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

FORM 10-K

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

For the fiscal year ended December 31, 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: 001-34723 (Americold Realty Trust)

AMERICOLD REALTY TRUST

AMERICOLD REALTY OPERATING PARTNERSHIP, L.P.

(Exact name of registrant as specified in its charter)

Maryland (Americold Realty Trust)	**93-0295215**
Delaware (Americold Realty Operating Partnership, L.P.)	**01-0958815**
(State or other jurisdiction of incorporation or organization)	(IRS Employer Identification Number)
10 Glenlake Parkway, Suite 600, South Tower	
Atlanta, Georgia	**30328**
(Address of principal executive offices)	(Zip Code)

(678) 441-1400

(Registrants telephone number, including area code)

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

Registrant	Title of Each Class	Name of Each Exchange on Which Registered
Americold Realty Trust	Common Shares of Beneficial Interest, $0.01 par value	New York Stock Exchange
Americold Realty Operating Partnership, L.P.	None	None

Securities registered pursuant to Section 12(g) of the Act: NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Americold Realty Trust	Yes ☒	No ☐	Americold Realty Operating Partnership, L.P.	Yes ☒	No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Americold Realty Trust	Yes ☐	No ☒	Americold Realty Operating Partnership, L.P.	Yes ☒	No ☐

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Americold Realty Trust	Yes ☒	No ☐	Americold Realty Operating Partnership, L.P.	Yes ☐	No ☒

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter periods that the registrant was required to submit such files).

Americold Realty Trust	Yes ☒	No ☐	Americold Realty Operating Partnership, L.P.	Yes ☐	No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§ 229.405) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a 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 (check one):

Americold Realty Trust

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

Americold Realty Operating Partnership, L.P.

☐	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.

Americold Realty Trust	Yes ☐	No ☐	Americold Realty Operating Partnership, L.P.	Yes ☐	No ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Securities Exchange Act of 1934)

Americold Realty Trust	Yes ☐	No ☒	Americold Realty Operating Partnership, L.P.	Yes ☐	No ☒

As of June 30, 2018, the aggregate market value of the voting common shares owned by non-affiliates of Americold Realty Trust was $1,418,030,352, computed by reference to the closing price of the common shares of Americold Realty Trust on the New York Stock Exchange on such date. Such value excludes common shares held by executive officers, directors, and 10% or greater shareholders as of June 30, 2018. The identification of 10% or greater shareholders is based on Schedule 13G and amended 13G reports publicly filed before June 30, 2018. This calculation does not reflect a determination that such parties are affiliates for any other purposes. The number of Americold Realty Trust's common shares outstanding at February 22, 2019, was approximately 148,794,090.

There is no public trading market for the partnership units of Americold Realty Operating Partnership, L.P. As a result, the aggregate market value of the partnership units held by non-affiliates of Americold Realty Operating Partnership, L.P. cannot be determined.

DOCUMENTS INCORPORATED BY REFERENCE

Part III incorporates by reference portions of Americold Realty Trust's Proxy Statement for its 2019 Annual Meeting of Shareholders, which the registrants anticipate will be filed no later than 120 days after the end of its fiscal year pursuant to Regulation 14A.

EXPLANATORY NOTE

This report combines the annual reports on Form 10-K for the year ended December 31, 2018 of Americold Realty Trust and Americold Realty Operating Partnership, L.P. As used in this report, unless the context otherwise requires, references to “we,” “us,” “our,” “our Company” and “the Company” refer to Americold Realty Trust, a Maryland real estate investment trust, and its consolidated subsidiaries, including Americold Realty Operating Partnership, L.P., a Delaware limited partnership and the subsidiary through which we conduct our business, which we refer to as “our operating partnership” or “the operating partnership.”

The operating partnership is voluntarily co-filing its annual report with the Company because the operating partnership anticipates that it may register one or more classes of securities in the future and will thus become subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act.

As of December 31, 2018 and for each of the years ended December 31, 2018, 2017 and 2016, the sole general partner, Americold Realty Trust, held 99% of the partnership units of our operating partnership, and the limited partner, Americold Realty Operations, Inc., a wholly-owned subsidiary of Americold Realty Trust, held 1% of the partnership units of our operating partnership.

We believe combining the annual reports on Form 10-K of Americold Realty Trust and Americold Realty Operating Partnership, L.P., into this single report results in the following benefits:

- enhancing investors’ understanding of our Company and our operating partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation since a substantial portion of the disclosure applies to both our Company and our operating partnership; and
- creating time and cost efficiencies through the preparation of one combined report instead of two separate reports.

There are a few differences between our Company and our operating partnership, which are reflected in the disclosure in this report. We believe it is important to understand the differences between our Company and our operating partnership in the context of how we operate as an interrelated consolidated company. Americold Realty Trust is a real estate investment trust, or REIT, whose only material asset is its ownership of partnership interests of Americold Realty Operating Partnership, L.P. As a result, Americold Realty Trust does not conduct business itself, other than acting as the sole general and indirect limited partner of Americold Realty Operating Partnership, L.P., issuing public equity from time to time and guaranteeing certain unsecured debt of Americold Realty Operating Partnership, L.P. and certain of its subsidiaries. Americold Realty Trust itself does not issue any indebtedness but guarantees certain of the debt of Americold Realty Operating Partnership, L.P. and certain of its subsidiaries and affiliates, as disclosed in this report. Americold Realty Operating Partnership, L.P. holds substantially all the assets of the Company and holds the ownership interests in the Company’s joint ventures. Americold Realty Operating Partnership, L.P. conducts the operations of the business and is structured as a limited partnership with no publicly traded equity. Except for net proceeds from public equity issuances by Americold Realty Trust, which are generally contributed to Americold Realty Operating Partnership, L.P. in exchange for partnership units, Americold Realty Operating Partnership, L.P. generates the capital required by the Company’s business through Americold Realty Operating Partnership L.P.’s operations, or by Americold Realty Operating Partnership L.P.’s direct or indirect incurrence of indebtedness.

To help investors understand the significant differences between our Company and our operating partnership, this report presents the following separate sections for each of our Company and our operating partnership:

- consolidated financial statements;
- the following notes to the consolidated financial statements:
  - Debt of the Company and Debt of the Operating Partnership;
  - Partners' Capital; and
  - Selected Quarterly Financial Information
- Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities;
- Selected Financial Data; and
- Liquidity and Capital Resources in Management's Discussion and Analysis of Financial Condition and Results of Operations.

This report also includes separate Item 9A. Controls and Procedures sections and separate Exhibit 31 and 32 certifications for each of the Company and the operating partnership in order to establish that the Chief Executive Officer and Chief Financial Officer of each entity has made the requisite certification and that the Company and the operating partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Exchange Act and 18 U.S.C. §1350.

In order to highlight the differences between the Company and the operating partnership, the separate sections in this report for the Company and the operating partnership specifically refer to the Company and the operating partnership. In the sections that combine disclosure of the Company and the operating partnership, this report refers to actions or holdings as being actions or holdings of the Company. Although the operating partnership is generally the entity that enters into contracts and joint ventures and holds assets and debt, reference to the Company is appropriate because the business is one enterprise and the Company operates the business through the operating partnership.

As general and limited partner with control of the operating partnership, Americold Realty Trust consolidates the operating partnership for financial reporting purposes, and it does not have significant assets other than its investment in the operating partnership. Therefore, the assets and liabilities of Americold Realty Trust and Americold Realty Operating Partnership, L.P. are the same on their respective consolidated financial statements. The separate discussions of Americold Realty Trust and Americold Realty Operating Partnership, L.P. in this report should be read in conjunction with each other to understand the results of the Company on a consolidated basis and how management operates the Company.

In addition, unless otherwise stated herein, when we refer to “cubic feet” in one of our temperature-controlled facilities, we refer to refrigerated cubic feet (as opposed to total cubic feet, refrigerated and otherwise) therein.

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CAUTIONARY STATEMENT REGADING FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains statements about future events and expectations that constitute forward-looking statements. Forward-looking statements are based on our beliefs, assumptions and expectations of our future financial and operating performance and growth plans, taking into account the information currently available to us. These statements are not statements of historical fact. Forward-looking statements involve risks and uncertainties that may cause our actual results to differ materially from the expectations of future results we express or imply in any forward-looking statements, and you should not place undue reliance on such statements. Factors that could contribute to these differences include the following:

- *adverse economic or real estate developments in our geographic markets or the temperature-controlled warehouse industry;*
- *general economic conditions;*
- *risks associated with the ownership of real estate and temperature-controlled warehouses in particular;*
- *defaults or non-renewals of contracts with customers;*
- *potential bankruptcy or insolvency of our customers;*
- *uncertainty of revenues, given the nature of our customer contracts;*
- *increased interest rates and operating costs;*
- *our failure to obtain necessary outside financing;*
- *risks related to, or restrictions contained in, our debt financing;*
- *decreased storage rates or increased vacancy rates;*
- *risks related to current and potential international operations and properties;*
- *difficulties in identifying properties to be acquired and completing acquisitions;*
- *acquisition risks, including the failure of such acquisitions to perform in accordance with projections;*
- *risks related to expansions of existing properties and developments of new properties, including failure to meet budgeted or stabilized returns in respect thereof;*
- *difficulties in expanding our operations into new markets, including international markets;*
- *our failure to maintain our status as a REIT;*
- *our operating partnership's failure to qualify as a partnership for federal income tax purposes;*
- *uncertainties and risks related to natural disasters and global climate change;*
- *possible environmental liabilities, including costs, fines or penalties that may be incurred due to necessary remediation of contamination of properties presently or previously owned by us;*
- *financial market fluctuations;*
- *actions by our competitors and their increasing ability to compete with us;*
- *labor and power costs;*
- *changes in real estate and zoning laws and increases in real property tax rates;*
- *the competitive environment in which we operate;*
- *our relationship with our employees, including the occurrence of any work stoppages or any disputes under our collective bargaining agreements;*
- *liabilities as a result of our participation in multi-employer pension plans;*
- *losses in excess of our insurance coverage;*
- *the cost and time requirements as a result of our operation as a publicly traded REIT;*
- *risks related to joint venture investments, including as a result of our lack of control of such investments;*
- *changes in foreign currency exchange rates; and*
- *the impact of anti-takeover provisions in our constituent documents and under Maryland law, which could make an acquisition of us more difficult, limit attempts by our shareholders to replace our trustees and affect the price of our common shares of beneficial interest, $0.01 par value per share, or our common shares.*

