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

FORM 10-Q

(Mark One)

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

For the Quarter Ended June 30, 2018

OR

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

For the Transition Period From _______to ________

Commission File Number: **001-38106**

PLYMOUTH INDUSTRIAL REIT, INC.
(Exact name of registrant as specified in its charter)

Maryland	**27-5466153**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
260 Franklin Street, Suite 700 Boston, MA 02110	**(617) 340-3814**
(Address of principal executive offices)	(Registrant’s telephone number)

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

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

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

Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☑ Emerging growth company ☐

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

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

As of August 8, 2018 the Registrant had outstanding 4,661,507 shares of common stock.

Plymouth Industrial REIT, Inc.

INDEX TO QUARTERLY REPORT ON FORM 10-Q

PART I	**FINANCIAL INFORMATION**	**PAGE**
ITEM 1.	Financial Statements	
	Condensed Consolidated Balance Sheets at June 30, 2018 and December 31, 2017	1
	Condensed Consolidated Statements of Operations for the Three and Six Months Ended June 30, 2018 and 2017	2
	Condensed Consolidated Statement of Changes in Preferred Stock and Equity (Deficit) for the Six Months Ended June 30, 2018	3
	Condensed Consolidated Statements of Cash Flows for the Six Months Ended June 30, 2018 and 2017	4
	Notes to Condensed Consolidated Financial Statements	5
ITEM 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	16
ITEM 3.	Quantitative and Qualitative Disclosures about Market Risk	26
ITEM 4.	Controls and Procedures	27
PART II	**OTHER INFORMATION**	28
SIGNATURES		30

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

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

	June 30, 2018 (Unaudited)	December 31, 2017
Assets		
Real estate properties	$ 320,863	$ 303,402
Less accumulated depreciation	(32,809)	(25,013)
Real estate properties, net	288,054	278,389
Cash	4,311	12,915
Cash held in escrow	6,221	5,074
Restricted cash	1,596	1,174
Deferred lease intangibles, net	25,020	27,619
Other assets	7,430	4,782
Total assets	$ 332,632	$ 329,953
Liabilities, Series A preferred stock and equity (deficit)		
Liabilities:		
Secured debt, net	$ 251,919	$ 195,431
Mezzanine debt, net	—	29,364
Borrowings under line of credit, net	18,678	20,837
Deferred interest	—	1,357
Accounts payable, accrued expenses and other liabilities	16,864	16,015
Deferred lease intangibles, net	6,657	6,807
Total liabilities	294,118	269,811
Commitments and contingencies (Note 11)		
Preferred stock, Series A; $0.01 par value, 100,000,000 shares authorized; 2,040,000 shares issued and outstanding (aggregate liquidation preference of $51,000)	48,868	48,931
Equity (deficit):		
Common stock, $0.01 par value: 900,000,000 shares authorized; 3,556,043 and 3,819,201 shares issued and outstanding at June 30, 2018 and December 31, 2017, respectively	36	39
Additional paid in capital	114,085	123,270
Accumulated deficit	(129,982)	(119,213)
Total stockholders' equity (deficit)	(15,861)	4,096
Non-controlling interest	5,507	7,115
Total equity (deficit)	(10,354)	11,211
Total liabilities, Series A preferred stock and equity(deficit)	$ 332,632	$ 329,953

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

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

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2018	2017	2018	2017
Rental revenue	$ 9,019	$ 3,650	$ 17,503	$ 7,294
Tenant recoveries	2,957	1,376	5,903	2,670
Other revenue	71	1	521	1
Total revenues	12,047	5,027	23,927	9,965
Operating expenses:				
Property	3,787	1,517	8,240	2,925
Depreciation and amortization	6,444	2,785	12,986	5,557
General and administrative	1,533	1,209	2,905	1,933
Acquisition costs	—	82	—	82
Total operating expenses	11,764	5,593	24,131	10,497
Operating income/(loss)	283	(566)	(204)	(532)
Other expense:				
Interest expense	(4,216)	(2,802)	(8,202)	(5,743)
Loss on debt extinguishment	(3,601)	—	(3,601)	—
Total other expense	(7,817)	(2,802)	(11,803)	(5,743)
Net loss	(7,534)	(3,368)	(12,007)	(6,275)
Less: loss attributable to non-controlling interest	(829)	(2,209)	(1,292)	(4,674)
Net loss attributable to Plymouth Industrial REIT, Inc.	(6,705)	(1,159)	(10,715)	(1,601)
Less: Series A preferred stock dividends	956	—	1,912	—
Less: amount allocated to participating securities	46	—	107	—
Net loss attributable to common stockholders	$ (7,707)	$ (1,159)	$ (12,734)	$ (1,601)
Net loss per share attributable to common stockholders	$ (2.27)	$ (1.26)	$ (3.61)	$ (2.55)
Weighted-average common shares outstanding basic and diluted	3,400,012	922,885	3,522,959	629,057

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

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

	Preferred Stock Series A $0.01 Par Value		Common Stock, $0.01 Par Value		Additional Paid in Capital	Accumulated Deficit	Stockholders' Equity (Deficit)	Non-controlling Interest	Total Equity (Deficit)
	Shares	Amount	Shares	Amount					
Balance January 1, 2018	2,040,000	$ 48,931	3,819,201	$ 39	$ 123,270	$ (119,213)	$ 4,096	$ 7,115	$ 11,211
Series A Preferred stock offering costs		(63)	—	—	—	—	—	—	—
Common stock offering costs			—	—	(8)	—	(8)	—	(8)
Stock based compensation			—	—	400	—	400	—	400
Dividends and distributions			—	—	(4,580)	—	(4,580)	(316)	(4,896)
Repurchase and retirement of common stock			(263,158)	(3)	(4,997)	(54)	(5,054)	—	(5,054)
Net loss			—	—	—	(10,715)	(10,715)	(1,292)	(12,007)
Balance, June 30, 2018	2,040,000	$ 48,868	3,556,043	$ 36	$ 114,085	$ (129,982)	$ (15,861)	$ 5,507	$ (10,354)

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

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

	For the Six Months Ended June 30,	
	2018	**2017**
Operating activities		
Net loss	$ (12,007)	$ (6,275)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	12,986	5,557
Straight line rent adjustment	(818)	(76)
Intangible amortization in rental revenue, net	(717)	(166)
Loss on extinguishment of debt	3,601	—
Accretion of interest and deferred interest	1,660	958
Change in fair value of warrant derivative	(48)	—
Stock based compensation	400	35
Changes in operating assets and liabilities:		
Other assets	(1,830)	(704)
Deferred leasing costs	(571)	(5)
Accounts payable, accrued expenses and other liabilities	169	(1,093)
Net cash provided by (used in) operating activities	2,825	(1,769)
Investing activities		
Acquisition of properties	(16,896)	—
Real estate improvements	(1,668)	(240)
Net cash used in investing activities	(18,564)	(240)
Financing activities		
Redemption of non-controlling interest	—	(25,582)
Net proceeds from common stock	(8)	50,279
Additional offering costs of preferred stock	(63)	—
Proceeds from issuance of secured debt	57,200	—
Repayment of mezzanine debt	(34,698)	—
Proceeds from credit facility	18,825	—
Repayment of credit facility	(21,000)	
Debt issuance costs	(1,602)	—
Repurchase of common stock	(5,054)	—
Dividends paid	(4,896)	—
Net cash provided by financing activities	8,704	24,697
Net change in cash, cash equivalents and restricted cash	(7,035)	22,688
Cash, cash equivalents and restricted cash at beginning of year	19,163	10,201
Cash, cash equivalents and restricted cash at end of year	$ 12,128	$ 32,889
Supplemental Cash Flow Disclosures:		
Interest paid	$ 6,542	$ 4,778
Supplemental Non-Cash Investing and Financing Activities:		
Non cash capital contribution by investor related to adjustment of Redemption Price of redeemable preferred interest	$ —	$ 1,019
Offering costs included in accounts payable, accrued expenses and other liabilities	—	$ 727
Shares issued in Private Placement for Redemption of Redeemable Preferred Interest	—	$ 5,000
Redemption of non-controlling interest related to preferred interest	—	$ 56,795
Warrants issued	—	$ 140
Dividends declared included in dividends payable	$ 2,290	$ 237
Distribution payable to non-controlling interest holder	$ 158	$ —
Fixed asset acquisitions included in accounts payable, accrued expenses and other liabilities	$ 350	$ —

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

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

1. Nature of the Business and Basis of Presentation

Business

Plymouth Industrial REIT, Inc., (the "Company" or the "REIT") is a Maryland corporation formed on March 7, 2011. The Company is a full service, vertically integrated, self-administered and self-managed organization. The Company is focused on the acquisition, ownership and management of single and multi-tenant Class B industrial properties, including distribution centers, warehouses and light industrial properties, primarily located in secondary and select primary markets across the U.S. As of June 30, 2018, the Company through its subsidiaries owns 51 industrial properties comprising approximately 9.5 million square feet.

