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Capital One, N.A.	July 13, 2022	July 1, 2022	February 11, 2027	1.527% ⁽³⁾	\$ 200,000	\$ —	\$ 17,062	\$ —
JPMorgan Chase Bank, N.A.	July 13, 2022	July 1, 2022	August 8, 2026	1.504% ⁽³⁾	\$ 100,000	\$ —	\$ 7,932	\$ —
JPMorgan Chase Bank, N.A.	August 19, 2022	September 1, 2022	May 2, 2027	2.904%	\$ 75,000	\$ —	\$ 2,565	\$ —
Wells Fargo Bank, N.A.	August 19, 2022	September 1, 2022	May 2, 2027	2.904%	\$ 37,500	\$ —	\$ 1,283	\$ —
Capital One, N.A.	August 19, 2022	September 1, 2022	May 2, 2027	2.904%	\$ 37,500	\$ —	\$ 1,273	\$ —

(1) Represents the notional value of interest rate swaps effective as of December 31, 2022.

(2) As of December 31, 2022, all our interest rate swaps were in an asset position.

(3) On July 13, 2022, the Company entered into amendments to the \$200,000 and \$100,000 notional interest rate swap agreements with Capital One, N.A. and JPMorgan Chase Bank, N.A., respectively. The amendments transitioned the previous USD-LIBOR floating rates to USD-SOFR CME Term floating rates and are effective as of July 1, 2022.

For derivatives designated and that qualify as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive income (“AOCI”) and subsequently reclassified into interest expense in the same period during which the hedged transaction affects earnings. Amounts reported in AOCI related to derivatives will be reclassified to interest expense as interest payments are made on the Company’s variable-rate debt. During the next twelve months, the Company estimates that an additional \$16,041 will be reclassified as a decrease to interest expense.

The following table sets forth the impact of our interest rate swaps on our consolidated financial statements for the years ended December 31, 2022, 2021 and 2020.

Interest Rate Swaps in Cash Flow Hedging Relationships:	Year Ended December 31,		
	2022	2021	2020
Amount of unrealized gain recognized in AOCI on derivatives	\$ 30,115	\$ —	\$ —
Total interest expense presented in the consolidated statements of operations in which the effects of cash flow hedges are recorded	\$ 3,643	\$ —	\$ —

Fair Value of Interest Rate Swaps

The Company’s valuation of the interest rate swaps is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs including interest rate curves.

The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty’s nonperformance risk in the fair value measurements. In adjusting the fair value of its derivative contracts for the effect of nonperformance risk, the Company has considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by itself and its counterparties. However, as of December 31, 2022, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Company has determined that its derivative valuations in their entirety are classified in Level 2 of the fair value hierarchy.

The following table summarizes the Company’s interest rate swaps that are accounted for at fair value on a recurring basis as of December 31, 2022.

Balance Sheet Line Item	Fair Value as of December 31, 2022	Fair Value Measurements as of December 31, 2022		
		Level 1	Level 2	Level 3
Interest rate swaps - Asset	\$ 30,115	\$ —	\$ 30,115	\$ —

There were no interest rate swaps outstanding as of December 31, 2021.

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Non-designated Hedges

The Company does not use derivatives for trading or speculative purposes and currently does not have any derivatives that are not designated as hedges. Changes in the fair value of derivatives not designated in hedging relationships would be recorded directly in earnings.

Credit-risk-related Contingent Features

The Company has agreements with each of its derivative counterparties that contain a provision where if the Company either defaults or is capable of being declared in default on any of its indebtedness, then the Company could also be declared in default on its derivative obligations. Specifically, the Company could be declared in default on its derivative obligations if repayment of the underlying indebtedness is accelerated by the lender due to the Company's default on the indebtedness.

As of December 31, 2022, the Company does not have any derivatives in a net liability position. As of December 31, 2022, the Company has not posted any collateral related to these agreements. If the Company had breached any of these provisions at December 31, 2022, it could have been required to settle its obligations under the agreements at their termination value.

9. Common Stock

ATM Program

On May 26, 2021, the Company entered into a distribution agreement with KeyBanc Capital Markets Inc., Robert W. Baird & Co. Incorporated, Barclays Capital Inc., Berenberg Capital Markets LLC, BMO Capital Markets Corp., Capital One Securities Inc., JMP Securities LLC, J.P. Morgan Securities, LLC, National Securities Corporation and Wedbush Securities Inc 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 \$125,000 through an “at-the-market” equity offering program (the “2021 \$125 Million ATM Program”).

On August 10, 2021, the Company entered into an amendment to the 2021 \$125 Million ATM Program (the “2021 Amended ATM Program”) to reference the Company’s shelf registration statement on Form S-3 that was filed with the Securities and Exchange Commission on June 11, 2021. The Company, under the 2021 Amended ATM Program, may issue and sell, from time to time, shares of its common stock, with aggregate gross sales proceeds of up to \$82,288 through an “at the-market” equity offering program.

On November 9, 2021, the Company entered into a distribution agreement with KeyBanc Capital Markets Inc., Robert W. Baird & Co. Incorporated, Barclays Capital Inc., Berenberg Capital Markets LLC, BMO Capital Markets Corp., Capital One Securities Inc., JMP Securities LLC, J.P. Morgan Securities, LLC, National Securities Corporation, Wedbush Securities Inc and Wells Fargo Securities, LLC 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 \$200,000 through an “at-the-market” equity offering program (the “2021 \$200 Million ATM Program”).

For the year ending December 31, 2022, the Company has issued 2,345,247 shares of its common stock under the 2021 \$200 Million ATM Program for aggregate net proceeds of approximately \$58,179. The Company has approximately \$95,179 available for issuance under the 2021 \$200 Million ATM Program.