The risks included here are not exhaustive, and additional factors could adversely affect our business and financial performance, including factors and risks included in other sections of this Annual Report on Form 10-K, including under Part I, Item 1A, Risk Factors. Words such as "anticipates," "believes," "continues," "estimates," "expects," "goal," "objectives," "intends," "may," "opportunity," "plans," "potential," "near-term," "long-term," "projections," "assumptions," "projects," "guidance," "forecasts," "outlook," "target," "trends," "should," "could," "would," "will" and similar expressions are intended to identify such forward-looking statements. Examples of forward-looking statements included in this Annual Report on Form 10-K include, among others, statements about our expected expansion and development pipeline and our targeted return on invested capital on expansion and development opportunities. We qualify any forward-looking statements entirely by these cautionary factors. Other risks, uncertainties and factors, including those discussed under "Risk Factors," could cause our actual results to differ materially from those projected in any forward-looking statements we make. We assume no obligation to update or revise these forward-looking statements for any reason, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

PART I

ITEM 1. Business

The Company

We are the world's largest owner and operator of temperature-controlled warehouses. We are the only publicly traded REIT focused on the temperature-controlled warehouse industry. We are organized as a self-administered and self-managed REIT with proven operating, development and acquisition expertise. As of December 31, 2018 , we operated a global network of 155 temperature-controlled warehouses encompassing 918.7 million cubic feet, with 137 warehouses in the United States, six warehouses in Australia, seven warehouses in New Zealand, two warehouses in Argentina and three warehouses in Canada. We view and manage our business through three primary business segments: warehouse, third-party managed and transportation. In addition, we hold a minority interest in a joint venture through our operating partnership, as described in Note 3 of our consolidated financial statements included in this Annual Report on Form 10-K, which owns or operates 12 temperature-controlled warehouses located in the People's Republic of China (or the China JV).

We consider our temperature-controlled warehouses to be "mission-critical" real estate in the markets we serve from "farm to fork" and an integral component of the temperature-controlled food infrastructure supply chain, which we refer to as the "cold chain." The cold chain is vital for maintaining the quality of food producers', distributors', retailers' and e-tailers' temperature-sensitive products, protecting brand reputation and ensuring consumer safety and satisfaction. Our customers depend upon the location, high-quality, integration and scale of our portfolio to ensure the integrity and efficient distribution of their products. Many of our warehouses are located in key logistics corridors in the countries in which we operate, including strategically critical U.S. and international metropolitan statistical areas, or MSAs, while others are connected or immediately adjacent to customers' production facilities. We believe our strategic locations and the extensive geographic presence of our integrated warehouse network are fundamental to our customers' ability to optimize their distribution networks while reducing their capital expenditures, operating costs and supply-chain risks. Many of the warehouses in our real estate portfolio have been modernized to reduce our power costs and increase their competitive position through reliable temperature-control systems and processes.

We consider ownership of our temperature-controlled warehouses to be fundamental to our business, our ability to attract and retain customers and our ability to achieve our targeted return on invested capital. We believe that the ownership of our real estate provides us with cost of capital and balance sheet advantages, stemming from the attractive financing options available to real estate owners and the tax advantages of being a REIT. We also believe that consolidation of the ownership and operation of our portfolio significantly enhances the value of our business by allowing us to provide customers with our complementary suite of value-added services across one integrated and reliable cold chain network. Ownership of our integrated cold chain network enhances our ability to efficiently reposition customers and undertake capital improvements or other modifications on their behalf without the need to obtain third-party approvals. Our decision to own, rather than lease, a significant majority of our warehouses provides us with better control over the specialized nature of our assets and greater influence over our warehouse locations on a long-term basis, which is crucial to meeting our customers' "mission-critical" cold chain needs.

Initial Public Offering

On January 23, 2018, we completed an initial public offering of our common shares, or IPO, in which we issued and sold 33,350,000 of our common shares, including 4,350,000 common shares pursuant to the exercise in full of the underwriters' option to purchase additional common shares. The offering generated net proceeds of approximately $493.6 million to us, after deducting underwriting fees and other offering costs of approximately $40.0 million . For more information on the IPO, please refer to Note 1 of our consolidated financial statements included in this Annual Report on Form 10-K.

Follow-On Offering

On September 18, 2018, we completed a follow-on public offering of 4,000,000 of our common shares at a public offering price of $24.50 per share, which generated net proceeds of approximately $92.5 million to us after deducting the underwriting discount and estimated offering expenses payable by us, and an additional 6,000,000 common shares that are subject to a forward sale agreement to be settled within one year. We did not initially receive any proceeds from the sale of the common shares subject to the forward sale agreement that were sold by the forward purchaser or its affiliate. As of December 31, 2018 , we have not settled any portion of the forward sale agreement. In connection with the the follow-on public offering, YF ART Holdings GP, LLC (YF ART Holdings), a partnership among investment funds affiliated with The Yucaipa Companies (Yucaipa), sold 16.5 million common shares, affiliates of The Goldman Sachs Group, Inc. (the GS entities) sold approximately 9.1 million common shares, and affiliates of Fortress sold approximately 7.2 million common shares.

Our Information

Our principal executive office is located at 10 Glenlake Parkway, South Tower, Suite 600, Atlanta, Georgia 30328, and our telephone number is (678) 441-1400. Our website address is www.americold.com. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this Annual Report on Form 10-K or any other report or document we file with or furnish to the Securities and Exchange Commission, or the SEC. Our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, Proxy Statement and all amendments to those reports are available free of charge on our website as soon as reasonably practicable after such material is electronically filed with, or furnished to, the SEC. In addition, all reports we file with the SEC are available via EDGAR through the SEC website at www.sec.gov. Copies of our annual report will be made available, free of charge, on written request.

BUSINESS STRATEGY AND OPERATING SEGMENTS

We were formed as a Maryland REIT on December 27, 2002. Our operating partnership was formed as a Delaware limited partnership on April 5, 2010. Our operations are conducted through our operating partnership and its subsidiaries.

Our primary business objective is to increase shareholder value by serving our customers, growing our market share, enhancing our operating and financial results and increasing cash flows from operations. We also believe that our ability to execute on our business and growth strategies will enhance the overall value of our real estate. The strategies we intend to execute to achieve these objectives include the following:

Enhancing Our Operating and Financial Results Through Proactive Asset Management

We seek to enhance our operating and financial results by supporting our customers' growth initiatives in the cold chain, optimizing occupancy, underwriting and deploying yield management initiatives and executing operational optimization and cost containment strategies. We believe that the combination of our ability to execute these and other initiatives and the significant investments we have made in our business over the last five fiscal years will continue to drive our financial results and position us to expand our warehouse portfolio, grow our customer base, enhance our market share and create value for our shareholders.

Continue to Increase Committed Revenue in Our Warehouse Segment

Historically, providers of temperature-controlled warehouse space have offered storage services to customers on an as-utilized, on-demand basis. We actively seek to enter into contracts that implement our commercial business rules which contemplate, among other things, fixed storage commitments in connection with establishing new customer relationships or renewing agreements with existing customers, particularly with our largest customers, and variable rates for the value-added services we provide. Over the last several years, we have transitioned a significant portion of our rent and storage revenues generated on an as-utilized, on-demand basis to a fixed storage commitment basis. We believe the scope and breadth of our network position us favorably to continue to increase our fixed storage commitments as we believe this structure offers commercial advantages to both our customers and us.

Focused and Disciplined Strategy to Expand Our Portfolio of Temperature-Controlled Warehouses

We believe our operating systems, scalable information technology platform and economies of scale provide us with a significant advantage over our competitors with respect to expansion, development and acquisition opportunities. Becoming the first publicly traded REIT focused on the temperature-controlled warehouse industry has given us greater access to the capital markets than our competitors, which we believe will allow us to strategically enter new locations, fill gaps in existing distribution networks and effectively compete for expansion, development and acquisition opportunities.

Capitalize on Increased Outsourcing by Leading Global Food Producers, Distributors, Retailers and E-Tailers

Over the last 35 years, frozen food producers, distributors, retailers and e-tailers have increasingly outsourced their temperature-controlled warehousing needs to increase efficiency, reduce costs and redeploy capital into core businesses. We anticipate that cold chain participants will continue to make certain of their “in-house” temperature-controlled warehouses available for sale in the future and, accordingly, will continue to look to third-party providers to meet their temperature-controlled warehouse storage and service needs in related geographic markets. We believe that our ability to offer the most extensive and integrated network of high-quality temperature-controlled warehouses globally with value-added services and our long-standing relationships with leading cold chain participants will enable us to capitalize on this trend.