The Company completed its initial listed public offering (IPO) of common stock (Offering) on June 14, 2017, which resulted in the issuance of 3,060,000 shares of common stock, including 160,000 shares of common stock issued to cover the underwriters' over-allotment exercised on July 12, 2017, at $19.00 per share in exchange for gross proceeds of $58,140 and $52,559, net of offering costs. The Company utilized a portion of the proceeds from the Offering to redeem $20,000 of the $25,000 non-controlling interest held by an affiliate of Torchlight Investors LLC ("Torchlight"). The Company issued 263,158 shares at $19.00 per share in a private placement with an affiliate of Torchlight, which occurred contemporaneously with the Offering, for the redemption of the remaining $5,000 non-controlling interest.

On March 29, 2018, the Company repurchased and retired the 263,158 shares of common stock owned by an affiliate of Torchlight in a privately negotiated transaction of $19 per share, or, $5,000 in the aggregate. In conjunction with the repurchase, the Company amended the Stockholders Agreement with Torchlight to terminate all rights under the agreement other than customary registration rights related to shares of our common stock that may be issued upon the exercise of the warrants held by an affiliate of Torchlight. (see Note 6).

The accompanying condensed consolidated financial statements include the following entities:

Name	Relationship	Formation
Plymouth Industrial REIT, Inc.	Parent	2011
Plymouth Industrial OP LP	89.4%-owned subsidiary*	2011
Plymouth Industrial 20 Financial LLC	Wholly-owned subsidiary	2016
Plymouth Industrial 20 LLC (20 LLC)	Wholly-owned subsidiary *	2016
20 individual property LLCs	Wholly-owned subsidiary *	2014
Plymouth MWG Holdings LLC	Wholly-owned subsidiary	2017
30 individual property LLCs	Wholly-owned subsidiary	2017
2 individual property LLCs	Wholly-owned subsidiary	2018

* See Note 8 for discussion of non-controlling interests.

Basis of Presentation

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

These interim condensed consolidated financial statements include the accounts of the Company and have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). All significant intercompany transactions have been eliminated in consolidation. These interim condensed consolidated financial statements include adjustments of a normal and recurring nature considered necessary by management to fairly present the Company's financial position and results of operations. These interim condensed consolidated financial statements may not be indicative of financial results for the full year. It is suggested that these interim condensed consolidated financial statements and notes thereto should be read in conjunction with the Company's audited consolidated financial statements and the notes thereto for the years ended December 31, 2017 and 2016 included in the Company's Annual Report on Form 10-K for the year ended December 31, 2017 as filed with the Securities and Exchange Commission on March 8, 2018.

Use of Estimates

The preparation of the condensed 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 condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Management makes significant estimates regarding the allocation of tangible and intangible assets or business acquisitions, impairments of long-lived assets, stock-based compensation and its common stock warrant liability. These estimates and assumptions are based on management's best estimates and judgment. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment. 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.

1. Nature of the Business and Basis of Presentation (continued)

Risks and Uncertainties

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

Liquidity and Going Concern

The accompanying condensed consolidated financial statements have been prepared on a basis which assumes that the Company will continue as a going concern and which contemplates the realization of assets and the satisfaction of liabilities and commitments in the ordinary course of business.

The Company believes the cash on hand at June 30, 2018, available borrowings under its line of credit and cash expected to be provided by future operating activities will provide sufficient liquidity for it to operate through at least twelve months from the filing of this Form 10-Q.

2. Summary of Significant Accounting Policies

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

Segments

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

Revenue Recognition and Tenant Receivables and Rental Revenue Components

Minimum rental income from real estate operations is recognized on a straight-line basis. The straight-line rent calculation on leases includes the effects of rent concessions and scheduled rent increases, and the calculated straight-line rent income is recognized over the lives of the individual leases. The Company maintains allowances for doubtful accounts receivable and straight-line rents receivable, based upon estimates determined by management. Management specifically analyzes aged receivables, tenant credit-worthiness and current economic trends when evaluating the adequacy of the allowance for doubtful accounts. At June 30, 2018 and December 31, 2017 the Company did not recognize an allowance for doubtful accounts. The Company did not have any bad debt expense or write-offs during the six months ended June 30, 2018 and 2017.

For the six months ended June 30, 2018 and 2017, rental income was derived from various tenants. As such, future receipts are dependent upon the financial strength of the lessees and their ability to perform under the lease agreements.

For the six months ending June 30, 2018 there were no tenants that represented 10% or greater of rental revenue. For the six months ended June 30, 2017, there were two tenants, Pier One and Perseus, who represented 10% or greater of rental revenue at 12.7% and 10%, respectively.

Rental revenue and tenant recoveries is comprised of the following:

	Period Ended June 30, 2018	Period Ended June 30, 2017
Income from lease	$ 15,968	$ 7,052
Straight-line rent adjustment	818	76
Reimbursable expenses	5,903	2,670
Amortization of above market leases	(270)	(90)
Amortization of below market leases	987	256
Total	$ 23,406	$ 9,964

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 June 30, 2018 and December 31, 2017. The Company maintains cash and restricted cash, which includes tenant security deposits and cash collateral for its borrowings discussed in Note 5, cash held in escrow for real estate tax, insurance and tenant capital improvement and leasing commissions, in bank deposit accounts, which at times may exceed federally insured limits. As of June 30, 2018, the Company has not realized any losses in such cash accounts and believes it is not exposed to any significant risk of loss.

2. Summary of Significant Accounting Policies (continued)

The following table presents a reconciliation of cash, cash equivalents and restricted cash reported within our condensed consolidated balance sheet to amounts reported within our condensed consolidated statement of cash flows:

	June 30, 2018	December 31, 2017
Cash and cash equivalents as presented on balance sheet	$ 4,311	$ 12,915
Cash held in escrow as presented on balance sheet	6,221	5,074
Restricted cash as presented on balance sheet	1,596	1,174
Cash, cash equivalents and restricted cash as presented on cash flow statement	$ 12,128	$ 19,163

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 2 inputs such as interest rates and credit spreads, are applied in determining the fair value of the interest rate cap in the amount of $0 at June 30, 2018. Level 3 inputs are applied in determining the fair value of warrants to purchase common stock in the amount of $112 at June 30, 2018 discussed in Note 6.

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

Debt Issuance Costs

Debt issuance costs are reflected as a reduction to the respective loan amounts in the form of a debt discount. Amortization of this expense is included in interest expense in the condensed consolidated statements of operations.

Debt issuance costs amounted to $7,221 and $6,475 at June 30, 2018 and December 31, 2017, respectively, and related accumulated amortization amounted to $1,668 and $982 at June 30, 2018 and December 31, 2017, respectively. Unamortized debt issuance costs amounted to $5,553 and $5,493 at June 30, 2018 and December 31, 2017, respectively.

Stock Based Compensation

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

Comprehensive Loss

Comprehensive loss includes net loss as well as other changes in equity (deficit) that result from transactions and economic events other than those with members. There was no difference between net loss and comprehensive loss for the periods ended June 30, 2018 and 2017.

2. Summary of Significant Accounting Policies (continued)

Derivative Instrument

The Company uses an interest rate cap as a derivative instrument to manage interest rate risk and is recognized on the balance sheet at fair value. The interest rate cap is not designated as a hedging instrument and changes in fair value is mark to market through earnings. The input values used in the fair value measurement of the interest rate cap were obtained using quoted market prices for similar assets in markets that are not active and therefore are, classified as Level 2 under the fair value hierarchy. The fair value of the interest rate cap is estimated based on discounting future cash flows interest rates that management believes reflect the risks associated with debt instruments of similar risk and duration.

Earnings per Share

The Company follows the two-class method when computing net loss per common share as the Company has issued shares that meet the definition of participating securities. The two-class method determines net loss per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income available to common stockholders for the period to be allocated between common and participating securities based upon their respective rights to receive dividends as if all income for the period had been distributed. Diluted net loss per share is the same as basic net loss per share since the Company does not have any common stock equivalents such as stock options. The warrants are not included in the computation of diluted net loss per share as they are anti-dilutive for the periods presented.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases ("ASU 2016-02"), as amended by ASU 2018-10, which requires a lessee to recognize assets and liabilities on the balance sheet for operating leases and changes many key definitions, including the definition of a lease. The update includes a short-term lease exception for leases with a term of 12 months or less, in which a lessee can make an accounting policy election not to recognize lease assets and lease liabilities. Lessees and lessors are required to recognize and measure leases at the beginning of the earliest period presented using a modified retrospective approach. The modified retrospective approach includes a number of optional practical expedients that entities may elect to apply as well as transition guidance specific to nonstandard leasing transactions. The new standard requires lessors to account for leases using an approach that is substantially equivalent to existing guidance for sales-type leases, direct financing leases and operating leases. ASU 2016-02 is effective for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. The Company is currently evaluating the impact the adoption of ASU 2016-02 will have on the Company's financial position or results of operations, and plans to adopt this standard effective January 1, 2019.