Common Stock Warrants

On March 23, 2022, the common stock warrants were exercised in full and converted on a cashless basis, resulting in 139,940 shares of common stock transferred to the holder of the warrants at a fair value of \$3,757. Prior to the full exercise of the common stock warrants, the Company had warrants outstanding to acquire 354,230 shares of the Company’s common stock at an exercise price of \$16.24 per share. The warrants were accounted for as a liability within accounts payable, accrued expenses and other liabilities on the accompanying consolidated balance sheet as they contained 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 was re-measured at each financial reporting period with any changes in fair value recognized as an appreciation/depreciation of warrants in the accompanying consolidated statements of operations. The warrants were not included in the computation of diluted net loss per share as they were anti-dilutive during the years ended December 31, 2022, 2021 and 2020.

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A roll-forward of the warrants is as follows:

Balance at January 1, 2020	\$ 293
Appreciation/(depreciation)	103
Balance at December 31, 2020	396
Appreciation/(depreciation)	5,121
Balance at December 31, 2021	5,517
Appreciation/(depreciation)	(1,760)
Balance at March 23, 2022 (exercise date)	3,757
Conversion of common stock warrants	(3,757)
Balance at December 31, 2022	\$ —

The warrants in the amount of \$5,517 at December 31, 2021 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 \$16.24, volatility of 17.5%, an expected annual dividend of \$0.84, a term of 0.45 years and an annual risk-free interest rate of 0.19%. 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%.

Common Stock Dividends

The following table sets forth the common stock distributions that were declared during the years ended December 31, 2022 and 2021.

	Cash Dividends Declared per Share	Aggregate Amount
2022		
First quarter	\$ 0.2200	\$ 8,137
Second quarter	0.2200	8,829
Third quarter	0.2200	9,426
Fourth quarter	0.2200	9,426
Total	\$ 0.8800	\$ 35,818
2021		
First quarter	\$ 0.2000	\$ 5,668
Second quarter	0.2100	6,528
Third quarter	0.2100	7,197
Fourth quarter	0.2100	7,583
Total	\$ 0.8300	\$ 26,976

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, 2022.

Declaration Date	Date of Record	Payable Date	Cash Distribution	Ordinary Dividend	Return of Capital
12/16/2021	12/31/2021	1/31/2022	\$ 0.2100	\$ 0.141145	\$ 0.068855
2/16/2022	3/31/2022	4/29/2022	\$ 0.2200	\$ 0.147866	\$ 0.072134
6/15/2022	6/30/2022	7/29/2022	\$ 0.2200	\$ 0.147866	\$ 0.072134
9/15/2022	9/30/2022	10/31/2022	\$ 0.2200	\$ 0.147866	\$ 0.072134
12/15/2022	12/30/2022	1/31/2023	\$ 0.2200 ⁽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 2023.

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10. Preferred Stock

Series A Preferred Stock

In the fourth quarter of 2017, the Company completed the offering of 2,040,000 shares of 7.50% Series A Cumulative Redeemable Preferred Stock ("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 Company repurchased and retired 68,038 and 448 shares of Series A Preferred Stock for the years ended December 31, 2022 and 2021, respectively. 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 Stock 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")).

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.

Plymouth Industrial REIT, Inc.
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The following table sets forth the Series A Preferred Stock distributions that were declared or paid during the years ended December 31, 2022 and 2021.

	Cash Dividends Declared per Share	Aggregate Amount
2022		
First quarter	\$ 0.468750	\$ 949
Second quarter	0.468750	945
Third quarter	0.468750	930
Fourth quarter	0.468750	917
Total	\$ 1.875000	\$ 3,741
2021		
First quarter	\$ 0.468750	\$ 949
Second quarter	0.468750	949
Third quarter	0.468750	949
Fourth quarter	0.468750	949
Total	\$ 1.875000	\$ 3,796

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, 2022.

Declaration Date	Date of Record	Payable Date	Cash Distribution	Ordinary Dividend	Return of Capital
3/1/2022	3/15/2022	3/31/2022	\$ 0.468750	\$ 0.468750	\$ —
6/1/2022	6/15/2022	6/30/2022	\$ 0.468750	\$ 0.468750	\$ —
9/1/2022	9/15/2022	9/30/2022	\$ 0.468750	\$ 0.468750	\$ —
12/1/2022	12/15/2022	1/3/2023	\$ 0.468750	\$ 0.468750	\$ —

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.

On April 29, 2022, 2,205,882 shares of the Company's Series B Convertible Redeemable Preferred Stock were converted to our common stock on a one-to-one basis.

On August 12, 2022, the holder of the Company's Series B Convertible Redeemable Preferred Stock informed the Company that it had elected to convert the remaining 2,205,882 shares of Series B Convertible Redeemable Preferred Stock into the Company's common stock. Pursuant to the terms of the Series B Convertible Redeemable Preferred Stock agreement, the Company elected a combination settlement comprised of 1,915,511 shares of common stock and \$15,000 in cash, which was settled on August 17, 2022.

The Company had no outstanding Series B Convertible Redeemable Preferred Stock as of December 31, 2022.

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

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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 Series A 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, 2022, 2021 and 2020, accretion recorded in relation to the 12% annual internal rate of return and offering costs was \$4,621, \$7,228 and \$7,416, 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.

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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 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.

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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 years ended December 31, 2022 and 2021.