Well Positioned to Benefit from E-Commerce Growth

Our warehouse portfolio serves as a fundamental bridge between food producers and fulfillment centers - whether for online e-tailers or traditional brick and mortar retailers. We believe our ability to design, build and operate warehouses across the cold chain makes us an attractive storage solution for the growing e-tailer segment and positions us well to generate new relationships, drive growth and capture market share by increasing our presence in the e-commerce channel.

Expand Our Presence by Increasing Market Share for Other Temperature-Sensitive Product Types

Although we focus on providing temperature-controlled warehouse space to the food industry, we also store other forms of temperature-sensitive products, including pharmaceutical, floral and chemical products. As the rapid growth in e-commerce continues to increase the flow of products through the global distribution network, we believe our ability to provide comprehensive and consistent quality warehousing and value-added services at all points in the cold chain put us in a strong position to develop new relationships, drive growth and enhance market share with producers, distributors, retailers and e-tailers in other temperature-sensitive products. Additionally, we have the flexibility to store non-temperature-sensitive “dry” goods in our warehouses to the extent desirable.

Investments in Our Warehouses

We employ a strategic investment approach to maintain a high-quality portfolio of temperature-controlled warehouses to ensure that our warehouses meet the "mission-critical" role they serve in the cold chain. We have successfully modernized many of our warehouses to reduce our power costs and increase their competitive position through reliable temperature-control systems that can implement distinct temperature zones within the same warehouse. In addition, we use LED lighting, motion-sensor technology, variable frequency drives for our fans and compressors, third-party efficiency reviews and real-time monitoring of energy consumption, high speed doors and alternative-power generation technologies to improve the energy efficiency of our warehouses. We believe that our warehouses are well-maintained and in good operating condition.

Our Business Segments

We view and manage our business through three primary business segments—warehouse, third-party managed and transportation.

Our core business is our warehouse segment, where we provide temperature-controlled warehouse storage and related handling and other warehouse services. In our warehouse segment, we collect rent and storage fees from customers to store their frozen and perishable food and other products within our real estate portfolio. We also provide our customers with handling and other warehouse services related to the products stored in our buildings that are designed to optimize their movement through the cold chain, such as the placement of food products for storage and preservation, the retrieval of products from storage upon customer request, case-picking, blast freezing, kitting and repackaging and other recurring handling services. We refer to these handling and other services as our value-added services.

Under our third-party managed segment, we manage warehouses on behalf of third parties and provide warehouse management services to several leading food retailers and manufacturers in customer-owned facilities, including some of our largest and longest-standing customers. We believe using our third-party management services allows our customers to increase efficiency, reduce costs, reduce supply-chain risks and focus on their core businesses. We also believe that providing third-party management services to many of our key customers underscores our ability to offer a complete and integrated suite of services across the cold chain.

In our transportation segment, we broker and manage transportation of frozen and perishable food and other products for our customers. Our transportation services include consolidation services (*i.e.* , consolidating a customer's products with those of other customers for more efficient shipment), freight under management services (*i.e.* , arranging for and overseeing transportation of customer inventory) and dedicated transportation services, each designed to improve efficiency and reduce transportation and logistics costs to our customers. We provide these transportation services at cost plus a service fee or, in the case of our consolidation services, we charge a fixed fee.

We also operate a limestone quarry on the land we own around our Carthage, Missouri warehouse, which contains substantial limestone deposits. We do not view the operation of the quarry as an integral part of our business.

Customers

Our global footprint enables us to efficiently serve approximately 2,400 customers consisting primarily of producers, distributors, retailers and e-tailers of frozen and perishable food products, such as fruits, vegetables, meats, seafood, novelties, dairy and packaged foods. We believe the creditworthiness and geographic diversity of our customer base provide us with stable cash flows and a strong platform for growth. The weighted average length of our relationship with our 25 largest customers in our warehouse segment exceeds 33 years. The total warehouse segment revenues generated by our 25 largest customers in our warehouse segment have been steady over the last three years, representing 63% , 61% and 61% of our total warehouse segment revenues for the years ended December 31, 2018 , 2017 and 2016 , respectively. Each of these 25 largest customers has been in our network for the entirety of these periods.

The following table presents summary information concerning our 25 largest customers in our warehouse segment, based on warehouse segment revenues for the year ended December 31, 2018 :

				Network Utilization					
	% of Warehouse Revenue (1)	**# of Sites**	**Credit Rating (Moody's/S&P)(2)**	**Multi Location**	**Dedicated Sites**	**Value Added Services**	**Transportation Consolidation**	**Technology Integration**	**Committed Contract or Lease (3)**
Retailer	9.1%	10	Baa2/BBB	✓	✓	✓	✓	✓	✓
Producer	6.5%	26	NR/NR	✓	✓	✓	✓	✓	
Producer	4.8%	20	Baa3/BBB	✓	✓	✓		✓	✓
Producer	4.8%	20	Baa3/BBB-	✓	✓	✓		✓	✓
Producer	3.9%	35	Baa2/BBB	✓	✓	✓		✓	✓
Producer	3.5%	16	Ba1/BB	✓	✓	✓	✓	✓	✓
Retailer	3.1%	3	NR/NR	✓	✓	✓	✓	✓	
Producer	2.5%	15	Ba1/BBB-	✓	✓	✓		✓	✓
Producer	2.4%	4	NR/NR	✓	✓	✓		✓	✓
Retailer	2.3%	2	NR/BBB+	✓	✓	✓		✓	✓
Producer	2.1%	27	Ba3/BB-	✓		✓	✓	✓	
Producer	1.9%	5	Baa1/BBB+	✓	✓			✓	
Producer	1.8%	6	A1/A+	✓	✓	✓		✓	✓
Retailer	1.7%	4	NR/NR	✓		✓	✓	✓	
Retailer	1.5%	10	Aa2/AA	✓	✓	✓	✓	✓	✓
Producer	1.5%	10	NR/NR	✓	✓	✓	✓	✓	✓
Producer	1.4%	9	NR/NR	✓		✓	✓	✓	✓
Producer	1.4%	22	NR/NR	✓			✓	✓	
Producer	1.3%	7	Baa2/BBB	✓	✓	✓	✓	✓	✓
Producer	0.9%	19	NR/BBB-	✓	✓	✓		✓	✓
Producer	0.9%	21	Aa2/AA-	✓		✓		✓	✓
Retailer	0.9%	4	B3/B	✓	✓			✓	✓
Retailer	0.8%	9	NR/NR	✓				✓	✓
Retailer	0.8%	6	NR/NR	✓		✓		✓	
Retailer	0.7%	6	Baa1/BBB	✓		✓		✓	
Total	**62.5%**								

(1) Based on warehouse revenues for the last twelve months ended December 31, 2018 .
(2) Represents long-term issuer ratings as published in January 2019.
(3) A check mark indicates that the customer had at least one fixed commitment contract or lease with us as of December 31, 2018 .

Seasonality

We are involved in providing services to food producers, distributors, retailers and e-tailers whose businesses, in some cases, are seasonal or cyclical. On a portfolio-wide basis, physical occupancy rates and warehouse revenues are generally the lowest during May and June. Physical occupancy rates and warehouse revenues typically exhibit a gradual increase thereafter as a result of annual harvests and our customers building inventories in connection with end-of-year holidays and generally peak between mid-September and early December as a result thereof. In each year since 2015, we have generated higher than average revenues and our warehouses have experienced the highest occupancy levels in October or November. The involvement of our customers in a cross-section of the food industry mitigates, in part, the impact of seasonality as peak demand for various products occurs at different times of the year (for example, demand for ice cream is typically highest in the summer while demand for frozen turkeys usually peaks in the late fall). Our southern hemisphere operations in Australia, New Zealand and Argentina also help balance the impact of seasonality in our global operations, as their growing and harvesting cycles are complementary to North America. Each of our warehouses sets its own operating hours based on demand, which is heavily driven by growing seasons and seasonal consumer demand for certain products.

Competition

In our industry, the principal competitive factors are warehouse location, warehouse size, breadth and interconnectivity of warehouse networks, quality, type of service and price. For refrigerated food customers, transportation costs are typically significantly greater than warehousing costs and, accordingly, location and transportation capabilities are major competitive factors. The size of a warehouse is important in part because large customers generally prefer to have all of their products needed to serve a given market in a single location and to have the flexibility to increase storage at that single location during seasonal peaks. In areas with direct local competition, customers generally will select a temperature-controlled warehouse based upon service level, price and the quality of the warehouse. In addition, some food producers and distributors attend to their own warehousing and distribution needs by either building or leasing warehouses, creating a private warehousing market which may compete with the public warehouse industry. Many customers, including those for whom private warehousing is a viable option, will select distribution services based upon service level and price, provided that an appropriate network of related storage facilities is available. The breadth and quality of information and integrated logistics management services provided are additional and increasingly important bases upon which we compete in the marketplace. In addition, we compete for the business of customers and potential customers who may choose to provide temperature-controlled warehousing in-house.

United States

Outside the five largest owners of temperature-controlled warehouses, the United States temperature-controlled warehouse industry is highly fragmented among numerous owners and operators. We believe our main competitors include Lineage Logistics, LLC, Preferred Freezer Services, LLC, United States Cold Storage, Inc. (an affiliate of John Swire & Sons), AGRO Merchants Group, Interstate Warehousing, Cloverleaf Cold Storage, NewCold, and Henningsen Cold Storage Co, in addition to numerous other local, regional and national temperature-controlled warehouse owners and operators.

Australia

Our main competitors in Australia include Emergent, A.B. Oxford, Montagues (acquired by Emergent Cold during February 2019) and NewCold, which operate warehouses and service many of the Australian markets. Generally, our other competitors operate in only one region and do not compete in the retail market that comprises the majority of our revenues.