At June 30, 2018, the Company has one office space lease that will require us to measure and record a right-of-use asset and a lease liability upon adoption of the standard. The Company is in the process of evaluating the impact of this pronouncement on our condensed consolidated financial statements.

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

3. Real Estate Properties

Real estate properties consisted of the following at June 30, 2018 and December 31, 2017:

	June 30, 2018	December 31, 2017
Land and improvements	$ 63,688	$ 59,797
Buildings	234,671	221,175
Site improvements	22,034	21,489
Construction in process	470	941
	320,863	303,402
Less accumulated depreciation	(32,809)	(25,013)
Real estate properties	$ 288,054	$ 278,389

Depreciation expense was $7,796 and $3,789 for the six months ended June 30, 2018 and 2017, respectively.

4. Acquisition of Properties

The Company made the following acquisitions of properties during the three months ended June 30, 2018:

On April 9, 2018, the Company acquired a two-property portfolio of industrial properties, consisting of approximately 270,000 square feet, located in Chicago, Illinois for an aggregate purchase price of approximately $15,675. The buildings are 100% leased as of June 30, 2018.

During Q2, 2018, the Company capitalized an additional $955 in acquisition costs related to the MWG portfolio as a result of a final true up of the acquisition costs incurred.

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

		Chicago. IL
Total Purchase Price		
Purchase Price	$	15,675
Acquisition Costs		266
Additional acquisition costs from MWG portfolio		955
Total	$	16,896
Allocation of Purchase Price		
Land	$	3,427
Building		11,632
Site Improvements		384
Total real estate properties		15,443
Deferred lease intangibles		
Tenant relationships		255
Leasing Commissions		854
Lease in Place Value		1,181
Total deferred lease intangibles		2,290
Deferred lease intangibles-		
Below Market Lease Value		(837)
Totals	$	16,896

5. Borrowing Arrangements

The Company's secured debt, net of unamortized debt issuance costs, is as follows:

		June 30, 2018		**December 31, 2017**
$120,000 AIG Loan	$	116,875	$	116,700
MWG Portfolio Secured Term Loan		78,965		78,731
Minnesota Life Loan		21,114		—
KeyBank Term Loan		34,965		—
	$	251,919	$	195,431

AIG Loan

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

As of June 30, 2018 and December 31, 2017, there was $120,000 of indebtedness outstanding under the AIG Loan. The AIG Loan bears interest at 4.08% per annum and has a seven-year term maturing in October, 2023. The AIG Loan provides for monthly payments of interest only for the first three years of the term and thereafter monthly principal and interest payments based on a 27-year amortization period.

The borrowings under the AIG Loan are secured by first lien mortgages on the properties held by wholly-owned subsidiaries of Plymouth Industrial 20 LLC (see Note 8). The obligations under the AIG Loan are also guaranteed in certain circumstances by our Company and certain of our Operating Partnership's wholly-owned subsidiaries.

5. Borrowing Arrangements (continued)

The AIG Loan agreement contains customary representations and warranties, as well as affirmative and negative covenants. The negative covenants include restrictions on additional indebtedness, restrictions on liens, fundamental changes, dispositions, restricted payments, change in nature of business, transactions with affiliates and burdensome agreements. The AIG Loan contains financial covenants that require minimum liquidity and Net Worth. The AIG Loan is subject to acceleration upon certain specified events of defaults, including breaches of representations or covenants, failure to pay other material indebtedness, failure to pay taxes or a change of control of our company, as defined in the senior secured loan agreement. The Company is in compliance with the respective covenants at June 30, 2018. The Company has no right to prepay all or any part of the AIG Loan before November 1, 2019. Following that date, the AIG Loan can only be paid in full, and a prepayment penalty would be assessed, as defined in the agreement.

The borrowings amounted to $116,875 and $116,700, net of $3,125 and $3,300 of unamortized debt issuance costs at June 30, 2018 and December 31, 2017, respectively.

MWG Portfolio Secured Term Loan

On November 30, 2017, certain of our indirect subsidiaries entered into a loan agreement, the MWG Loan Agreement, with Special Situations Investing Group II, LLC, as lender and agent, which provides for a loan of $79,800, bearing interest for the first year at a rate per annum equal to LIBOR plus 3.10% and for the second year at a rate per annum equal to LIBOR plus 3.35%. The MWG Loan Agreement matures in November, 2019 and has one, 12-month extension option, subject to certain conditions. The borrowings under the MWG Loan Agreement are secured by first lien mortgages on the 15 properties held by wholly-owned subsidiaries of Plymouth MWG Holdings LLC. In addition, the obligations under the Loan Agreement are guaranteed in certain circumstances by the company and certain of our operating partnership's wholly-owned subsidiaries.

The MWG Loan Agreement contains customary affirmative and negative covenants for credit facilities of this type, including limitations with respect to indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The MWG Loan Agreement also contains financial covenants that require the borrowers to maintain a minimum ratio of net cash flow (less management fees) to the outstanding principal balance under the loan agreement of at least 9.0%. In the event of a default by the Borrowers, the agent may declare all obligations under the MWG Loan Agreement immediately due and payable and enforce any and all rights of the lender or the agent under the MWG Loan Agreement and related documents. The Company is in compliance with the respective covenants at June 30, 2018.

In connection with the MWG Loan Agreement, the Company entered into an interest rate cap agreement on April 13, 2018, which protects the Company in the event LIBOR increases above 4% and which matures on December 1, 2019. The interest rate cap is recorded at fair value based upon an independent third-party valuation source. The fair value of the interest rate cap agreement was $0 at June 30, 2018. At June 30, 2018 the one-month LIBOR was 2.09%.

Borrowings outstanding amounted to $78,965 and $78,731, net of $835 and $1,069 of unamortized debt issuance costs at June 30, 2018 and December 31, 2017, respectively. The MWG Loan Agreement was paid in full as of July 10, 2018. See Note 12, subsequent events.

Minnesota Life Loan

On April 30, 2018, certain subsidiaries of our operating partnership entered into a secured loan agreement with Minnesota Life Insurance Company, or the Minnesota Life Loan, in the original principal amount of $21,500. The Minnesota Life Loan bears interest at 3.78% per annum and has a ten-year term, maturing on May 1, 2028. The Minnesota Life Loan provides for monthly payments of interest only for the first year of the term and thereafter monthly principal and interest payments based on a 30-year amortization period. The borrowings under the Minnesota Life Loan are secured by first lien mortgages on seven of the Company's properties.

The Minnesota Life Loan contains customary affirmative and negative covenants, including limitations with respect to indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. In the event of a default by the Borrowers, the agent may declare all obligations under the Minnesota Life Loan immediately due and payable and enforce any and all rights of the lender or the agent under the Minnesota Life Loan and related documents. The Company is in compliance with the respective covenants at June 30, 2018.

Borrowings outstanding amounted to $21,114, net of $386 of unamortized debt issuance costs at June 30, 2018.

KeyBank Term Loan

On May 23, 2018, the Company entered into a loan agreement with KeyBank National Association, or KeyBank, for a senior secured term loan ("KeyBank Term Loan"). The KeyBank Term Loan provides for a loan of $35,700 and matures on the earlier of (1) August 11, 2021 or (2) the date KeyBank ceases to serve as administrative agent under the KeyBank Credit Agreement. The KeyBank Term Loan bears interest, at the Company's option, at either (1) LIBOR plus 7% or (2) KeyBank's base rate plus 6%. Interest at June 30, 2018 was based on libor plus 7%. The KeyBank Term Loan is secured by, among other things, pledges of the equity interests in Plymouth Industrial 20 and each of its property owning subsidiaries. The KeyBank Term Loan required us to use the net proceeds from the KeyBank Term Loan to repay the Torchlight Mezzanine Loan. The repayment of the Torchlight Mezzanine Loan was completed May 24, 2018.

5. Borrowing Arrangements (continued)

The KeyBank Term Loan contains customary affirmative and negative covenants for term loans of this type, including limitations with respect to mergers, dispositions of assets, change of management or change of control and transactions with affiliates. The KeyBank Term Loan requires us to apply up to $20,000 of the net proceeds from any additional equity raised to the repayment of the KeyBank Line of Credit Agreement or escrow those funds with KeyBank, until the MWG Loan Agreement is refinanced with a non-recourse mortgage loan and upon refinancing the MWG Loan Agreement, an amount equal to 25% of the Net Proceeds thereafter. The Company completed an equity financing on July 23, 2018 as disclosed in Note 12 and repaid $4,064 of the term loan to KeyBank.

The KeyBank Term Loan contains financial covenants that will require us to limit our total leverage to 72.5% of our aggregate assets for the next 18 months and thereafter reduce our total leverage ratio to 70%, with a cap of 65% upon the repayment of the KeyBank Term Loan. The KeyBank Term Loan also requires us to maintain a fixed charge coverage ratio of 1.25 to 1 and a debt service coverage ratio of 1.50 to 1. In the event of a default by the Borrowers, the agent may declare all obligations under the KeyBank Term Loan immediately due and payable and enforce any and all rights of the lender or the agent under the KeyBank Term Loan and related documents. The Company is in compliance with the respective covenants at June 30, 2018.