	Cash Dividends Declared per Share	Aggregate Amount
2022		
First quarter	\$ 0.170000	\$ 750
Second quarter	0.170000	375
Third quarter	—	—
Fourth quarter	—	—
Total	\$ 0.340000	\$ 1,125
2021		
First quarter	\$ 0.159375	\$ 703
Second quarter	0.159375	703
Third quarter	0.159375	703
Fourth quarter	0.159375	703
Total	\$ 0.637500	\$ 2,812

11. Non-Controlling Interests

Operating Partnership Units

In connection with prior acquisitions of real estate property, the Company, through its Operating Partnership, had issued OP Units to the former owners as part of the acquisition price. The holders of the OP Units are entitled to receive distributions concurrent with the dividends paid on our common stock. The holders of the OP Units can also convert their respective OP Units for the Company's common stock on a 1-to-1 basis. Upon conversion, the Company adjusts the carrying value of non-controlling interest to reflect its modified share of the book value of the Operating Partnership. Such adjustments are recorded to additional paid-in capital as a reallocation of non-controlling interest on the accompanying consolidated statements of changes in preferred stock and equity.

No OP Units were redeemed during the year ended December 31, 2022. During the year ended December 31, 2021, 116,333 OP Units were redeemed for 116,333 shares of our common stock. During the year ended December 31, 2020, 268,664 OP Units were redeemed for 268,664 shares of our common stock.

The Company adjusted the carrying value of non-controlling 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 reallocation of non-controlling interest on the accompanying consolidated statements of changes in preferred stock and equity. OP Units outstanding as of December 31, 2022, 2021 and 2020 were 490,299, 490,299 and 606,632, respectively.

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The following table sets forth the OP Unit distributions that were declared during the years ended December 31, 2022 and 2021.

	Cash Distributions Declared per OP Unit	Aggregate Amount
2022		
First quarter	\$ 0.2200	\$ 108
Second quarter	0.2200	108
Third quarter	0.2200	108
Fourth quarter	0.2200	108
Total	\$ 0.8800	\$ 432
2021		
First quarter	\$ 0.2000	\$ 121
Second quarter	0.2100	106
Third quarter	0.2100	106
Fourth quarter	0.2100	103
Total	\$ 0.8300	\$ 436

The proportionate share of the loss attributed to the OP Units was \$210 and \$259 for the years ended December 31, 2022 and 2021, respectively.

12. 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. As of December 31, 2022, the Company has only issued restricted stock units under the Plan. 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.

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The following table is a summary of the total restricted shares granted for the years ended December 31, 2022, 2021 and 2020:

	Shares
Unvested restricted stock at January 1, 2020	162,184
Granted	101,540
Forfeited	(5,303)
Vested	(68,196)
Unvested restricted stock at December 31, 2020	190,225
Granted	126,434
Forfeited	(1,000)
Vested	(88,303)
Unvested restricted stock at December 31, 2021	227,356
Granted	141,000
Forfeited	(8,750)
Vested	(79,532)
Unvested restricted stock at December 31, 2022	280,074

The Company recorded equity-based compensation in the amount of \$2,603, \$1,559 and \$1,439 for the years ended December 31, 2022, 2021 and 2020, respectively, which is included in general and administrative expenses in the accompanying consolidated statements 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 \$3,758, \$2,828, and \$2,405 for the years ended December 31, 2022, 2021 and 2020, respectively, and is expected to be recognized over a weighted average period of approximately 2.7 years, 2.8 years, and 3.0 years, respectively. The fair value of the 141,000 restricted shares granted during the year ended December 31, 2022 was approximately \$3,714 with a weighted average fair value of \$26.34 per share. The fair value of the 126,434 restricted shares granted during the year ended December 31, 2021 was approximately \$1,998 with a weighted average fair value of \$15.80 per share. The fair value of the 101,540 restricted shares granted during the year ended December 31, 2020 was approximately \$1,665 with a weighted average fair value of \$16.40 per share.

13. 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,		
	2022	2021	2020
Numerator			
Net loss	\$ (17,096)	\$ (15,267)	\$ (14,462)
Less: Net loss attributable to non-controlling interest	(210)	(259)	(649)
Net loss attributable to Plymouth Industrial REIT, Inc.	(16,886)	(15,008)	(13,813)
Less: Preferred Stock dividends	4,866	6,608	6,444
Less: Series B Preferred Stock accretion to redemption value	4,621	7,228	7,416
Less: Loss on extinguishment of Series A Preferred Stock	99	—	34
Less: Amount allocated to participating securities	256	201	182
Net loss attributable to common stockholders	<u>\$ (26,728)</u>	<u>\$ (29,045)</u>	<u>\$ (27,889)</u>
Denominator			
Weighted-average common shares outstanding basic and diluted	39,779,128	30,910,581	18,381,700
Net loss per share attributable to common stockholders – basic and diluted	<u>\$ (0.67)</u>	<u>\$ (0.94)</u>	<u>\$ (1.52)</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.

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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, 2022 include the 280,074 shares of restricted common stock. The 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.

14. 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.

15. 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 2022 in the amount of \$626 and an amount of \$552 for 2021, which is included in accounts payable, accrued expenses and other liabilities in the accompanying consolidated balance sheets at December 31, 2022 and 2021, respectively. The Company has no control or administrative responsibility related to the individual accounts and is not obligated to fund them in future years.

16. Subsequent Events

The Company has evaluated subsequent events through the filing of this Annual Report on Form 10-K and concluded that there were no subsequent events requiring adjustment or disclosure to the consolidated financial statements.