New Zealand

Our main competitors in New Zealand are PolarCold Stores and Halls Transport. Polar Cold operates an estimated seven warehouses and is the largest public warehouse operator in New Zealand. Polarcold Stores specializes in bulk storage and focuses on the commodity market with warehouses located near New Zealand's ports. Halls Transport is primarily a transporter that also operates a network of 3 warehouses. Generally, our other competitors also service the commodity market and operate in only one region.

Argentina

We have several competitors in the Buenos Aires market, which in the past tended to be smaller single-site operations or fragmented networks. While we are aware some operators are considering consolidating public warehouse facilities in Argentina, the greatest sources of competition in Argentina are the disproportionate number of producers (compared to the United States) that continue to in-source their temperature-controlled storage needs.

Employees

As of December 31, 2018 , worldwide we employed approximately 11,000 people, approximately 56% of which were represented by various local labor unions and associations, and 84 of our 155 warehouses have unionized associates that are governed by 69 different collective bargaining agreements. We are currently in negotiations for five new agreements. Since January 1, 2016, we have successfully negotiated 55 collective bargaining agreements without any work stoppages. As of December 31, 2018, we have completed collective bargaining for an additional three agreement renewals and are awaiting ratification votes. Additionally, we have one agreement that has expired and the Company and union are operating under the expired agreement while continuing negotiations.

During 2019 , we will engage in negotiations for an additional 12 agreements covering all or parts of 29 operating locations worldwide. We do not anticipate any workplace disruptions during this renewal process.

REGULATORY MATTERS

Many laws and governmental regulations are applicable to our properties and changes in these laws and regulations, or interpretation of such laws and regulations by agencies and the courts, occur frequently.

Environmental Matters

Our operations are subject to a wide range of environmental laws and regulations in each of the locations in which we operate, and compliance with these requirements involves significant capital and operating costs. Failure to comply with these environmental requirements can result in civil or criminal fines or sanctions, claims for environmental damages, remediation obligations, revocation of environmental permits or restrictions on our operations. Future changes in environmental laws or in the interpretation of those laws, including stricter requirements affecting our operations, could result in increased capital and operating costs, which could materially and adversely affect our business, financial condition, liquidity, results of operations and prospects and, consequently, amounts available for distribution to our shareholders.

Food Safety Regulations

Most of our warehouses are subject to compliance with federal regulations regarding food safety. Under the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, the United States Food and Drug Administration, or the FDA, requires us to register all warehouses in which food is stored and further requires us to maintain records of sources and recipients of food for purposes of food recalls.

The Food Safety Modernization Act, or FSMA significantly expanded the FDA's authority over food safety, providing the FDA with new tools to proactively ensure the safety of the entire food system, including new hazard analysis and preventive controls requirements, food safety planning, requirements for sanitary transportation of food, and increased inspections and mandatory food recalls under certain circumstances. The most significant rule under the FSMA which impacts our business is the Current Good Manufacturing Practice and Hazard Analysis and Risk-Based Preventive Controls for Human Food rule. This rule requires a food facility to establish a food safety system that includes an analysis of hazards and the implementation of risk-based preventive controls, among other steps. This is in addition to requirements that we satisfy existing Good Manufacturing Practices with respect to the holding of foods, as set forth in FDA regulations. The USDA also grants to some of our warehouses "ID status," which entitles us to handle products of the USDA. As a result of the regulatory framework from the FDA, the USDA and other local regulatory requirements, we subject our warehouses to periodic food safety audits which are for the most part carried out by ASI Food Safety Consultants, a third-party provider of such audits. In addition to meeting any applicable food safety, food facility registration and record-keeping requirements, our customers often require us to perform food safety audits.

To the extent we fail to comply with existing food safety regulations or contractual obligations, or are required to comply with new regulations or obligations in the future, it could adversely affect our business, financial condition, liquidity, results of operations and prospects, as well as the amount of funds available for distribution to our shareholders.

Occupational Safety and Health Act, or OSHA

Our properties are subject to regulation under OSHA, which requires employers to provide employees with an environment free from hazards, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress and unsanitary conditions. In addition, due to the amount of ammonia stored at some of our facilities, we are also subject to compliance with OSHA's Process Safety Management of Highly Hazardous Chemicals standard and OSHA's ongoing National Emphasis Program related to potential releases of highly hazardous chemicals. The cost of complying with OSHA and similar laws enacted by states and other jurisdictions in which we operate can be substantial, and any failure to comply with these regulations could expose us to substantial penalties and potentially to liabilities to employees who may be injured at our warehouses.

International Regulations

Our international facilities are subject to a number of local laws and regulations which govern a wide range of matters, including building, environmental, health and safety, hazardous substances and new organisms, waste minimization, as well as specific requirements for the storage of meat, dairy products, fish, poultry, agricultural and other products. Any products destined for export must also satisfy the applicable export requirements. A failure to comply with, or the cost of complying with, these laws and regulations could materially adversely affect our business, financial condition, liquidity, results of operations and prospects and, consequently the amounts available for distribution to our shareholders.

INSURANCE COVERAGE

We carry comprehensive general liability, fire, extended coverage, business interruption and umbrella liability coverage on all of our properties with limits of liability which we deem adequate. Similarly, we are insured against the risk of direct physical damage in amounts we believe to be adequate to reimburse us on a replacement basis for costs incurred to repair or rebuild each property, including loss of business profits during the reconstruction period. We also carry coverage for customers' products in our warehouses that are damaged due to our negligence. The cost of all such insurance is passed through to customers as part of their regular rates for storage and handling.

We are self-insured for workers' compensation and health insurance under a large-deductible program, meaning that we have accrued liabilities in amounts that we consider appropriate to cover losses in these areas. In addition, we maintain excess loss coverage to insure against losses in excess of the reserves that we have established for these claims in amounts that we consider appropriate. However, in the unlikely event that our loss experience exceeds our reserves and the limits of our excess loss policies, there could be material adverse effects on our business, financial condition, liquidity, results of operations and prospects.

We will not carry insurance for generally uninsured losses such as loss from riots or war; however, we do include coverage for risks across all programs for acts of terrorism. We carry earthquake insurance on our properties in areas known to be seismically active and flood insurance on our properties in areas known to be flood zones, in an amount and with deductibles which we believe are commercially reasonable. We also carry insurance coverage relating to cybersecurity incidents.

ITEM 1A. Risk Factors

Set forth below are certain risk factors that could harm our business, results of operations and financial condition. You should carefully read the following risk factors, together with the financial statements, related notes and other information contained in this Annual Report on Form 10-K. Our business, financial condition and operating results may suffer if any of the following risks are realized. If any of these risks or uncertainties occur, the trading price of our common shares could decline and you might lose all or part of your investment. This Annual Report on Form 10-K contains forward-looking statements that contain risks and uncertainties. Please refer to the discussion of "Cautionary Statement Regarding Forward-Looking Statements."

Risks Related to our Business and Operations

Our investments are concentrated in the temperature-controlled warehouse industry, and our business would be materially and adversely affected by an economic downturn in that industry or the markets for our customers' products.

Our investments in real estate assets are concentrated in the industrial real estate industry, specifically in temperature-controlled warehouses. This concentration exposes us to the risk of economic downturns in this industry to a greater extent than if our business activities included a more significant portion of other sectors of the real estate market. We are also exposed to fluctuations in the markets for the commodities and finished products that we store in our warehouses. For example, the demand for poultry and poultry products directly impacts the need for temperature-controlled warehouse space to store poultry and poultry products for our customers. Although our customers store a diverse product mix in our temperature-controlled warehouses, declines in demand for their products could cause our customers to reduce their inventory levels at our warehouses, which could reduce the storage and other fees payable to us and materially and adversely affect us.

Our temperature-controlled warehouses are concentrated in certain geographic areas, some of which are particularly susceptible to adverse local conditions.

Although we own or hold leasehold interests in warehouses across the United States and globally, many of these warehouses are concentrated in a few geographic areas. For example, approximately 45.6% of our owned or leased warehouses are located in the states of Georgia, Pennsylvania, California, Wisconsin, Texas, and Washington with approximately 10.5% in Georgia, 7.8% in California, 8.3% in Pennsylvania, 6.9% in Texas, 6.5% in Wisconsin, and 5.5% in Washington (in each case, on a refrigerated cubic-foot basis based on information as of December 31, 2018). We could be materially and adversely affected if conditions in any of the markets in which we have a concentration of properties become less favorable. Local conditions may include natural disasters, periods of economic slowdown or recession, localized oversupply in warehousing space or reductions in demand for warehousing space, adverse agricultural events, disruptions in logistics systems, such as transportation and tracking systems for our customers' inventory, and power outages. In addition, adverse weather patterns may affect local harvests, which could have an adverse effect on our customers and cause them to reduce their inventory levels at our warehouses, which could in turn materially and adversely affect us.

We are exposed to risks associated with expansion and development, which could result in disappointing returns and unforeseen costs and liabilities.