Borrowings outstanding amounted to $34,965, net of $735 of unamortized debt issuance costs at June 30, 2018.

The Company also has the following borrowing arrangements:

Line of Credit Agreement

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

On March 8, 2018, the Company entered into an Increase Agreement to our credit agreement with KeyBank National Association, or the KeyBank Credit Agreement, to increase our revolving credit facility to $45,000. All other terms of the KeyBank Credit Agreement remained unchanged.

The Line of Credit Agreement, consistent with the KeyBank Term Loan covenants, requires the Company to maintain certain coverage and leverage ratios and certain amounts of minimum net worth as well meet certain affirmative and negative covenants for credit facilities of this type, including limitations with respect to use of proceeds, indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The Company is in compliance with all covenants at June 30, 2018. The Line of Credit Agreement is secured by certain assets of the Company's operating partnership and certain of its subsidiaries and includes a Company's guarantee for the payment of all indebtedness under the Line of Credit Agreement. Borrowings outstanding amounted to $18,678 and $20,837, net of unamortized debt issuance costs of $472 and $488 at June 30, 2018 and December 31, 2017, respectively. Borrowings available under the Line of Credit Agreement amounted to $9,675, net of a letter of credit totaling $93, at June 30, 2018.

$30,000 Mezzanine Loan

On May 24, 2018, the $30,000 Mezzanine Loan was paid in full for a total consideration of $35,000. Included within the $35,000 consideration is the return of the $30,000 principal, accrued interest outstanding of $1,786, interest expense for the stub period of May 2018 of $318 and a repayment premium of approximately $2,896. The Company had paid approximately $8,232 in interest during the term of the loan. The Company recognized a $3,601 loss on extinguishment of debt upon completion of the repayment which consisted of the aforementioned repayment premium, write off of unamortized deferred financing fees of $689 and legal expenses of approximately $16.

6. Common Stock

Common Stock Warrants

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

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

A roll-forward of the warrants is as follows:

Balance at January 1, 2018	$	160
Change in fair value		(48)
Balance at June 30, 2018	$	112

The warrants in the amount of $112 at June 30, 2018 represent their fair value determined using a Monte-Carlo option pricing model applying Level 3 inputs as described in Note 2. The significant inputs into the model were: exercise price of $23.00, volatility of 19.2%, an expected annual dividend of $1.50, a term of 3.94 years and an annual risk-free interest rate of 2.71%. The warrants in the amount of $160 at December 31, 2017 were determined using a Monte-Carlo option pricing model, whose significant inputs into the model were volatility of 18.9%, an expected dividend yield of 7.5%, a term of 4.4 years and an annual risk-free interest rate of 2.15%. The fair value of these warrants is re-measured at each financial reporting period with any changes in fair value recognized as a change in fair value of warrant liability in the accompanying condensed consolidated statements of operations. The warrants have an expiration date of June 13, 2022. The warrants are not included in the computation of diluted net loss per share as they are anti-dilutive for the periods presented since the Company recorded a net loss during the six months ended June 30, 2018.

Common Stock Dividends

The following table sets forth the common stock distributions that were declared or paid during the six months ended June 30, 2018 and for the year ended December 31, 2017. The Company did not declare or pay any distributions during 2016 or in 2017 prior to completion of the Offering.

	Cash Dividends Declared per Share		Aggregate Amount	
2018				
First quarter	$	0.3750	$	1,334
Second quarter	$	0.3750	$	1,334

	Cash Dividends Declared per Share		Aggregate Amount	
2017				
Second quarter (commencing June 14, 2017 to June 30, 2017)	$	0.0650	$	238
Third quarter	$	0.3750	$	1,430
Fourth quarter	$	0.3750	$	1,430

7. Series A Preferred Stock

The table below sets forth the Company's outstanding preferred stock issuances as of June 30, 2018:

Preferred Stock Issuance	Issuance Date	Number of Shares	Liquidation Value per Share	Interest Rate
7.5% Series A Preferred Stock	10/25/2017	2,040,000	$ 25	7.5%

7. Series A Preferred Stock (continued)

The following table sets forth the 7.5% Series A preferred stock distributions that were declared or paid during the six months ended June 30, 2018 and the year ended December 31, 2017. The Company did not pay any dividends prior to the offering of its Series A Preferred Stock on October 25, 2017.

	Cash Dividends Declared per Share	Aggregate Amount
2018		
First quarter	$ 0.46875	$ 956
Second quarter	$ 0.46875	$ 956

	Cash Dividends Declared per Share	Aggregate Amount
2017		
Fourth quarter (commencing October 25, 2017 to December 31, 2017)	$ 0.3542	$ 723

8. Non-Controlling Interests

Non-controlling Interests Previously Held by Torchlight

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

Plymouth Industrial 20 Financial LLC

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

Plymouth Industrial 20 LLC (20 LLC)

For the period October 17, 2016 to June 13, 2017, the REIT through Plymouth Industrial 20 Financial LLC, was the managing member in 20 LLC with a 0.5% ownership interest. An affiliate of Torchlight held the remaining 99.5% interest in 20 LLC. This 99.5% interest was redeemed on June 14, 2017 by the REIT and 20 LLC is now a single member LLC with Plymouth Industrial 20 Financial LLC as the sole member. The proportionate share of the loss attributed to the non-controlling interest held by Torchlight was $4,674 for the six months ended June 30, 2017, and $2,209 for the three months ended June 30, 2017. The redemption resulted in elimination of the non-controlling interest and an adjustment to equity (deficit) in the amount of $56,795. An adjustment to the redemption price in the first quarter 2017 was deemed a non-cash capital contribution in the amount of $1,019.

20 Individual LLC's for Properties

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

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

Operating Partnership Units Acquisitions

In connection with the acquisition of the Shadeland Portfolio on August 11, 2017, the Company, through is Operating Partnership issued 421,438 Operating Partnership Units ("OP Units") at $19.00 per OP Unit for a total of approximately $8,007 to the former owners of the Shadeland Portfolio. The holders of the OP Units are entitled to receive distributions concurrent with the dividends paid on our common stock. The proportionate share of the loss attributed to the partnership units was $829 and $0 for the three months ending June 30, 2018 and 2017, respectively, and $1,292 and $0 for the six months ending June 30, 2018 and 2017, respectively.

9. Incentive Award Plan

The following table is a summary of the total restricted shares granted, forfeited and vested for the six months ended June 30, 2018:

	Shares
Unvested restricted stock at January 1, 2018	163,157
Granted	—
Forfeited	—
Vested	(40,528)
Unvested restricted stock at June 30, 2018	122,629

The Company recorded equity-based compensation in the amount of $400 and $35 for the six months ended June 30, 2018 and 2017, respectively, which is included in general and administrative expenses in the accompanying condensed consolidated statement of operations. Equity-based compensation expense for shares issued to employers 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 at June 30, 2018 was approximately $2,280 and is expected to be recognized over a weighted average period of approximately 3 years.

10. Earnings per Share

Net loss per Common Share

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
Numerator				
Net loss	$ (7,534)	$ (3,368)	$ (12,007)	$ (6,275)
Less: loss attributable to non-controlling interest	(829)	(2,209)	(1,292)	(4,674)
Net loss attributable to Plymouth Industrial REIT, Inc.	(6,705)	(1,159)	(10,715)	(1,601)
Less: Series A Preferred dividend	956	—	1,912	—
Less: amount allocated to participating securities	46	—	107	—
Net loss attributable to common stockholders	$ (7,707)	$ (1,159)	$ (12,734)	$ (1,601)
Denominator				
Weighted-average common shares outstanding basic and diluted	3,400,012	922,885	3,522,959	629,057
Net loss per share attributable to common stockholders – basic and diluted	$ (2.27)	$ (1.26)	$ (3.61)	$ (2.55)

The Company uses the two-class method of computing earnings per common share in which participating securities are included within the basic 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 non-forfeitable rights to dividends.

In periods where there is a net loss, the weighted average number of common shares outstanding used to calculate both basic and diluted net loss per share attributable to common stockholders is the same. The Company's potential dilutive securities at June 30, 2018 include the 250,000 shares of common stock warrants and 122,629 shares of restricted common stock. The stock warrants and restricted common shares have been excluded from the computation of diluted net loss per share attributable to common stockholders as the effect of including them would reduce the net loss per share.

11. Commitments and Contingencies

Employment Agreements

The Company has entered into employment agreements with the Company's Chief Executive Officer, President and Chief Investment Officer, and Executive Vice President and Chief Financial Officer. As approved by the compensation committee of the Board of Directors the agreements provide for base salaries ranging from $200 to $300 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 the Shadeland Portfolio acquisition, the agreement contains a provision for the Company to provide tax protection to the holders if the acquired properties are sold in a transaction that would result in the recognition of taxable income or gain prior to the sixth anniversary of the acquisition. The Company intends to hold this investment and has no plans to sell or transfer any interest that would give rise to a taxable transaction.