Schedule III
Plymouth Industrial REIT, Inc.
Real Estate Properties and Accumulated Depreciation
December 31, 2022 (\$ in thousands)

Metro Area	Address	Encumbrances	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)
			Land	Building and Improvements		Land	Building and Improvements	Total (2)				
Atlanta, GA	32 Dart Road	(1)	\$ 256	\$ 4,454	\$ 559	\$ 256	\$ 5,013	\$ 5,269	\$ 2,271	2014	1988/2014	18
Atlanta, GA	11236 Harland Drive	(1)	271	909	10	271	919	1,190	302	2017	1988	20
Atlanta, GA	1665 Dogwood Drive	(1)	494	6,027	31	494	6,058	6,552	1,654	2017	1973	20
Atlanta, GA	1715 Dogwood Drive	(1)	270	2,879	1	270	2,880	3,150	737	2017	1973	22
Atlanta, GA	611 Highway 74 S.		3,283	13,560	497	3,283	14,057	17,340	2,853	2019	1979-2013	25
Atlanta, GA	40 Pinyon Road		794	2,669	35	794	2,704	3,498	391	2020	1997	28
Atlanta, GA	665 Highway 74 South		1,237	6,952	26	1,237	6,978	8,215	765	2020	1989	36
Atlanta, GA	6739 New Calhoun Highway NE		2,876	7,599	16	2,876	7,615	10,491	1,664	2020	1981/1996 & 2017	20
Atlanta, GA	1099 Dodds Avenue		975	8,481	-	975	8,481	9,456	316	2022	2005	32
Atlanta, GA	1413 Lovers Lane		669	12,446	-	669	12,446	13,115	430	2022	1999	25
Boston, MA	54-56 Milliken Road	(1)	1,418	7,482	9,908	1,418	17,390	18,808	3,705	2014	1966/1995, 2005, 2013, 2022	40/20
Charlotte, NC	1570 East P St. Extension		5,878	13,121	-	5,878	13,121	18,999	331	2022	2005	30
Chicago, IL	11351 W. 183rd Street	(1)	361	1,685	38	361	1,723	2,084	608	2014	2000	34
Chicago, IL	1355 Holmes Road	(1)	1,012	2,789	184	1,012	2,973	3,985	1,584	2014	1976/1998	16
Chicago, IL	1875 Holmes Road	(1)	1,597	5,199	1,879	1,597	7,078	8,675	2,897	2014	1989	16
Chicago, IL	189 Seegers Road	(1)	470	1,369	43	470	1,412	1,882	553	2014	1972	21
Chicago, IL	2401 Commerce Drive	(1)	486	4,597	1,052	486	5,649	6,135	1,893	2014	1994/2009	28
Chicago, IL	3940 Stern Avenue	(1)	1,156	5,139	1,245	1,156	6,384	7,540	3,063	2014	1987	16
Chicago, IL	11601 Central Avenue	(1)	3,479	6,545	427	3,479	6,972	10,451	2,026	2017	1970	21
Chicago, IL	13040 South Pulaski Avenue	(1)	3,520	11,115	367	3,520	11,482	15,002	4,307	2017	1976	16
Chicago, IL	13970 West Laurel Drive	(1)	1,447	1,377	373	1,447	1,750	3,197	625	2017	1990	14
Chicago, IL	1455-1645 Greenleaf Avenue	(1)	1,926	5,137	1,441	1,926	6,578	8,504	1,591	2017	1968	21
Chicago, IL	1750 South Lincoln Drive	(1)	489	9,270	707	489	9,977	10,466	2,526	2017	2001	24
Chicago, IL	1796 Sherwin Avenue	(1)	1,542	3,598	111	1,542	3,709	5,251	1,210	2017	1964	19
Chicago, IL	28160 North Keith Drive	(1)	1,614	1,643	282	1,614	1,925	3,539	631	2017	1989	16
Chicago, IL	3841-3865 Swanson Court	(1)	1,640	2,247	140	1,640	2,387	4,027	780	2017	1978	17
Chicago, IL	5110 South 6th Street	(1)	689	1,014	155	689	1,169	1,858	452	2017	1972	16
Chicago, IL	6000 West 73rd Street	(1)	1,891	3,403	-	1,891	3,403	5,294	1,152	2017	1974	17
Chicago, IL	6510 West 73rd Street	(1)	4,229	4,105	170	4,229	4,275	8,504	1,595	2017	1974	18
Chicago, IL	6558 West 73rd Street	(1)	3,444	2,325	1,050	3,444	3,375	6,819	958	2017	1975	16
Chicago, IL	6751 Sayre Avenue	(1)	2,891	5,743	-	2,891	5,743	8,634	1,580	2017	1973	22
Chicago, IL	7200 Mason Ave	(1)	2,519	5,482	1	2,519	5,483	8,002	1,731	2017	1974	18
Chicago, IL	4491 N Mayflower Road		289	2,422	153	289	2,575	2,864	644	2017	2000	27
Chicago, IL	4955 Ameritech Drive		856	7,251	447	856	7,698	8,554	1,954	2017	2004	27
Chicago, IL	5855 West Carbonmill Road		743	6,269	166	743	6,435	7,178	1,613	2017	2002	27
Chicago, IL	5861 W Cleveland Road		234	1,966	121	234	2,087	2,321	519	2017	1994	27
Chicago, IL	West Brick Road		381	3,209	197	381	3,406	3,787	846	2017	1998	27
Chicago, IL	1600 Fleetwood Drive	(1)	2,699	9,530	83	2,699	9,613	12,312	2,206	2018	1968/2016	23
Chicago, IL	3 West College Drive	(1)	728	1,531	85	728	1,616	2,344	334	2018	1978/2016	26
Chicago, IL	11746 Austin Ave		1,062	4,420	102	1,062	4,522	5,584	747	2019	1970	25
Chicago, IL	144 Tower Drive		866	4,174	78	866	4,252	5,118	666	2019	1971/1988 & 2015	29
Chicago, IL	16801 Exchange Ave		1,905	9,454	178	1,905	9,632	11,537	1,699	2019	1987	24
Chicago, IL	350 Armory Drive		442	835	136	442	971	1,413	230	2019	1972	21
Chicago, IL	4915 West 122nd Street		848	3,632	203	848	3,835	4,683	598	2019	1972	26
Chicago, IL	7207 Mason Avenue		887	2,608	15	887	2,623	3,510	588	2019	1970	20
Chicago, IL	7420 Meade Ave		586	367	104	586	471	1,057	162	2019	1970	20
Chicago, IL	1717 West Harvester Road		3,843	12,848	5	3,843	12,853	16,696	3,226	2020	1970	15
Chicago, IL	1301 Ridgeview Drive		1,231	12,623	79	1,231	12,702	13,933	774	2021	1995/2020	25
Chicago, IL	1900 S. Batavia	(1)	7,337	20,387	23	7,337	20,410	27,747	1,644	2021	1958/1989/2010	21
Chicago, IL	6035 West Gross Point Road		2,706	4,351	8	2,706	4,359	7,065	610	2021	1956/1985	15
Chicago, IL	800 Church Street		2,019	6,197	-	2,019	6,197	8,216	396	2021	1974/2020	22
Chicago, IL	2600 Commerce Drive		1,028	5,597	-	1,028	5,597	6,625	160	2022	2001	30
Cincinnati, OH	4115 Thunderbird Lane	(1)	275	2,093	192	275	2,285	2,560	992	2014	1991	22