We have engaged, and expect to continue to engage, in expansion and development activities with respect to certain of our properties. This will subject us to certain risks not present for acquisitions of existing properties (the risks of which are described below), including, without limitation, the following:

- our pipeline of expansion and development opportunities are at various stages of discussion and consideration and, based on historical experiences, many of them may not be pursued or completed as contemplated or at all;
- the availability and timing of financing on favorable terms or at all;
- the availability and timely receipt of zoning and regulatory approvals, which could result in increased costs and could require us to abandon our activities entirely with respect to the warehouse for which we are unable to obtain permits or authorizations;
- the cost and timely completion within budget of construction due to increased land, materials, labor or other costs (including risks beyond our control, such as weather or labor conditions, or material shortages), which could make completion of the warehouse or the expansion thereof uneconomical, and we may not be able to increase revenues to compensate for the increase in construction costs;
- we may be unable to complete construction of a warehouse or the expansion thereof on schedule, resulting in increased debt service expense and construction costs;
- the potential that we may expend funds on and devote management time and attention to projects which we do not complete;
- a completed expansion project or a newly-developed warehouse may fail to achieve, or take longer than anticipated to achieve, expected occupancy rates, and may fail to perform as expected;
- we may not be able to successfully integrate expanded or newly-developed properties; and
- we may not be able to achieve targeted returns and budgeted stabilized returns on invested capital on our expansion and development opportunities due to the risks described above, and an expansion or development may not be profitable and could lose money.

These risks could create substantial unanticipated delays and expenses and, in certain circumstances, prevent the initiation or completion of expansion or development as contemplated or at all, any of which could materially and adversely affect us.

In addition, we have grown rapidly over prior years, including by expanding our internal resources, making acquisitions, and entering new markets. Our growth will place a strain on our management, operational, financial and information systems, and procedures and controls to expand, train and control our employee base. Our need for working capital will increase as our operations grow. We can provide no assurance that we will be able to adapt our portfolio management, administrative, accounting, information technology and operational systems to support any growth we may experience. Failure to oversee our current portfolio of properties and manage our growth effectively, or to obtain necessary working capital and funds for capital improvements, could have a material adverse effect on our business, results of operations, cash flow, financial condition and stock price.

A portion of our future growth depends upon acquisitions and we may be unable to identify and complete acquisitions of suitable properties, which may impede our growth, and our future acquisitions may not yield the returns we expect.

Our ability to expand through acquisitions requires us to identify and complete acquisitions that are compatible with our growth strategy and to successfully integrate and operate these newly-acquired properties. We continually evaluate acquisition opportunities, but cannot guarantee that suitable opportunities currently exist or will exist in the future. Our ability to identify and acquire suitable properties on favorable terms and to successfully integrate and operate them may be constrained by the following risks:

- we face competition from other real estate investors with significant capital, including REITs and institutional investment funds, which may be able to accept more risk than we can prudently manage, including risks associated with paying higher acquisition prices;
- we face competition from other potential acquirers that may significantly increase the purchase price for a property we acquire, which could reduce our growth prospects;
- we may incur significant costs and divert management's attention in connection with evaluating and negotiating potential acquisitions, including ones that we are subsequently unable to complete;
- we may acquire properties that are not accretive to our operating and financial results upon acquisition, and we may be unsuccessful in integrating and operating such properties in accordance with our expectations;
- our cash flow from an acquired property may be insufficient to meet our required principal and interest payments with respect to any debt used to finance the acquisition of such property;
- we may discover unexpected items, such as unknown liabilities, during our due diligence investigation of a potential acquisition or other customary closing conditions may not be satisfied, causing us to abandon an acquisition opportunity after incurring expenses related thereto;
- we may face opposition from governmental authorities or third parties alleging that potential acquisition transactions are anti-competitive, and as a result, we may have to spend a significant amount of time and expense to respond to related inquiries, or governmental authorities may prohibit the transaction or impose terms or conditions that are unacceptable to us;
- we may fail to obtain financing for an acquisition on favorable terms or at all;
- we may be unable to make, or may spend more than budgeted amounts to make, necessary improvements or renovations to acquired properties;
- we may spend more than budgeted amounts to meet customer specifications on a newly-acquired warehouse;
- market conditions may result in higher than expected vacancy rates and lower than expected storage charges, rent or fees; or
- we may, without any recourse, or with only limited recourse, acquire properties subject to liabilities, such as liabilities for clean-up of undisclosed environmental contamination, claims by customers, vendors or other persons dealing with the former owners of the properties, liabilities incurred in the ordinary course of business and claims for indemnification by general partners, directors, officers and others indemnified by the former owners of the properties.

Our inability to identify and complete suitable property acquisitions on favorable terms or at all, or to integrate and operate newly-acquired properties to meet our financial, operational and strategic expectations, could have a material adverse effect on us.

Competition in our markets may increase over time if our competitors open new warehouses.

We compete with other owners and operators of temperature-controlled warehouses (including our customers or potential customers who may choose to provide temperature-controlled warehousing in-house), some of which own properties similar to ours in similar geographic locations. In recent years, our competitors, including Lineage Logistics, LLC, Preferred Freezer Services, LLC, United States Cold Storage, Inc. (an affiliate of John Swire & Sons), AGRO Merchants Group, Interstate Warehousing, Cloverleaf Cold Storage, NewCold, Emergent, A.B. Oxford and Polarcold Stores have added, through construction and development, temperature-controlled warehouses in certain of our markets. In addition, our customers or potential customers may choose to develop new temperature-controlled warehouses, expand their existing temperature-controlled warehouses or upgrade their equipment. Many of our warehouses are older, and as our warehouses and equipment age and newer warehouses and equipment come onto the market, we may lose existing or potential customers, and we may be pressured to reduce our rent and storage and other fees below those we currently charge in order to retain customers. If we lose one or more customers, we cannot assure you that we would be able to replace those customers on attractive terms or at all. We also may be forced to invest in new construction or reposition existing warehouses at significant costs in order to remain competitive. Increased capital expenditures or the loss of warehouse segment revenues resulting from lower occupancy or storage rates could have a material adverse effect on us.

We may be unable to successfully expand our operations into new markets.

If the opportunity arises, we may acquire or develop properties in new markets. In particular, we have determined to strategically grow our warehouse portfolio in attractive international markets. In addition to the risks described above under "—A portion of our future growth depends upon acquisitions and we may be unable to identify and complete acquisitions of suitable properties, which may impede our growth, and our future acquisitions may not yield the returns we expect" and "—We are exposed to risks associated with expansion and development, which could result in disappointing returns and unforeseen costs and liabilities," the acquisition or development of properties in new markets will subject us to the risks associated with a lack of understanding of the related economy and unfamiliarity with government and permitting procedures. We will also not possess the same level of familiarity with the dynamics and market conditions of any new market that we may enter, which could adversely affect our ability to successfully expand and operate in such market. We may be unable to build a significant market share or achieve a desired return on our investments in new markets. If we are unsuccessful in expanding and operating in new, high-growth markets, it could have a material adverse effect on us.

We depend on certain customers for a substantial amount of our warehouse segment revenues.

During the year ended December 31, 2018 and 2017, our 25 largest customers in our warehouse segment contributed approximately 63% and 61%, respectively, of our warehouse segment revenues. As of December 31, 2018, we had one customer that accounted for 9.1% of our warehouse segment revenues and 10 customers that each accounted for at least 2% of our warehouse segment revenues. In addition, as of December 31, 2018, 39 of our warehouses were predominantly single-customer warehouses. If any of our most significant customers were to discontinue or otherwise reduce their use of our warehouses or other services, which they are generally free to do at any time unless they are party to a contract that includes a fixed storage commitment, we would be materially and adversely affected. While we have contracts with stated terms with certain of our customers, most of our contracts do not obligate our customers to use our warehouses or provide for fixed storage commitments. Moreover, a decrease in demand for certain commodities or products produced by our significant customers and stored in our temperature-controlled warehouses would lower our occupancy rates and use of our services, without lowering our fixed costs, which could have a material adverse effect on us. In addition, while some of our warehouses are located in primary markets, others are located in secondary and tertiary markets that are specifically suited to the particular needs of the customer utilizing these warehouses. For example, our production advantaged warehouses typically serve one or a small number of customers. These warehouses are also generally located adjacent to or otherwise in close proximity to customer processing or production facilities and were often build-to-suit at the time of their construction. If customers who utilize this type of warehouse, which may be located in remote areas, relocate their processing or production plants, default or otherwise cease to use our warehouses, then we may be unable to find replacement customers for these warehouses on favorable terms or at all or, if we find replacement customers, we may have to incur significant costs to reposition these warehouses for the replacement customers' needs, any of which could have a material adverse effect on us.

Our customers could experience bankruptcy, insolvency or financial deterioration.

Our customers could experience a downturn in their businesses, which may weaken their financial condition and liquidity and result in their failure to make timely payments to us or otherwise default under their contracts or a decrease in their inventory levels with us and use of our services, without lowering our fixed costs, which could materially and adversely affect us.

If our customers are unable to comply with the terms of their contracts with us, we may be forced to modify these contracts on terms that are not favorable to us. Alternatively, customers may seek to cancel their contracts. Termination provisions in our contracts vary, but generally permit either party to terminate the contract upon a material breach by the counterparty and otherwise are specifically determined for each customer based on several factors. These include the volume of business involved, the readiness and quality of available capacity elsewhere and the customer's internal constraints affecting its ability to move product. Cancellation of, or the failure of a customer to perform under, a contract could require us to seek replacement customers. There can be no assurance that we would be able to find suitable replacements on favorable terms in a timely manner or at all or reposition the warehouses without incurring significant costs.

A bankruptcy filing by or relating to any of our customers could prevent or delay us from collecting pre-bankruptcy obligations. In addition, to the extent that our customers have continuing obligations under any warehouse contract, the bankruptcy court might authorize the customer to reject and terminate its warehouse contract with us, or the bankruptcy trustee might pursue preferential payments made to us prior to a bankruptcy. In such instances, our claim for unpaid charges would likely not be paid in full, even if we have secured warehouseman's liens on our customer's assets. Additionally, any such lien may attach to products that are perishable or otherwise not readily saleable by us. Although we have in the past been deemed to have "critical vendor" status in certain bankruptcy filings, which resulted in our customer being able to pay us pre-bankruptcy obligations, there is no guarantee that we will be granted any such status in the future.