12. Subsequent Events

On July 10, 2018, certain subsidiaries of our operating partnership entered into a secured loan agreement with Aegon USA Realty Advisors, as agent for one of its affiliated life insurance companies, or the Aegon Lender, in the original principal amount of $78,000. The Aegon Secured Term Loan bears interest at 4.35% per annum and has a ten-year term, maturing on August 1, 2028. The Aegon Secured Term Loan provides for monthly payments of interest only for the first year of the term and thereafter monthly principal and interest payments based on a 30-year amortization period. The borrowings under the Aegon Secured Term Loan are secured by first lien mortgages on eighteen of the Company's properties. Proceeds from the Aegon Secured Term Loan were used to retire the outstanding borrowings under the MWG Portfolio Secured Loan.

On July 23, 2018, the Company closed on its underwritten registered public offering of 1,102,464 shares of its common stock at a public offering price of $15.60 per share. The Company granted the underwriters a 30-day option to purchase up to an additional 165,370 shares of common stock. Net proceeds of the offering to the Company were approximately $16,253, after deducting underwriting commissions and offering expenses payable by the Company.

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

We make statements in this Quarterly Report on Form 10-Q 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. 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 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 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.

The following discussion and analysis is based on, and should be read in conjunction with our unaudited financial statements and notes thereto as of June 30, 2018 and 2017 included elsewhere in this Quarterly Report, as well as information contained in our Annual Report on Form 10-K for the year ended December 31, 2017 (the "2017 10-K") filed with the Security and Exchange Commission (the "SEC") on March 8, 2018, including the audited historical financial statements and related notes thereto as of and for the years ended December 31, 2017 and 2016 contained therein, which is accessible on the SEC's website at www.sec.gov.

Overview

We are a full service, vertically integrated, self-administered and self-managed REIT focused on the acquisition, ownership and management of single- and multi-tenant Class B industrial properties, including distribution centers, warehouses and light industrial properties. The Company's portfolio at June 30, 2018 consists of 51 industrial properties (the "Company Portfolio") located in nine states with an aggregate of approximately 9.5 million rentable square feet leased to 90 different tenants.

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

Factors That May Influence Future Results of Operations

Business and Strategy

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

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

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

Rental Revenue and Tenant Recoveries

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

Occupancy Rates. As of June 30, 2018, the Company Portfolio was approximately 93.4% occupied. 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.

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

Scheduled Lease Expirations

Our ability to re-lease space subject to expiring leases will impact our results of operations and will be affected by economic and competitive conditions in the markets in which we operate and by the desirability of our individual properties. During the period from July 1, 2018 through to December 31, 2020, an aggregate of 38.3% of the annualized base rent leases in the Company Portfolio are scheduled to expire, which we believe will provide us an opportunity to adjust below market rates as market conditions continue to improve.

During 2017 and 2018, leases for space totaling 1,965,915 square feet (21% of the Company Portfolio) either was subject to renewal or expired. Approximately 40% of the expired space was renewed and an additional 916,990 square feet was leased long term with new tenants. At June 30, 2018, the vacancy rate of the Company Portfolio was 6.6% factoring in the vacancy rate associated with the properties acquired in the third and fourth quarter of 2017.

During the year ended December 31, 2017 and six months ended June 30, 2018, we negotiated 20 leases with durations in excess of six months encompassing 1,399,566 square feet and negotiated 7 leases with a duration of less than six months encompassing 268,533 square feet. Renewed leases made up 37.8% of the square footage covered by the 20 leases in excess of 6 months, and the rent under the renewed leases increased an average of 4.1% over the prior leases. Leases to new tenants comprised the other 62.2% of the square footage covered by the 20 leases in excess of 6 months, and the rent under the new leases increase an average of 10.9% over the prior leases. The rental rates under the 20 leases in excess of 6 months entered into during 2017 and 2018, increased by an average of 8.0% over the rates of the prior leases.

The table below reflects certain data about our new and renewed leases with terms of greater than six months executed in the year ended December 31, 2017 and the six months ended June 30, 2018.

Year	Type	Square Footage	% of Total Square Footage	Expiring Rent	New Rent	% Change	Tenant Improvements $/SF/YR	Lease Commissions $/SF/YR
2017	Renewals	234,679	84.1%	$ 4.25	$ 4.51	6.2%	$ 0.07	$ 0.13
	New Leases	44,268	15.9%	$ 2.16	$ 3.00	38.7%	$ 0.41	$ 0.27
	Total	**278,947**	**100.0%**	**$ 3.92**	**$ 4.27**	**9.1%**	**$ 0.13**	**$ 0.15**
2018	Renewals	293,672	26.2%	$ 4.54	$ 4.65	2.4%	$ 0.07	$ 0.11
	New Leases	826,947	73.8%	$ 3.58	$ 3.94	10.0%	$ 0.35	$ 0.21
	Total	**1,120,619**	**100.0%**	**$ 3.83**	**$ 4.13**	**7.7%**	**$ 0.28**	**$ 0.18**
Total	Renewals	528,351	37.8%	$ 4.41	$ 4.59	4.1%	$ 0.07	$ 0.12
	New Leases	871,215	62.2%	$ 3.51	$ 3.89	10.9%	$ 0.36	$ 0.22
	Total	**1,399,566**	**100.0%**	**$ 3.85**	**$ 4.16**	**8.0%**	**$ 0.25**	**$ 0.18**

Conditions in Our Markets

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

Rental Expenses

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

General and Administrative Expenses

As a newly public company, we expect to incur increased general and administrative expenses, including legal, accounting and other expenses related to corporate governance, public reporting and compliance with various provisions of the Sarbanes-Oxley Act. In addition, we anticipate that our staffing levels will increase slightly from thirteen employees as of the date of this quarterly report on Form 10-Q to between 14 and 16 employees during the 12 to 24 months following June 30, 2018 and, as a result, our general and administrative expenses will increase further.

Critical Accounting Policies

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

During the six months ended June 2018, 2018, there were no material changes to our critical accounting policies. Our critical accounting policies are described under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Significant Judgments and Estimates" in our Annual Report on Form 10-K filed with the SEC on March 8, 2018 and the notes to the financial statements appearing elsewhere in this Quarterly Report on Form 10-Q. We believe that of our critical accounting policies, the following accounting policies involve the most judgment and complexity:

- Going concern
- Cash equivalents and restricted cash
- Real estate property acquisitions, capitalization and depreciation
- Income taxes
- Amortization of deferred lease intangibles – assets and liabilities
- Impairment of Long-lived assets
- Consolidation

Accordingly, we believe the policies set forth in our 2017 10-K are critical to fully understanding and evaluating our financial condition and results of operations. If actual results or events differ materially from the estimates, judgments and assumptions used by us in applying these policies, our reported financial condition and results of operations could be materially affected.

Results of Operations (amounts in thousands)

Three months Ended June 30, 2018 Compared to June 30, 2017

	Same Store Portfolio				Acquisitions				Total Portfolio			
	Three months ended June 30,		Change		Three months ended June 30,		Change		Three months ended June 30,		Change	
	2018	2017	$	%	2018	2017	$	%	2018	2017	$	%
Revenue:												
Rental revenue	$ 3,423	$ 3,650	$ (227)	-6.2%	$ 5,596	$ —	$ 5,596	nm	$ 9,019	$ 3,650	$ 5,369	147.1%
Tenant recoveries	1,425	1,376	49	3.6%	1,532	—	1,532	nm	2,957	1,376	1,581	114.9%
Total operating revenues	4,848	5,026	(178)	-3.5%	7,128	—	7,128	nm	11,976	5,026	6,950	138.3%
Property expenses	1,388	1,517	(129)	-8.5%	2,399	—	2,399	nm	3,787	1,517	2,270	149.6%
Depreciation and amortization									6,444	2,785	3,659	131.4%
General and administrative									1,533	1,209	324	26.8%
Acquisition costs									—	82	(82)	-100%
Total operating expenses									11,764	5,593	6,171	110.3%
Operating profit/(loss)									212	(567)	779	-137%
Other income (expense):												
Interest expense									(4,216)	(2,802)	(1,414)	50.5%
Loss on extinguishment of debt									(3,601)	—	(3,601)	100%
Other revenue									71	1	70	7,000%
Total other income (expense)									(7,746)	(2,801)	(4,945)	176.5%
Net loss									$ (7,534)	$ (3,368)	$ (4,166)	123.7%

Rental Revenue: Rental revenue increased by approximately $5,369 to $9,019 for the three months ended June 30, 2018 as compared to $3,650 for the three months ended June 30, 2017. The increase was primarily related to rental revenue from the acquired properties from the date of acquisition in 2017 and 2018 of $5,596 and a decrease of $227 from same store properties primarily from a decrease of base rent of $393 due to vacancies offset by an increase of $189 in straight line rent adjustments for the three months ended June 30, 2018.