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)				
Cincinnati, OH	7585 Empire Drive	(1)	644	2,658	363	644	3,021	3,665	2,047	2014	1973	11
Cincinnati, OH	Mosteller Distribution Center	(1)	1,501	9,424	87	1,501	9,511	11,012	5,694	2014	1959	14
Cincinnati, OH	Fisher Industrial Park		4,147	18,147	6,191	4,147	24,338	28,485	5,116	2018	1946	20
Cincinnati, OH	2700-2758 E. Kemper Road	(1)	847	5,196	306	847	5,502	6,349	802	2019	1990	35
Cincinnati, OH	2800-2888 E. Kemper Road	(1)	752	5,448	387	752	5,835	6,587	816	2019	1989	35
Cincinnati, OH	4514-4548 Cornell Road	(1)	998	7,281	564	998	7,845	8,843	1,251	2019	1976	28
Cincinnati, OH	6900-6918 Fairfield Business Drive	(1)	244	2,020	355	244	2,375	2,619	232	2019	1990	38
Cincinnati, OH	3741 Port Union Road		418	3,381	-	418	3,381	3,799	85	2022	1995/2001	30
Cincinnati, OH	4225-4331 Dues Drive		2,260	16,300	79	2,260	16,379	18,639	854	2022	1972	18
Cleveland, OH	1755 Enterprise Parkway	(1)	1,411	12,281	1,739	1,411	14,020	15,431	4,968	2014	1978/2005	27
Cleveland, OH	30339 Diamond Parkway		2,815	22,792	254	2,815	23,046	25,861	3,610	2018	2007	34
Cleveland, OH	14801 Country Rd 212		985	13,062	1	985	13,063	14,048	2,005	2019	1998	25
Cleveland, OH	1200 Chester Industrial Parkway North		1,213	6,602	70	1,213	6,672	7,885	919	2020	2007/2009	27
Cleveland, OH	1200 Chester Industrial Parkway South		562	2,689	59	562	2,748	3,310	440	2020	1991	23
Cleveland, OH	1350 Moore Road		809	2,860	227	809	3,087	3,896	549	2020	1997	20
Cleveland, OH	1366 Commerce Drive		1,069	4,363	(220)	847	4,365	5,212	823	2020	1960	13
Cleveland, OH	2100 International Parkway		-	14,818	233	-	15,051	15,051	1,201	2020	2000	31
Cleveland, OH	2210 International Parkway		-	15,033	5	-	15,038	15,038	1,233	2020	2001	27
Cleveland, OH	Gilchrist Road I		1,775	6,541	185	1,775	6,726	8,501	1,026	2020	1961-1978	17
Cleveland, OH	Gilchrist Road II		2,671	14,959	154	2,671	15,113	17,784	2,210	2020	1994-1998	22
Cleveland, OH	Gilchrist Road III		977	12,416	139	977	12,555	13,532	1,319	2020	1994/1998	22
Cleveland, OH	4211 Shuffel Street NW		1,086	12,287	3	1,086	12,290	13,376	1,595	2020	1994	21
Cleveland, OH	31000 Viking Parkway		1,458	5,494	315	1,458	5,809	7,267	459	2021	1998	29
Cleveland, OH	1120 West 130th St		1,058	7,205	-	1,058	7,205	8,263	175	2022	2000	28
Cleveland, OH	22209 Rockside Road		2,198	13,265	-	2,198	13,265	15,463	324	2022	2008	31
Columbus, OH	3100 Creekside Parkway	(1)	1,203	9,603	555	1,203	10,158	11,361	3,487	2014	2000	27
Columbus, OH	3500 Southwest Boulevard	(1)	1,488	16,730	1,387	1,488	18,117	19,605	7,164	2014	1992/2018	22