The bankruptcy, insolvency or financial deterioration of our customers, particularly our significant customers, could materially and adversely affect us.

The short-term nature and lack of fixed storage commitments of many of our customer contracts exposes us to certain risks that could have a material adverse effect on us.

For the year ended December 31, 2018, 44.8% of our warehouse segment revenues were generated from contracts with a fixed storage commitment or leases with customers. Annualized committed rent and storage revenues attributable to our fixed storage commitment contracts and leases as of December 31, 2018 equaled 42.8% of our total warehouse segment rent and storage revenues for the year ended December 31, 2018.

Our customer contracts that do not contain fixed storage commitments typically do not require our customers to utilize a minimum number of pallet positions or provide for guaranteed fixed payment obligations from any customers to us. As a result, most of our customers may discontinue or otherwise reduce their use of our warehouses or other services in their discretion at any time, without lowering our fixed costs, which could have a material adverse effect on us. Additionally, we have discrete pricing for our customers based upon their unique profiles. Therefore, a shift in the mix of business types or customers could negatively impact our financial results.

The storage and other fees we generate from customers with month-to-month warehouse rate agreements may be adversely affected by declines in market storage and other fee rates more quickly than with respect to our contracts that contain stated terms. There also can be no assurance that we will be able to retain any customers upon the expiration of their contracts (whether month-to-month warehouse rate agreements or contracts) or leases. If we cannot retain our customers, or if our customers that are not party to contracts with fixed storage commitments elect not to store goods in our warehouses, we may be unable to find replacement customers on favorable terms or at all or on a timely basis and we may incur significant expenses in obtaining replacement customers and repositioning warehouses to meet their needs. Any of the foregoing could materially and adversely affect us.

We depend on key personnel and specialty personnel, and the loss of key personnel and limited availability of skilled personnel in our labor markets could harm our business and operating and financial results.

Our success depends to a significant degree upon the continued contributions of certain key personnel, each of whom would be difficult to replace. If any of our key personnel were to cease employment with us, our operating and financial results could suffer. Further, such a loss could be negatively perceived in the capital markets. We have not obtained and do not expect to obtain key man life insurance on any of our key personnel. Our ability to retain our management group or to attract suitable replacements should any members of our management team leave is dependent on the competitive nature of the employment market. The loss of services from key members of our management team or a limitation of their availability could materially and adversely affect us.

We also believe that our future success, particularly in international markets, will depend in large part upon our ability to hire and retain highly skilled managerial, investment, financing, operational and marketing personnel. The customer service, marketing skills and knowledge of local market demand and competitive dynamics of our employees are contributing factors to our ability to maximize our income and to achieve the highest sustainable storage levels at each of our warehouses. We may be unsuccessful in attracting and retaining such skilled personnel. In addition, our temperature-controlled warehouse business depends on the continued availability of skilled personnel with engineering expertise and experience. Competition for such personnel is intense, and we may be unable to hire and retain such personnel.

Wage increases driven by applicable legislation and competitive pressures on employee wages and benefits could negatively affect our operating margins and our ability to attract qualified personnel.

Our hourly employees in the U.S. and internationally are typically paid wage rates above the applicable minimum wage. However, increases in the minimum wage will increase our labor costs if we are to continue paying our hourly employees above the applicable minimum wage. If we are unable to continue paying our hourly employees above the applicable minimum wage, we may be unable to hire and retain qualified personnel. The U.S. federal minimum wage has been $7.25 per hour since July 24, 2009. From time to time, various U.S. federal, state and local legislators have proposed or enacted significant changes to the minimum wage requirements. For example, certain local or regional governments in places such as Chicago, Los Angeles, Seattle, San Francisco, Portland and New York have approved phased-in increases that eventually will take their minimum wage to as high as $15.00 per hour. If similar increases were to occur in additional markets in which we operate, our operating margins would be negatively affected unless we are able to increase our rent, storage fees and handling fees in order to pass increased labor costs on to our customers.

Competitive pressures may also require that we enhance our pay and benefits package to compete effectively for such personnel (including costs associated with health insurance coverage or workers' compensation insurance). If we fail to attract and retain qualified and skilled personnel, we could be materially and adversely affected.

We may be subject to work stoppages, which could increase our operating costs and disrupt our operations.

Certain portions of our operations are subject to collective bargaining agreements. As of December 31, 2018, worldwide, we employed approximately 11,000 people, approximately 56% of which were represented by various local labor unions, and 84 of our 155 warehouses have unionized associates that are governed by 69 different collective bargaining agreements. Unlike owners of industrial warehouses, we hire our own workforce to handle and store items for our customers. Strikes, slowdowns, lockouts or other industrial disputes could cause us to experience a significant disruption in our operations, as well as increase our operating costs, which could materially and adversely affect us. If a greater percentage of our work force becomes unionized, we could be materially and adversely affected. Since January 1, 2016, we have successfully negotiated 55 collective bargaining agreements without any work stoppages. To date, one agreement has expired and the Company and union are operating under the expired agreement while continuing negotiations. If we fail to re-negotiate our expired or expiring collective bargaining agreements on favorable terms in a timely manner or at all, we could be materially and adversely affected.

We are subject to additional risks with respect to our current and potential international operations and properties.

As of December 31, 2018, we owned or had a leasehold interest in 14 temperature-controlled warehouses outside the United States, and we managed four warehouses outside the United States on behalf of third parties. We also intend to strategically grow our portfolio globally through acquisitions of temperature-controlled warehouses in attractive international markets to service demonstrable customer demand where we believe the anticipated risk-adjusted returns are consistent with our investment objectives. Specifically, we are targeting attractive growth opportunities for temperature-controlled warehouses in international markets in Australia. However, there is no assurance that our existing customer relationships will support our international operations in any meaningful way or at all. Our international operations and properties could be affected by factors peculiar to the laws and business practices of the jurisdictions in which our warehouses are located. These laws and business practices expose us to risks that are different than or in addition to those commonly found in the United States. Risks relating to our international operations and properties include:

- changing governmental rules and policies, including changes in land use and zoning laws;
- enactment of laws relating to the international ownership of real property or mortgages and laws restricting the ability to remove profits earned from activities within a particular country to a person’s or company’s country of origin;
- variations in currency exchange rates;
- adverse market conditions caused by terrorism, civil unrest and changes in international, national or local governmental or economic conditions;
- the willingness of U.S. or international lenders to make mortgage loans in certain countries and changes in the availability, cost and terms of secured and unsecured debt resulting from varying governmental economic policies;
- the imposition of unique tax structures and changes in real estate and other tax rates and other operating expenses in particular countries;
- general political and economic instability;
- potential liability under the Foreign Corrupt Practices Act of 1977, as amended, which generally prohibits U.S. companies and their intermediaries from bribing or making other prohibited payments to non-U.S. officials for the purpose of obtaining or retaining business or other benefits;
- our limited experience and expertise in foreign countries relative to our experience and expertise in the United States;
- provisions of the Tax Cuts and Jobs Act, or TCJA, that require the United States parent to include income from certain international operations into U.S. taxable income, and adverse tax consequences in the applicable jurisdictions; and

- potential liability under, and costs of complying with, more stringent environmental laws or changes in the requirements or interpretation of existing laws, or environmental consequences of less stringent environmental management practices in foreign countries relative to the United States.

If any of the foregoing risks were to materialize, they could materially and adversely affect us.

Our warehouse business outside the United States exposes us to losses resulting from currency fluctuations.

Our warehouse business outside the United States exposes us to losses resulting from currency fluctuations, as the revenues associated with our international operations and properties are generated in the local currency of each of the countries in which the properties are located. Fluctuations in exchange rates between these currencies and the U.S. dollar will therefore give rise to non-U.S. currency exposure, which could materially and adversely affect us. We may attempt to mitigate any such effects by entering into currency exchange rate hedging arrangements where it is practical to do so and where such hedging arrangements are available. These hedging arrangements may bear substantial costs, however, and may not eliminate all related risks. We cannot assure you that our efforts will successfully mitigate our currency risks. Moreover, if we do engage in currency exchange rate hedging activities, any income recognized with respect to these hedges (as well as any foreign currency gain recognized with respect to changes in exchange rates) may not qualify under the 75% gross income test or the 95% gross income test that we must satisfy annually in order to qualify as a REIT under the Internal Revenue Code of 1986, as amended, or the Code.

The Argentine foreign exchange market is subject to controls, which may adversely affect our ability to repatriate the revenues we derive from our Argentine operations.

Since December 2001, different Argentine government administrations have established and implemented various restrictions on foreign currency transfers, including certain restrictions on the ability to repatriate earnings from Argentina. Although in December 2015, the Macri administration eliminated or otherwise reduced many of such restrictions, we cannot assure you that such measures will not be implemented in the future again.

The impact that these current measures will have on the Argentine economy and on us is still uncertain. We cannot assure you that the current regulations will not be amended, or that no new regulations will be enacted in the future imposing other limitations on funds flowing into and out of the Argentine foreign exchange market. Any such new measures, as well as any additional regulations and/or restrictions, could materially and adversely affect our ability to repatriate the revenues we derive from our Argentine operations or transfer funds abroad.

In the future, we cannot rule out a less favorable international economic environment, lack of stability and competitiveness of the Argentine currency against other foreign currencies, a lower level of confidence among consumers and foreign and domestic investors, a higher inflation rate or future political uncertainties, among other factors. In case any such circumstances occur, it could materially and adversely affect the results of our operations in Argentina.