Tenant recoveries: Tenant recoveries increased by approximately $1,581 to $2,957 for the three months ended June 30, 2018 as compared to $1,376 for the three months ended June 30, 2017. The increase was primarily related to tenant recoveries from the acquisitions made during 2017 of $1,532 and an increase in tenant recoveries of $49 from same store properties for the three months ended June 30, 2018.

Property Expenses: Property expenses increased $2,270 for the three months ended June 30, 2018 to $3,787 as compared to $1,517 for the three months ended June 30, 2017 primarily for expenses related to the new property acquisitions of $2,399. Property expenses for the same store properties decreased approximately $129 primarily due to a decrease in real estate taxes of $398 as a result of a one-time adjustment primarily offset by net increases in real estate tax assessments and an increase in operating expenses of $274.

Depreciation and Amortization: Depreciation and amortization expense increased by approximately $3,659 to approximately $6,444 for the three months ended June 30, 2018 as compared to $2,785 for the three months ended June 30, 2017, primarily due to the new property acquisitions of $3,834 and a decrease of $175 for the same store properties.

General and Administrative: General and administrative expenses increased approximately $324 to $1,533 for the three months ended June 30, 2018 as compared to $1,209 for the three months ended June 30, 2017. The increase is attributable primarily to increases in non-cash stock compensation of $165, payroll expense of $67, occupancy costs associated to our headquarters of $44 and insurance of $42.

Interest Expense: Interest expense increased by approximately $1,414 to $4,216 for the three months ended June 30, 2018, as compared to $2,802 for the three months ended June 30, 2017. The increase is primarily due to the additional borrowings executed as part of our 2017 and 2018 acquisition activity. The schedule below is a comparative analysis of the components of interest expense for the three months ended June 30, 2018 and 2017.

	Three months Ended June 30,	
	2018	2017
Accrued Interest	$ 560	$ 200
Accretion of Financing Fees	466	171
Total accretion of interest and deferred interest	1,026	371
Cash Interest Paid	3,190	2,431
Total interest expense	$ 4,216	$ 2,802

Loss on extinguishment of debt: Loss on extinguishment of debt of $3,601 in 2018 was due to the early repayment of the Torchlight Mezzanine Loan.

Other revenue: Other revenue represents interest income and other items not directly related to the operations of our portfolio. The increase in other revenue by $70 to $71 for the three months ended June 30, 2018, as compared to $1 for the three months ending June 30, 2017 was due to management fees earned by the REIT.

Six months Ended June 30, 2018 Compared to June 30, 2017

	Same Store Portfolio				Acquisitions				Total Portfolio			
	Six months ended June 30,		Change		Six months ended June 30,		Change		Six months ended June 30,		Change	
	2018	2017	$	%	2018	2017	$	%	2018	2017	$	%
Revenue:												
Rental revenue	$ 6,878	$ 7,295	$ (417)	-5.7%	$ 10,625	$ —	$ 10,625	nm	$ 17,503	$ 7,295	$ 10,208	139.9%
Tenant recoveries	2,806	2,669	137	5.1%	3,097	—	3,097	nm	5,903	2,669	3,234	121.2%
Total operating revenues	9,684	9,964	(280)	-2.8%	13,722	—	13,722	nm	23,406	9,964	13,442	134.9%
Property expenses	3,204	2,925	279	9.5%	5,036	—	5,036	nm	8,240	2,925	5,315	181.7%
Depreciation and amortization									12,986	5,557	7,429	133.7%
General and administrative									2,905	1,933	972	50.3%
Acquisition costs									—	82	(82)	-100%
Total operating expenses									24,131	10,497	13,634	129.9%
Operating profit/(loss)									(725)	(533)	(192)	36%
Other income (expense):												
Interest expense									(8,202)	(5,743)	(2,459)	42.8%
Loss on extinguishment of debt									(3,601)	—	(3,601)	nm
Other revenue									521	1	520	52,000%
Total other income (expense)									(11,282)	(5,742)	(5,540)	96.5%
Net loss									$ (12,007)	$ (6,275)	$ (5,732)	91.3%

Rental Revenue: Rental revenue increased by approximately $10,208 to $17,503 for the six months ended June 30, 2018 as compared to $7,295 for the six months ended June 30, 2017. The increase was primarily related to rental revenue from the acquired properties from the date of acquisition in 2017 and 2018 of $10,625 and a decrease of $417 from same store properties primarily from a decrease of base rent of $784 due to vacancies offset by an increase in non-cash rent adjustments of $367 for the six months ended June 30, 2018.

Tenant recoveries: Tenant recoveries increased by approximately $3,234 to $5,903 for the six months ended June 30, 2018 as compared to $2,669 for the six months ended June 30, 2017. The increase was primarily related to tenant recoveries from the acquisitions made during 2017 of $3,097 and an increase in tenant recoveries of $137 from same store properties for the six months ended June 30, 2018.

Property Expenses: Property expenses increased $5,315 for the six months ended June 30, 2018 to $8,240 as compared to $2,925 for the six months ended June 30, 2017 primarily for expenses related to the new property acquisitions of $5,036. Property expenses for the same store properties increased approximately $279 primarily due to a net decrease of $238 in real estate taxes as a result of a one-time adjustment offset by net increases in real estate tax assessments and net increases in utilities and operating expenses of $130 and $387, respectively.

Depreciation and Amortization: Depreciation and amortization expense increased by approximately $7,429 to approximately $12,986 for the six months ended June 30, 2018 as compared to $5,557 for the six months ended June 30, 2017, primarily due to the new property acquisitions of $13,078 and a decrease of $92 for the same store properties.

General and Administrative: General and administrative expenses increased approximately $972 to $2,905 for the six months ended June 30, 2018 as compared to $1,933 for the six months ended June 30, 2017. The increase is attributable primarily to an increase in accounting, legal and other professional expenses of approximately $144 related to public company costs, non-cash stock compensation of $365 associated with restricted stock grants, increased payroll expense of $170, increased occupancy costs for our headquarters of $75 and increased insurance expense of $90.

Interest Expense: Interest expense increased by approximately $2,459 to $8,202 for the six months ended June 30, 2018, as compared to $5,743 for the six months ended June 30, 2017. The increase is primarily due to the additional borrowings executed as part of our 2017 and 2018 acquisition activity. The schedule below is a comparative analysis of the components of interest expense for the six months ended June 30, 2018 and 2017.

	Six months Ended June 30,	
	2018	2017
Accrued Interest	$ 806	$ 200
Accretion of Financing Fees	854	765
Total accretion of interest and deferred interest	1,660	965
Cash Interest Paid	6,542	4,778
Total interest expense	$ 8,202	$ 5,743

Loss on extinguishment of debt: Loss on extinguishment of debt of $3,601 in 2018 was due to the early repayment of the Torchlight Mezzanine Loan.

Other revenue: Other revenue represents interest income and other items not directly related to the operations of our portfolio. The increase in other revenue by $520 to $521 for the six months ended June 30, 2018, as compared to $1 for the six months ending June 30, 2017 was due to a non-recurring fee for services provided by the Company for a joint venture that did not materialize and management fees earned by the REIT.

Non-GAAP Financial Measures

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

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

NOI

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

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

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	2017	2018	2017
NOI:				
Net loss	$ (7,534)	$ (3,368)	$ (12,007)	$ (6,275)
General and administrative	1,533	1,209	2,905	1,933
Acquisition expense	—	82	—	82
Depreciation and amortization	6,444	2,785	12,986	5,557
Interest expense	4,216	2,802	8,202	5,743
Loss on debt extinguishment	3,601	—	3,601	—
Other expense (income)	(71)	(1)	(521)	(1)
NOI	$ 8,189	$ 3,509	$ 15,166	$ 7,039

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

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
EBITDA:	2018	2017	2018	2017
Net loss	$ (7,534)	$ (3,368)	$ (12,007)	$ (6,275)
Depreciation and amortization	6,444	2,785	12,986	5,557
Interest expense	4,216	2,802	8,202	5,743
Loss on debt extinguishment	3,601	—	3,601	—
EBITDA	$ 6,727	$ 2,219	$ 12,782	$ 5,025

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. We define FFO, consistent with the National Association of Real Estate Investment Trusts, or NAREIT, definition, as net income, computed in accordance with GAAP, excluding: gains (or losses) from sales of property, depreciation and amortization of real estate assets, impairment losses, losses on extinguishment of debt and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. Other equity REITs may not calculate FFO (in accordance with the NAREIT definition) as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. FFO should not be used as a measure of our liquidity, and is not indicative of funds available for our cash needs, including our ability to pay dividends. FFO attributable to common stockholders and unitholders represents FFO reduced by dividends paid (or declared) to holders of our preferred stock.