Columbus, OH	7001 American Pkwy	(1)	331	1,416	82	331	1,498	1,829	794	2014	1986/2007 & 2012	20
Columbus, OH	8273 Green Meadows Dr.	(1)	341	2,266	393	341	2,659	3,000	932	2014	1996/2007	27
Columbus, OH	8288 Green Meadows Dr.	(1)	1,107	8,413	532	1,107	8,945	10,052	4,688	2014	1988	17
Columbus, OH	2120 - 2138 New World Drive	(1)	400	3,007	112	400	3,119	3,519	1,172	2017	1971	18
Columbus, OH	459 Orange Point Drive	(1)	1,256	6,793	408	1,256	7,201	8,457	796	2019	2001	40
Columbus, OH	7719 Graphics Way	(1)	1,297	2,743	142	1,297	2,885	4,182	395	2019	2000	40
Columbus, OH	100 Paragon Parkway		582	9,130	1	582	9,131	9,713	1,731	2020	1995	17
Columbus, OH	1650-1654 Williams Road		1,581	23,818	-	1,581	23,818	25,399	2,424	2021	1973/1974,1975	20
Columbus, OH	1520-1530 Experiment Farm Road		576	7,164	17	576	7,181	7,757	392	2021	1997	25
Columbus, OH	2180 Corporate Drive		586	8,311	12	586	8,323	8,909	449	2021	1996	27
Columbus, OH	2800 Howard Street		1,306	20,266	-	1,306	20,266	21,572	781	2021	2016	31
Columbus, OH	952 Dorset Road		242	3,492	-	242	3,492	3,734	189	2021	1988	25
Columbus, OH	2626 Port Road		1,149	8,212	-	1,149	8,212	9,361	317	2022	1994	26
Indianapolis, IN	3035 North Shadeland Ave	(1)	1,966	11,740	1,446	1,966	13,186	15,152	4,575	2017	1962/2001 & 2004	17
Indianapolis, IN	3169 North Shadeland Ave	(1)	148	884	(65)	148	819	967	374	2017	1979/1993	17
Indianapolis, IN	2900 N. Shadeland Avenue		4,632	14,572	1,059	4,632	15,631	20,263	4,323	2019	1957/1992	15
Indianapolis, IN	4430 Sam Jones Expressway		2,644	12,570	203	2,644	12,773	15,417	2,420	2019	1970	22
Indianapolis, IN	6555 East 30th Street		1,881	6,636	563	1,881	7,199	9,080	1,758	2019	1969/1997	17
Indianapolis, IN	6575 East 30th Street		566	1,408	2	566	1,410	1,976	335	2019	1998	19
Indianapolis, IN	6585 East 30th Street		669	2,216	144	669	2,360	3,029	538	2019	1998	19
Indianapolis, IN	6635 East 30th Street		535	2,567	24	535	2,591	3,126	510	2019	1998	19
Indianapolis, IN	6701 East 30th Street		334	428	2	334	430	764	176	2019	1990	17
Indianapolis, IN	6737 East 30th Street		609	1,858	25	609	1,883	2,492	463	2019	1995	17
Indianapolis, IN	6751 East 30th Street		709	2,083	133	709	2,216	2,925	489	2019	1997	18
Indianapolis, IN	6951 East 30th Street		424	1,323	64	424	1,387	1,811	318	2019	1995	21
Indianapolis, IN	7901 W. 21st Street		1,870	8,844	1,833	1,870	10,677	12,547	1,712	2019	1985/1994	20
Indianapolis, IN	3333 N. Franklin Road		1,363	6,525	25	1,363	6,550	7,913	1,517	2020	1967	15
Indianapolis, IN	3701 David Howarth Drive		938	21,471	-	938	21,471	22,409	847	2021	2008/2019	35
Indianapolis, IN	7750 Georgetown Road		1,943	5,605	8	1,943	5,613	7,556	286	2021	2006	32