We may incur liabilities or harm our reputation as a result of quality-control issues associated with our warehouse storage and other services.

We store frozen and perishable food and other products. Product contamination, spoilage, other adulteration, product tampering or other quality control issues could occur at any of our temperature-controlled warehouses or during the transportation of these products, which could cause our customers to lose all or a portion of their inventory. We could be liable for the costs incurred by our customers as a result of the lost inventory, and we also may be subject to liability, which could be material, if any of the frozen and perishable food products we stored or transported caused injury, illness or death. The occurrence of any of the foregoing may negatively impact our brand and reputation and otherwise have a material adverse effect on us.

Our temperature-controlled warehouse infrastructure may become obsolete or unmarketable and we may not be able to upgrade our equipment cost-effectively or at all.

The infrastructure at our temperature-controlled warehouses may become obsolete or unmarketable due to the development of, or demand for, more advanced equipment or enhanced technologies. In addition, our information technology platform pursuant to which we provide inventory management and other services to our customers may become outdated. When customers demand new equipment or technologies, the cost could be significant and we may not be able to upgrade our warehouses on a cost-effective basis in a timely manner, or at all, due to, among other things, increased expenses to us that cannot be passed on to customers or insufficient resources to fund the necessary capital expenditures. The obsolescence of our infrastructure or our inability to upgrade our warehouses would likely reduce warehouse segment revenues, which could have a material adverse effect on us.

A failure of our information technology systems, cybersecurity attacks or a breach of our information security systems, networks or processes could cause loss of confidential information and other business disruptions and may materially adversely affect our business.

We rely extensively on our computer systems to process transactions and operate and manage our business. Despite efforts to avoid or mitigate such risks, external and internal risks, such as malware, insecure coding, data leakage and human error pose direct threats to the stability and effectiveness of our information technology systems. The failure of our information technology systems to perform as anticipated could adversely affect our business through transaction errors, billing and invoicing errors, processing inefficiencies or errors and loss of sales, receivables, collections and customers, in each case, which could result in reputational damage and have an ongoing adverse effect on our business, results of operation and financial condition.

We may also be subject to cybersecurity attacks and other intentional hacking. These attacks could include attempts to gain unauthorized access to our data and computer systems. We employ a number of measures to prevent, detect and mitigate these threats, which include password protection, frequent password changes, firewall detection systems, frequent backups, a redundant data system for core applications and annual penetration testing; however, there is no guarantee such efforts will be successful in preventing a cybersecurity attack. A cybersecurity attack or breach could compromise the confidential information of our employees, customers and vendors. A successful attack could result in service interruptions, operational difficulties, loss of revenue or market share, liability to our customers or others, diversion of corporate resources and injury to our reputation and increased costs. Addressing such issues could prove difficult or impossible and be very costly. Responding to claims or liability could similarly involve substantial costs. Recently, there has been heightened interest in regulatory and enforcement focus on data protection regulations or standards both in the United States and abroad. Failure to comply with applicable data protection regulations or standards may expose us to litigation, fines, sanctions or other penalties, which could damage our reputation and adversely impact our business, results of operation and financial condition. In addition, our customers rely extensively on computer systems to process transactions and manage their business and thus their businesses are also at risk from, and may be impacted by, cybersecurity attacks. An interruption in the business operations of our customers or a deterioration in their reputation resulting from a cybersecurity attack could indirectly impact our business operations. As of December 31, 2018, we have not had a significant cyber breach or attack that had an adverse material impact on our business, financial condition, liquidity or results of operations.

Our properties are designed specifically for use as temperature-controlled warehouses, which could make it difficult for us to reposition or sell these properties.

Our properties are highly specialized temperature-controlled warehouses, many of which are located in secondary or tertiary markets. Such warehouses are often custom-designed to meet specific customer needs. As a result, our warehouses are not well-suited for uses other than temperature-controlled storage. Major renovations and expenditures would be required to convert our temperature-controlled warehouses for most other uses. In the event we experience a significant decline in demand for temperature-controlled storage at any of our warehouses, it could be difficult to reposition or sell these properties on favorable terms, or at all, and the value of our temperature-controlled warehouses may be impaired due to the costs of reconfiguring our temperature-controlled warehouses for alternative purposes and the removal or modification of the specialized systems and equipment, any of which could have a material adverse effect on us.

We depend on third-party trucking service providers to provide transportation services to our customers, and any delays or disruptions in providing these transportation services, or damages caused to products during transportation, could have a material adverse effect on us.

We offer transportation services to our customers primarily on a brokerage basis and do not own meaningful transportation assets, such as trucks or containers. We depend on third-party trucking service providers to provide refrigerated transportation services to our customers. We do not have an exclusive or long-term contractual relationship with any of these third-party trucking service providers, and we can provide no assurance that our customers will have uninterrupted or unlimited access to their transportation assets or services. Any delays or disruptions in providing these transportation services to our customers could reduce the confidence our customers have in our ability to provide transportation services and could impair our ability to retain existing customers or attract new customers. Moreover, in connection with any such delays or disruptions, or if customers’ products are damaged or destroyed during transport, we could incur financial obligations or be subject to lawsuits by our customers. Any of these risks could have a material adverse effect on us.

If we fail to implement and maintain an effective system of internal control over financial reporting, we may not be able to accurately determine or disclose our financial results. As a result, our shareholders could lose confidence in our financial results.

Effective internal control over financial reporting is necessary for us to provide reliable financial reports. We may in the future discover areas of our internal control over financial reporting that need improvement. We cannot be certain that we will be successful in implementing or maintaining an effective system of internal control over financial reporting, or that material weaknesses or significant deficiencies will not be identified in the future. Furthermore, the existence of a material weakness or significant deficiency in our internal control over financial reporting would require our management to devote significant time and attention and incur significant expense to remediate any such material weakness or significant deficiency, and management may not be able to remediate any such material weakness or significant deficiency in a timely manner. The existence of any material weakness or significant deficiency in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause shareholders to lose confidence in our reported financial information, which could materially and adversely affect us and lead to a significant decline in the market price of our common shares.

We participate in multiemployer pension plans administered by labor unions. To the extent we withdraw from participation in any of these plans, we could face withdrawal liability from our participation therein.

As of December 31, 2018, we participated in seven multiemployer pension plans under the terms of collective bargaining agreements with labor unions representing the Company’s associates. Approximately 35%

of our employees were participants in such multiemployer pension plans as of December 31, 2018. We make periodic contributions to these plans pursuant to the terms of our collective bargaining agreements to allow the plans to meet their pension benefit obligations.

In the event that we withdraw from participation in any of the multiemployer pension plans in which we participate or should any of the pension plans in which we participate fail, the documents governing the applicable plan and applicable law could require us to make an additional contribution to the applicable plan in the amount of the unfunded vested benefits allocable to our participation in the plan, and we would have to reflect that as an expense on our consolidated statement of income and as a liability on our consolidated balance sheet. Our liability for any multiemployer pension plan would depend on the extent of the plan's funding of vested benefits as of the year in which the withdrawal or failure occurs, and may vary depending on the funded status of the applicable multiemployer pension plan, whether there is a mass withdrawal of all participating employers and whether any other participating employer in the applicable plan withdraws from the plan due to insolvency and is not able to contribute an amount sufficient to fund the unfunded liabilities associated with its participants in the plan. Based on the latest information available from plan administrators, we estimate our share of the aggregate withdrawal liability for the multiemployer pension plans in which we participate could have been as much as $511.7 million as of December 31, 2018, of which we estimate that certain of our customers are contractually obligated to make indemnification payments to us for approximately $455.8 million . However, there is no guarantee that, to the extent we incurred any such withdrawal liability, we would be successful in obtaining any indemnification payments therefor.

In the ordinary course of our renegotiation of collective bargaining agreements with labor unions that maintain these plans, we could agree to discontinue participation in one or more plans, and in that event we could face a withdrawal liability. Additionally, we could be treated as withdrawing from a plan if the number of our employees participating in the plan is reduced to a certain degree over certain periods of time.

Some multiemployer pension plans, including ones in which we participate, are reported to have significant underfunded liabilities. Such underfunding could increase the size of our potential withdrawal liability. Additionally, changes to multiemployer pension plan laws and regulations could increase our potential cost of withdrawing from one or more multiemployer pension plans.

Power costs may increase or be subject to volatility, which could result in increased costs that we may be unable to recover.

Power is a major operating cost for temperature-controlled warehouses, and the price of power varies substantially between the markets in which we operate, depending on the power source and supply and demand factors. For the years ended December 31, 2018 and 2017, power costs in our warehouse segment accounted for 9.0% and 9.1%, respectively, of the segment's operating expenses. We have implemented programs across our warehouses to reduce overall consumption and to reduce consumption at peak demand periods, when power prices are typically highest. However, there can be no assurance that these programs will be effective in reducing our power consumption.

We have entered into, or may in the future enter into, fixed price power purchase agreements in certain deregulated markets whereby we contract for the right to purchase an amount of electric capacity at a fixed rate per kilowatt. These contracts do not obligate us to purchase any minimum amounts but would require negotiation if our capacity requirements were to materially differ from historical usage or exceed the thresholds agreed upon. For example, exceeding these thresholds could have an adverse impact on our incremental power purchase costs if we were to be unable to obtain favorable rates on the incremental purchases.

If the cost of electric power to operate our warehouses increases dramatically or fluctuates widely and we are unable to pass such costs through to customers, we could be materially and adversely affected.

We could experience power outages or breakdowns of our refrigeration equipment.