The following table sets forth a reconciliation of our historical net loss to FFO attributable to common stockholders and unit holders for the periods presented:

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
	2018	**2017**	**2018**	**2017**
FFO:				
Net loss	$ (7,534)	$ (3,368)	$ (12,007)	$ (6,275)
Depreciation and amortization	6,444	2,785	12,986	5,557
Loss on extinguishment of debt	3,601	—	3,601	—
FFO	$ 2,511	$ (583)	$ 4,580	$ (718)
Preferred stock dividends	(956)	—	(1,912)	—
FFO attributable to common stockholders and unit holders	$ 1,555	$ (583)	$ 2,668	$ (718)

AFFO

Adjusted funds from operation, or AFFO, is presented in addition to FFO. AFFO is defined as FFO, excluding certain non-cash operating revenues and expenses, acquisition and transaction related costs for transactions not completed and recurring capitalized expenditures. Recurring capitalized expenditures includes expenditures required to maintain and re-tenant our properties, tenant improvements and leasing commissions. AFFO further adjusts FFO for certain other non-cash items, including the amortization or accretion of above or below market rents included in revenues, straight line rent adjustments, impairment losses, 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 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)	Three Months Ended June 30,		Six Months Ended June 30,	
AFFO:	**2018**	**2017**	**2018**	**2017**
FFO attributable to common stockholders and unit holders	$ 1,555	$ (583)	$ 2,668	$ (718)
Deferred finance fee amortization	466	171	854	765
Non-cash interest expense	560	200	806	200
Acquisition costs	—	82	—	82
Stock compensation	200	35	400	35
Straight line rent	(461)	(32)	(818)	(76)
Above/below market lease rents	(306)	(83)	(717)	(166)
Recurring capital expenditures (1)	(350)	(189)	(1,342)	(232)
AFFO	$ 1,664	$ (399)	$ 1,851	$ (110)

(1) Excludes non-recurring capital expenditures of $874 and $13 for the three months ended June 30, 2018 and 2017, respectively, and $1,247 and $13 for the six months ended June 30, 2018 and 2017, respectively.

Cash Flow

A summary of our cash flows for the six months ended June 30, 2018 and 2017 are as follows:

	Six months Ended June 30,	
	2018	2017
Net cash provided by/(used in) operating activities	$ 2,825	$ (1,769)
Net cash used in investing activities	$ (18,564)	$ (240)
Net cash provided by financing activities	$ 8,704	$ 24,697

Operating Activities: Net cash provided by operating activities for the six months ended June 30, 2018 increased approximately $4,594 compared to the six months ended June 30, 2017 primarily due to an increase in depreciation expense, accretion of interest and deferred interest and loss on extinguishment of debt partially offset by an increase in other assets for the six months ended June 30, 2018 compared to the six months ended June 30, 2017.

Investing Activities: Net cash used in investing activities for the six months ended June 30, 2018 increased approximately $18,324 compared to the six months ended June 30, 2017 primarily due to the property acquisitions completed during Q2 2018 and an increase in capital expenditures as a result of our expanded portfolio.

Financing Activities: Net cash provided by financing activities for the six months ended June 30, 2018 was $8,704 compared to $24,697 for the six months ended June 30, 2017. The change was due to the repurchase of common shares held by Torchlight and debt re-financing activities during the six months ended June 30, 2018 compared to the completion of our IPO and capital restructuring activities during the six months ended June 30, 2017.

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;
- 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.

On July 10, 2018, certain subsidiaries of our operating partnership entered into a secured loan agreement with Aegon USA Realty Advisors, as agent for one of its affiliated life insurance companies, or the Aegon Lender, in the original principal amount of $78,000. The Aegon Secured Term Loan bears interest at 4.35% per annum and has a ten-year term, maturing on August 1, 2028. The Aegon Secured Term Loan provides for monthly payments of interest only for the first year of the term and thereafter monthly principal and interest payments based on a 30-year amortization period. The borrowings under the Aegon Secured Term Loan are secured by first lien mortgages on eighteen of the Company's properties. Proceeds from the Aegon Secured Term Loan were used to retire the outstanding borrowings under the MWG Portfolio Secured Loan.

On July 23, 2018, the Company closed on its underwritten registered public offering of 1,102,464 shares of its common stock at a public offering price of $15.60 per share. The Company granted the underwriters a 30-day option to purchase up to an additional 165,370 shares of common stock. Net proceeds of the offering to the Company were approximately $16,253, after deducting underwriting commissions and offering expenses payable by the Company.

Existing Indebtedness as of June 30, 2018 (amounts in thousands)

AIG Loan

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

As of June 30, 2018 and December 31, 2017, there was $120,000 of indebtedness outstanding under the AIG Loan. The AIG Loan bears interest at 4.08% per annum and has a seven-year term maturing in October, 2023. The AIG Loan provides for monthly payments of interest only for the first three years of the term and thereafter monthly principal and interest payments based on a 27-year amortization period.

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

The AIG Loan agreement contains customary representations and warranties, as well as affirmative and negative covenants. The negative covenants include restrictions on additional indebtedness, restrictions on liens, fundamental changes, dispositions, restricted payments, change in nature of business, transactions with affiliates and burdensome agreements. The AIG Loan contains financial covenants that require minimum liquidity and Net Worth. The AIG Loan is subject to acceleration upon certain specified events of defaults, including breaches of representations or covenants, failure to pay other material indebtedness, failure to pay taxes or a change of control of our company, as defined in the senior secured loan agreement. The Company is in compliance with the respective covenants at June 30, 2018. The Company has no right to prepay all or any part of the AIG Loan before November 1, 2019. Following that date, the AIG Loan can only be paid in full, and a prepayment penalty would be assessed, as defined in the agreement.

The borrowings amounted to $116,875 and $116,700, net of $3,125 and $3,300 of unamortized debt issuance costs at June 30, 2018 and December 31, 2017, respectively.

MWG Portfolio Secured Term Loan

On November 30, 2017, certain of our indirect subsidiaries entered into a loan agreement, the MWG Loan Agreement, with Special Situations Investing Group II, LLC, as lender and agent, which provides for a loan of $79,800, bearing interest for the first year at a rate per annum equal to LIBOR plus 3.10% and for the second year at a rate per annum equal to LIBOR plus 3.35%. The MWG Loan Agreement matures in November, 2019 and has one, 12-month extension option, subject to certain conditions. The borrowings under the MWG Loan Agreement are secured by first lien mortgages on the 15 properties held by wholly-owned subsidiaries of Plymouth MWG Holdings LLC. In addition, the obligations under the Loan Agreement are guaranteed in certain circumstances by the company and certain of our operating partnership's wholly-owned subsidiaries.

The MWG Loan Agreement contains customary affirmative and negative covenants for credit facilities of this type, including limitations with respect to indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The MWG Loan Agreement also contains financial covenants that require the borrowers to maintain a minimum ratio of net cash flow (less management fees) to the outstanding principal balance under the loan agreement of at least 9.0%. In the event of a default by the Borrowers, the agent may declare all obligations under the MWG Loan Agreement immediately due and payable and enforce any and all rights of the lender or the agent under the MWG Loan Agreement and related documents. The Company is in compliance with the respective covenants at June 30, 2018.

In connection with the MWG Loan Agreement, the Company entered into an interest rate cap agreement on April 13, 2018, which protects the Company in the event LIBOR increases above 4% and which matures on December 1, 2019. The interest rate cap is recorded at fair value based upon an independent third-party valuation source. The fair value of the interest rate cap agreement was $0 at June 30, 2018. At June 30, 2018 the one-month LIBOR was 2.09%.

Borrowings outstanding amounted to $78,965 and $78,731, net of $835 and $1,069 of unamortized debt issuance costs at June 30, 2018 and December 31, 2017, respectively. The MWG Loan Agreement was paid in full as of July 10, 2018 in connection with borrowings obtain from Aegon USA Realty Advisors as previously discussed in Note 12 of our unaudited condensed consolidated financial statements.

Minnesota Life Loan

On April 30, 2018, certain subsidiaries of our operating partnership entered into a secured loan agreement with Minnesota Life Insurance Company, or the Minnesota Life Loan, in the original principal amount of $21,500. The Minnesota Life Loan bears interest at 3.78% per annum and has a ten-year term, maturing on May 1, 2028. The Minnesota Life Loan provides for monthly payments of interest only for the first year of the term and thereafter monthly principal and interest payments based on a 30-year amortization period. The borrowings under the Minnesota Life Loan are secured by first lien mortgages on seven of the Company's properties.

The Minnesota Life Loan contains customary affirmative and negative covenants, including limitations with respect to indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. In the event of a default by the Borrowers, the agent may declare all obligations under the Minnesota Life Loan immediately due and payable and enforce any and all rights of the lender or the agent under the Minnesota Life Loan and related documents. The Company is in compliance with the respective covenants at June 30, 2018.

Borrowings outstanding amounted to $21,114, net of $386 of unamortized debt issuance costs at June 30, 2018.