Metro Area	Address	Encumbrances	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)
			Land	Building and Improvements		Land	Building and Improvements	Total (2)				
Indianapolis, IN	3525 South Arlington Avenue		2,569	10,764	10	2,569	10,774	13,343	465	2022	1990	23
Jacksonville, FL	Center Point Business Park	(1)	9,848	26,411	770	9,848	27,181	37,029	4,342	2018	1990-1997	35
Jacksonville, FL	Liberty Business Park	(1)	9,347	26,978	867	9,347	27,845	37,192	4,359	2018	1996-1999	38
Jacksonville, FL	Salisbury Business Park	(1)	4,354	9,049	70	4,354	9,119	13,473	1,588	2018	2001-2012	32
Jacksonville, FL	265, 338, 430 Industrial Boulevard		2,562	15,116	411	2,562	15,527	18,089	2,656	2020	1988-1996/1999, 2001	18
Jacksonville, FL	8451 Western Way		4,240	13,983	86	4,240	14,069	18,309	1,313	2020	1968/1975 & 1987	32
Jacksonville, FL	8000-8001 Belfort Parkway		1,836	9,460	81	1,836	9,541	11,377	294	2022	1999	40
Kansas City, MO	5450 Deramus Avenue		1,483	6,609	935	1,483	7,544	9,027	843	2021	1976/1986 & 1994	20
Memphis, TN	210 American Dr.	(1)	928	10,442	668	928	11,110	12,038	7,009	2014	1967/1981 & 2012	13
Memphis, TN	6005, 6045 & 6075 Shelby Dr.	(1)	488	4,919	1,990	488	6,909	7,397	2,933	2014	1989	19
Memphis, TN	3635 Knight Road	(1)	422	2,820	142	422	2,962	3,384	969	2017	1986	18
Memphis, TN	Airport Business Park		1,511	4,352	2,227	1,511	6,579	8,090	2,250	2017	1985-1989	26
Memphis, TN	4540-4600 Pleasant Hill Road		1,375	18,854	(161)	1,207	18,861	20,068	1,892	2019	1991/2005	37
Memphis, TN	1700-1710 Dunn Avenue		916	5,018	1,511	916	6,529	7,445	676	2021	1957-1959/1963 & 1973	13
Memphis, TN	2950 Brother Boulevard		1,089	7,515	126	1,089	7,641	8,730	833	2021	1987/2019	17
Memphis, TN	6290 Shelby View Drive		163	4,631	-	163	4,631	4,794	223	2021	1999/2003	36
Memphis, TN	10455 Marina Drive	(1)	613	6,154	-	613	6,154	6,767	360	2022	1986	20
Memphis, TN	10682 Ridgewood Road	(1)	261	3,513	-	261	3,513	3,774	161	2022	1985	23
Memphis, TN	1814 S Third Street	(1)	469	2,510	-	469	2,510	2,979	213	2022	1966	14
Memphis, TN	3650 Distriplex Drive	(1)	704	12,847	-	704	12,847	13,551	527	2022	1997	24
Memphis, TN	3670 South Perkins Road	(1)	215	2,242	-	215	2,242	2,457	122	2022	1974	18
Memphis, TN	3980 Premier Avenue	(1)	354	3,835	-	354	3,835	4,189	226	2022	1964	17
Memphis, TN	5846 Distribution Drive	(1)	164	2,092	-	164	2,092	2,256	84	2022	1984	30
Memphis, TN	7560 Priority Lane	(1)	159	1,561	-	159	1,561	1,720	84	2022	1988	21
Memphis, TN	8970 Deerfield Drive	(1)	241	2,256	334	241	2,590	2,831	129	2022	1977	22
Memphis, TN	Collins Industrial Memphis	(1)	950	12,889	117	950	13,006	13,956	595	2022	1989-2001	16-32
Memphis, TN	Outland Center Memphis I	(1)	678	9,227	56	678	9,283	9,961	429	2022	1988	21-25
Memphis, TN	Outland Center Memphis II	(1)	892	7,424	12	892	7,436	8,328	479	2022	1989	15-22
Memphis, TN	Outland/Burbank Industrial	(1)	924	12,805	63	924	12,868	13,792	600	2022	1969-1996	20-23
Memphis, TN	Place Industrial Memphis	(1)	342	3,529	404	342	3,933	4,275	195	2022	1980-1988	20-25
Memphis, TN	Shelby Distribution II	(1)	312	4,564	208	312	4,772	5,084	184	2022	1998	25-27
Memphis, TN	Willow Lake Industrial	(1)	231	2,861	17	231	2,878	3,109	136	2022	1989	23
Memphis, TN	AE Beaty Drive/Appling Road		850	6,589	-	850	6,589	7,439	171	2022	2006	45
Philadelphia, PA	4 East Stow Road	(1)	1,580	6,954	174	1,580	7,128	8,708	3,289	2014	1986	22
St. Louis, MO	2635-2645 Metro Boulevard		656	2,576	16	656	2,592	3,248	333	2019	1979	30
St. Louis, MO	5531 - 5555 Phantom Drive		1,133	3,976	1	1,133	3,977	5,110	692	2019	1971	22
St. Louis, MO	Grissom Drive		656	2,780	-	656	2,780	3,436	412	2020	1970	19
St. Louis, MO	St. Louis Commerce Center	(1)	3,927	20,995	404	3,927	21,399	25,326	1,819	2020	1999-2001	33
St. Louis, MO	11646 Lakeside Crossing		1,282	9,293	6	1,282	9,299	10,581	378	2021	2005	35
St. Louis, MO	160-275 Corporate Woods Place		2,183	5,956	187	2,183	6,143	8,326	608	2021	1990	19
St. Louis, MO	3919 Lakeview Corporate Drive		4,265	46,225	109	4,265	46,334	50,599	1,835	2021	1970	37
St. Louis, MO	3051 Gateway	(1)	3,148	29,791	-	3,148	29,791	32,939	1,207	2021	2016	36
St. Louis, MO	349 Gateway	(1)	3,255	36,451	-	3,255	36,451	39,706	1,978	2021	2016	36
St. Louis, MO	4848 Park 370 Boulevard		1,041	6,127	13	1,041	6,140	7,181	291	2021	2006	32
St. Louis, MO	9150 Latty Ave		1,674	5,076	54	1,674	5,130	6,804	526	2021	1965/2018	22
St. Louis, MO	1901-1939 Belt Way Drive		2,492	5,109	110	2,492	5,219	7,711	201	2022	1986	26
Total Real Estate Owned			\$ 231,144	\$ 1,215,869	\$ 55,744	\$ 230,754	\$ 1,272,003	\$ 1,502,757	\$ 204,803			

Note (1) These properties secure the \$389,531 Secured Debt.

Note (2) Total does not include development projects of \$45,317, corporate office leasehold improvements of \$2,425, Columbus property management office of \$4,476 and the finance lease right of use asset of \$871 related to the ground sublease at 2100 International Parkway.

Note (3) Total does not include accumulated depreciation related to corporate office leasehold improvements of \$722 and Columbus property management office of \$104.

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 11-45 years for buildings and 3-13 years for improvements.

As of December 31, 2022, the gross aggregate basis for Federal tax purposes of investments in real estate properties was approximately \$1,635,996.

Plymouth Industrial REIT, Inc.
Real Estate Properties and Accumulated Depreciation
December 31, 2022 and 2021 (\$ in thousands)

	Year Ended December 31,		
	2022	2021	2020
Real Estate			
Balance at the beginning of the year	\$ 1,254,007	\$ 886,681	\$ 655,788
Additions during the year	302,265	374,461	231,040
Disposals during the year	(426)	(7,135)	(147)
Balance at the end of the year	<u>\$ 1,555,846</u>	<u>\$ 1,254,007</u>	<u>\$ 886,681</u>
Accumulated Depreciation			
Balance at the beginning of the year	\$ 142,192	\$ 98,283	\$ 63,877
Depreciation expense	63,557	45,398	34,484
Disposals during the year	(120)	(1,489)	(78)
Balance at the end of the year	<u>\$ 205,629</u>	<u>\$ 142,192</u>	<u>\$ 98,283</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 183 rd LLC	Delaware
Plymouth Mosteller LLC	Delaware
Plymouth Shelby LLC	Delaware
Plymouth MWG Holdings 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 6 th LLC	Delaware
Plymouth MWG 6000 West 73 rd LLC	Delaware
Plymouth MWG 6510 West 73 rd LLC	Delaware
Plymouth MWG 6558 West 73 rd 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
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 21 st 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 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 Gross Point Road IL LLC	Delaware
Plymouth Latty Avenue MO LLC	Delaware
Plymouth 31000 Viking Parkway OH LLC	Delaware
Plymouth 54 Milliken Street ME LLC	Delaware
Plymouth Williams Road OH LLC	Delaware
Plymouth 6290 Shelby View TN LLC	Delaware
Plymouth 2950 Brother TN LLC	Delaware
Plymouth Corporate Woods MO LLC	Delaware
Plymouth 1700-1710 Dunn TN LLC	Delaware
Plymouth S. Batavia IL LLC	Delaware
Plymouth Dublin Office LLC	Delaware
Plymouth 3919 Lakeview IL LLC	Delaware
Plymouth 4848 Park 370 MO LLC	Delaware
Plymouth 11646 Lakeside Crossing MO LLC	Delaware
Plymouth 3051 Gateway Center IL LLC	Delaware
Plymouth 952 Dorset Road OH LLC	Delaware
Plymouth 2180 Corporate Drive OH LLC	Delaware
Plymouth 1520 Experiment Farm Road OH LLC	Delaware
Plymouth 7750 Georgetown IN LLC	Delaware
Plymouth 2800 Howard Street OH LLC	Delaware
Plymouth 1301 Ridgeview Drive IL LLC	Delaware
Plymouth 800 Church Street IL LLC	Delaware
Plymouth 8000-8001 Belfort FL LLC	Delaware
Plymouth Center Point Business Park LLC	Delaware
Plymouth Liberty Business Park LLC	Delaware
Plymouth Salisbury Business Park LLC	Delaware
Plymouth 30339 Diamond Parkway LLC	Delaware
Plymouth Dixie Highway LLC	Delaware
Plymouth 1600 Fleetwood LLC	Delaware
Plymouth 3 West College LLC	Delaware
Plymouth Daniels Way IN LLC	Delaware
Plymouth 1099 Dodds GA LLC	Delaware
Plymouth Beaty Appling TN LLC	Delaware
Plymouth 2626 Port Road OH LLC	Delaware
Plymouth 4225-4331 Dues Drive OH LLC	Delaware
Plymouth 3525 Arlington Ave IN LLC	Delaware
Plymouth 1413 Lovers Lane GA LLC	Delaware
Plymouth 1901-1939 Beltway MO LLC	Delaware
Plymouth 2600-2620 Commerce Drive IL LLC	Delaware
Plymouth 1570 East P Street LLC	Delaware
Plymouth 3741 Port Union Road OH LLC	Delaware
Plymouth 1120 W 130 th Street OH LLC	Delaware
Plymouth 1508 Redding Drive GA LLC	Delaware
Plymouth 1000 Biltmore Drive MO LLC	Delaware
Plymouth 22209 Rockside Road OH LLC	Delaware
Plymouth New Calhoun II GA LLC	Delaware
Plymouth MIR Memphis Portfolio LLC	Delaware
Plymouth 3650 DistriplexTN LLC	Delaware
Plymouth 10455 Marina MS LLC	Delaware
Plymouth 3980 Premier TN LLC	Delaware
Plymouth Burbank TN LLC	Delaware
Plymouth Outland Center Parcel Two TN LLC	Delaware
Plymouth Outland Center Parcel One TN LLC	Delaware
Plymouth Collins TN LLC	Delaware
Plymouth 10682 Ridgewood MS LLC	Delaware
Plymouth 1814 S Third TN LLC	Delaware
Plymouth 4101 Willow Lake TN LLC	Delaware
Plymouth 3670 S Perkins TN LLC	Delaware
Plymouth 8970 Deerfield MS LLC	Delaware
Plymouth 7560 Priority MS LLC	Delaware
Plymouth Shelby 2 TN LLC	Delaware
Plymouth 5846 Distribution TN LLC	Delaware
Plymouth One Place TN LLC	Delaware
Plymouth 3701 David Howarth Drive IN LLC	Delaware
Plymouth Dixie Highway Land LLC	Delaware
Plymouth Revco 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. 333-264491 and 333-257006) and Form S-8 (No. 333-251104 and 333-218735) of Plymouth Industrial REIT, Inc. of our report dated February 23, 2023 relating to the financial statements, financial statement schedule and the effectiveness of internal control over financial reporting, which appears in this Form 10-K.

/s/ PricewaterhouseCoopers LLP
Boston, Massachusetts
February 23, 2023

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 23, 2023

/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, Anthony Saladino, 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 23, 2023

/s/ ANTHONY SALADINO
Anthony Saladino
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, 2022, 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 23, 2023

/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, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Anthony Saladino, 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 23, 2023

/s/ ANTHONY SALADINO
Anthony Saladino
Chief Financial Officer