KeyBank Term Loan

On May 23, 2018, the Company entered into a loan agreement with KeyBank National Association, or KeyBank, for a senior secured term loan ("KeyBank Term Loan"). The KeyBank Term Loan provides for a loan of $35,700 and matures on the earlier of (1) August 11, 2021 or (2) the date KeyBank ceases to serve as administrative agent under the KeyBank Credit Agreement. The KeyBank Term Loan bears interest, at our option, at either (1) LIBOR plus 7% or (2) KeyBank's base rate plus 6%. Interest at June 30, 2018 was based on libor plus 7%.The KeyBank Term Loan is secured by, among other things, pledges of the equity interests in Plymouth Industrial 20 and each of its property owning subsidiaries. The KeyBank Term Loan required us to use the net proceeds from the KeyBank Term Loan to repay the Torchlight Mezzanine Loan. The repayment of the Torchlight Mezzanine Loan was completed May 24, 2018.

The KeyBank Term Loan contains customary affirmative and negative covenants for term loans of this type, including limitations with respect to mergers, dispositions of assets, change of management or change of control and transactions with affiliates. The KeyBank Term Loan requires us to apply up to $20,000 of the net proceeds from any additional equity raised to the repayment of the KeyBank Line of Credit Agreement or escrow those funds with KeyBank, until the MWG Loan Agreement is refinanced with a non-recourse mortgage loan and upon refinancing the MWG Loan Agreement, an amount equal to 25% of the Net Proceeds thereafter. The Company completed an equity financing on July 23, 2018 and repaid $4,064 of the term loan to KeyBank.

The KeyBank Term Loan contains financial covenants that will require us to limit our total leverage to 72.5% of our aggregate assets for the next 18 months and thereafter reduce our total leverage ratio to 70%, with a cap of 65% upon the repayment of the KeyBank Term Loan. The KeyBank Term Loan also requires us to maintain a fixed charge coverage ratio of 1.25 to 1 and a debt service coverage ratio of 1.50 to 1. In the event of a default by the Borrowers, the agent may declare all obligations under the KeyBank Term Loan immediately due and payable and enforce any and all rights of the lender or the agent under the KeyBank Term Loan and related documents. The Company is in compliance with the respective covenants at June 30, 2018.

Borrowings outstanding amounted to $34,965, net of $735 of unamortized debt issuance costs at June 30, 2018.

Line of Credit Agreement

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

On March 8, 2018, the Company entered into an Increase Agreement to our credit agreement with KeyBank National Association, or the KeyBank Credit Agreement, to increase our revolving credit facility to $45,000. All other terms of the KeyBank Credit Agreement remained unchanged.

The Line of Credit Agreement requires the Company to maintain certain coverage and leverage ratios and certain amounts of minimum net worth as well meet certain affirmative and negative covenants for credit facilities of this type, including limitations with respect to use of proceeds, indebtedness, liens, investments, distributions, mergers and acquisitions, dispositions of assets and transactions with affiliates. The Company is in compliance with all covenants at June 30, 2018. The Line of Credit Agreement is secured by certain assets of the Company's operating partnership and certain of its subsidiaries and includes a Company's guarantee for the payment of all indebtedness under the Line of Credit Agreement. Borrowings outstanding amounted to $18,678 and $20,837, net of unamortized debt issuance costs of $472 and $488 at June 30, 2018 and December 31, 2017, respectively. Borrowings available under the Line of Credit Agreement amounted to $9,675, net of a letter of credit totaling $93, at June 30, 2018.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Inflation

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

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK (amounts in thousands)

We are exposed to market risk from changes in interest rates. Interest rate exposure relates primarily to the effect of interest rate changes on borrowings outstanding under our Line of Credit Agreement, MWG Portfolio Secured Term Loan and KeyBank Term Loan agreement, which bear interest at a variable rate.

At June 30, 2018, we had $134,650 of outstanding variable rate debt, which were subject to a weighted average interest rate of 6.1% during the three months ended June 30, 2018. Based on the variable rate borrowings outstanding as of June 30, 2018, we estimate that had the average interest rate on our weighted average borrowings increased by 100 basis points for the three months ended June 30, 2018, our interest expense for the quarter would have increased by approximately $337. This estimate assumes the interest rate of each borrowing is raised by 100 basis points. The impact on future interest expense as a result of future changes in interest rates will depend largely on the gross amount of our borrowings at that time.

Interest Rate Risk (amounts in thousands)

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

The Company uses an interest rate cap as a derivative instrument to manage interest rate risk and is recognized on the balance sheet at fair value. The interest rate cap is not designated as a hedging instrument and changes in fair value is mark to market through earnings. The input values used in the fair value measurement of the interest rate cap were obtained using quoted market prices for similar assets in markets that are not active and therefore are, classified as Level 2 under the fair value hierarchy. The fair value of the interest rate cap is estimated based on discounting future cash flows interest rates that management believes reflect the risks associated with debt instruments of similar risk and duration. The fair value of the interest rate cap agreement was $0 at June 30, 2018. At June 30, 2018 the one-month LIBOR was 2.09%.

Related to this interest rate cap agreement, a 100 basis point increase above LIBOR being 4% will decrease our interest expense by approximately $798 per annum.

As discussed in Note 12 of our unaudited condensed consolidated financial statements, the MWG Loan Agreement was paid in full as of July 10, 2018 in connection with fixed rate borrowings obtained from Aegon USA Realty Advisors. The key terms of the interest rate cap agreement with J.P. Morgan remained in place after the repayment of the MWG Loan Agreement and continue to have a maturity date of December 1, 2019.

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

ITEM 4. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) are designed to provide reasonable assurance that information required to be disclosed in reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the forms and rules of the SEC and that such information is accumulated and communicated to management, including the CEO, in a manner to allow timely decisions regarding required disclosures.

In connection with the preparation of this Form 10-Q, our management, including the CEO, evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of June 30, 2018. As described below, management identified material weaknesses in our internal control over financial reporting, which is an integral component of our disclosure controls and procedures. As a result management has concluded that, as of June 30, 2018, our disclosure controls and procedures were not effective.

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

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The term "internal control over financial reporting" is defined as a process designed by, or under the supervision of, the registrant's principal executive and principal financial officers, or persons performing similar functions, and effected by the registrant's board of directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that:

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

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

As of June 30, 2018, management has not completed a proper monitoring of the Company's internal controls over financial reporting based on the 2013 Committee of Sponsoring Organizations (COSO) framework. Management concluded that, during the period covered by this report, that our internal controls and procedures were not effective.

The specific material weaknesses that management identified in our internal controls as of June 30, 2018 is as follows:

- Due to limited financial and accounting resources the Company has not fully tested existing controls to meet the requirements of COSO's 2013 framework.

Company's management concluded that in light of the material weakness described above, our Company did not maintain effective internal control over financial reporting as of June 30, 2018 based on the criteria set forth in the 2013 framework issued by the COSO.

(c) Remediation

During the fourth quarter of 2017 the Company initiated a full review and evaluation of key processes and procedures, and completion of documentation that can be monitored and tested independently. The documentation process has been completed and initial testing has commenced. Management expects the remediation of the current material weakness through testing activities to be completed in between the fourth quarter of 2018 and the year ending December 31, 2019.

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

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting or in other factors during the quarter ended June 30, 2018, that have materially affected, or were reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

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

Item 1A. Risk Factors

For a discussion of potential risks and uncertainties related to our Company see the information under the heading "Risk Factors" in the prospectus related to our Series A Preferred Stock offering dated October 18, 2017 filed with the SEC on October 19, 2017 in accordance with Rule 424(b) of the Securities Act, which is accessible on the SEC's website at www.sec.gov. There have been no material changes risk factors previous disclosed in the prospectus.

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

Issuer Repurchases of Equity Securities

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or programs
January 1 – January 31, 2018	None	N/A	None	None
February 1 – February 28, 2018	None	N/A	None	None
March 1 – March 31, 2018	263,158	19.00	None	None
April 1 – April 30, 2018	None	N/A	None	None
May 1 – May 31, 2018	None	N/A	None	None
June 1 – June 30, 2018	None	N/A	None	None
Total	263,158			

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

None.

Item 6. Exhibits

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

SIGNATURES

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

PLYMOUTH INDUSTRIAL REIT, INC.

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

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

Dated: August 8, 2018

Exhibit 31.1

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

I, Jeffrey E. Witherell, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 8, 2018

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

Exhibit 31.2

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

I, Daniel C. Wright, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: August 8, 2018

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

Exhibit 32.1

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

In connection with the Quarterly Report on Form 10-Q of Plymouth Industrial REIT, Inc. (the "Registrant") for the quarter ended June 30, 2018, 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: Date: August 8, 2018

/s/ JEFFREY E. WITHERELL

Jeffrey E. Witherell
Chief Executive Officer and
Chairman of the Board of Directors

Exhibit 32.2

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

In connection with the Quarterly Report on Form 10-Q of Plymouth Industrial REIT, Inc. (the "Registrant") for the quarter ended June 30, 2018, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned, Daniel Wright, the Chief Financial Officer of the Registrant, hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of his knowledge and belief:

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

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

Date: Date: August 8, 2018

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