Our warehouses are subject to electrical power outages and breakdowns of our refrigeration equipment. We attempt to limit exposure to such occasions by using backup generators and power supplies, generally at a significantly higher operating cost than we would pay for an equivalent amount of power from a local utility, and by conducting regular maintenance and upgrades to our refrigeration equipment. However, we may not be able to limit our exposure entirely even with these protections in place. Power outages that last beyond our backup and alternative power arrangements and refrigeration equipment breakdowns would harm our customers and our business. During power outages and refrigeration equipment breakdowns, changes in humidity and temperature could spoil or otherwise contaminate the frozen and perishable food and other products stored by our customers. We could incur financial obligations to, or be subject to lawsuits by, our customers in connection with these occurrences, which may not be covered by insurance. Any loss of services or product damage could reduce the confidence of our customers in our services and could consequently impair our ability to attract and retain customers. Additionally, in the event of the complete failure of our refrigeration equipment, we would incur significant costs in repairing or replacing our refrigeration equipment, which may not be covered by insurance. Any of the foregoing could have a material adverse effect on us. As of December 31, 2018, we have not had a significant power outage or breakdown of our refrigeration equipment.

We hold leasehold interests in 25 of our warehouses, and we may be forced to vacate our warehouses if we default on our obligations thereunder and we will be forced to vacate our warehouses if we are unable to renew such leases upon their expiration.

As of December 31, 2018, we held leasehold interests in 25 of our warehouses. These leases expire (taking into account our extension options) from August 2019 to August 2050, and have a weighted-average remaining term of 21 years. If we default on any of these leases, we may be liable for damages and could lose our leasehold interest in the applicable property, including all improvements. We would incur significant costs if we were forced to vacate any of these leased warehouses due to, among other matters, the high costs of relocating the equipment in our warehouses. If we were forced to vacate any of these leased warehouses, we could lose customers that chose our storage or other services based on our location, which could have a material adverse effect on us. Our landlords could attempt to evict us for reasons beyond our control. Further, we may be unable to maintain good working relationships with our landlords, which could adversely affect our relationship with our customers and could result in the loss of customers. In addition, we cannot assure you that we will be able to renew these leases prior to their expiration dates on favorable terms or at all. If we are unable to renew our lease agreements, we will lose our right to operate these warehouses and be unable to derive revenues from these warehouses and, in the case of ground leases, we forfeit all improvements on the land. We could also lose the customers using these warehouses who are unwilling to relocate to another one of our warehouses, which could have a material adverse effect on us. Furthermore, unless we purchase the underlying fee interests in these properties, as to which no assurance can be given, we will not share in any increase in value of the land or improvements beyond the term of such lease, notwithstanding any capital we have invested in the applicable warehouse, especially warehouses subject to ground leases. Even if we are able to renew these leases, the terms and other costs of renewal may be less favorable than our existing lease arrangements. Failure to sufficiently increase revenues from customers at these warehouses to offset these projected higher costs could have a material adverse effect on us.

We have limited experience operating as a publicly traded REIT.

We have limited experience operating as a publicly traded REIT. As a publicly traded REIT, we are required to develop and implement substantial control systems, policies and procedures in order to maintain our REIT qualification and satisfy our periodic SEC reporting, SEC compliance and NYSE listing requirements. We cannot assure you that our management's past experience will be sufficient to successfully develop and implement these systems, policies and procedures and to operate our company as a publicly traded REIT. Any difficulty we have in operating as a publicly traded REIT in compliance with these requirements could subject us to significant fines, sanctions and other liabilities and jeopardize our status as a REIT or as a public company listed on the NYSE, which could materially and adversely affect us.

General Risks Related to the Real Estate Industry

Our performance and value are subject to economic conditions affecting the real estate market, temperature-controlled warehouses in particular, as well as the broader economy.

Our performance and value depend on the amount of revenues earned, as well as the expenses incurred, in connection with operating our warehouses. If our temperature-controlled warehouses do not generate revenues and operating cash flows sufficient to meet our operating expenses, including debt service and capital expenditures, we could be materially and adversely affected. In addition, there are significant expenditures associated with our real estate (such as mortgage payments, real estate taxes and maintenance costs) that generally do not decline when circumstances reduce the revenues from our warehouses. Accordingly, our expenditures may stay constant, or increase, even if our revenues decline. The real estate market is affected by many factors that are beyond our control, and revenues from, and the value of, our properties may be materially and adversely affected by:

- changes in the national, international or local economic climate;
- availability, cost and terms of financing;
- technological changes, such as expansion of e-commerce, reconfiguration of supply chains, automation, robotics or other technologies;
- the attractiveness of our properties to potential customers;
- inability to collect storage charges, rent and other fees from customers;
- the ongoing need for, and significant expense of, capital improvements and addressing obsolescence in a timely manner, particularly in older structures;
- changes in supply of, or demand for, similar or competing properties in an area;
- customer retention and turnover;
- excess supply in the market area;
- financial difficulties, defaults or bankruptcies by our customers;
- changes in operating costs and expenses and our ability to control rates;
- changes in or increased costs of compliance with governmental rules, regulations and fiscal policies, including changes in tax, real estate, environmental and zoning laws, and our potential liability thereunder;
- our ability to provide adequate maintenance and insurance;
- changes in the cost or availability of insurance, including coverage for mold or asbestos;
- unanticipated changes in costs associated with known adverse environmental conditions, newly discovered environmental conditions and retained liabilities for such conditions;
- changes in interest rates or other changes in monetary policy;
- disruptions in the global supply-chain caused by political, regulatory or other factors such as terrorism and political instability; and
- civil unrest, acts of war, terrorist attacks and natural disasters, including earthquakes and floods, which may result in uninsured and under-insured losses.

In addition, periods of economic slowdown or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, would result in a general decrease in rates or an increased occurrence of defaults under existing contracts, which could materially and adversely affect us. For these and other reasons, we cannot assure you that we will be able to achieve our business objectives.

We could incur significant costs under environmental laws relating to the presence and management of asbestos, ammonia and other chemicals and underground storage tanks.

Environmental laws in the United States require that owners or operators of buildings containing asbestos properly manage asbestos, adequately inform or train those who may come into contact with asbestos and undertake special precautions, including removal or other abatement, in the event that asbestos is damaged, is decayed, poses a health risk or is disturbed during building renovation or demolition. These laws impose fines and penalties on building owners or operators who fail to comply with these requirements and may allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos and other toxic or hazardous substances. Some of our properties may contain asbestos or asbestos-containing building materials.

Most of our warehouses utilize ammonia as a refrigerant. Ammonia is classified as a hazardous chemical regulated by the U.S. Environmental Protection Agency, or the EPA. Releases of ammonia occur at our warehouses from time to time, and any number of unplanned events, including severe storms, fires, earthquakes, vandalism, equipment failure, operational errors, accidents, deliberate acts of employees or third parties, and terrorist acts could result in a significant release of ammonia that could result in injuries, loss of life, property damage and a significant interruption at affected facilities. For example, in 2015, we identified, and reported when required, ammonia releases across refrigeration systems in six of our facilities. These releases resulted in no significant property damage. In 2016, we identified, and reported when required, ammonia releases across refrigeration systems in eight of our facilities. These releases resulted in no significant property damage. Ammonia exposure can also cause damage to our customers' goods stored with us. In June 2015, a release of ammonia occurred at our Dallas, Texas warehouse, resulting in exposure to over 13,000 pallets of customer goods. Although we cannot predict the extent of our liabilities as a result of these incidents, we expect any related product damage claims to be covered by insurance subject to applicable deductibles. Although our warehouses have risk management programs required by the Occupational Safety and Health Act of 1970, as amended, or OSHA, the EPA and other regulatory agencies in place, we could incur significant liability in the event of an unanticipated release of ammonia from one of our refrigeration systems. Releases could occur at locations or at times when trained personnel may not be available to respond quickly, increasing the risk of injury, loss of life or property damage. Some of our warehouses are not staffed 24 hours a day and, as a result, we may not respond to intentional or accidental events during closed hours as quickly as we could during open hours, which could exacerbate any injuries, loss of life or property damage. We also could incur liability in the event we fail to report such ammonia releases in a timely fashion.

Environmental laws and regulations subject us and our customers to liability in connection with the storage, handling and use of ammonia and other hazardous substances utilized in our operations. Our warehouses also may have under-floor heating systems, some of which utilize ethylene glycol, petroleum compounds, or other hazardous substances; releases from these systems could potentially contaminate soil and groundwater.

In addition, some of our properties have been operated for decades and have known or potential environmental impacts. Other than in connection with financings, we have not historically performed regular environmental assessments on our properties, and we may not do so in the future. Many of our properties contain, or may in the past have contained, features that pose environmental risks including underground tanks for the storage of petroleum products and other hazardous substances as well as floor drains and wastewater collection and discharge systems, hazardous materials storage areas and septic systems. All of these features create a potential for the release of petroleum products or other hazardous substances. Some of our properties are adjacent to or near properties that have known environmental impacts or have in the past stored or handled petroleum products or other hazardous substances that could have resulted in environmental impacts to soils or groundwater that could affect our properties. In addition, former owners, our customers, or third parties outside our control (such as independent transporters) have engaged, or may in the future engage, in activities that have released or may release petroleum products or other hazardous substances on our properties. Any of these activities or circumstances could materially and adversely affect us.

We could incur significant costs related to environmental conditions and liabilities.

Our operations are subject to a wide range of environmental laws and regulations in each of the locations in which we operate, and compliance with these requirements involves significant capital and operating costs. Failure to comply with these environmental requirements can result in civil or criminal fines or sanctions, claims for environmental damages, remediation obligations, the revocation of environmental permits or restrictions on our operations. Future changes in environmental laws, or in the interpretation of those laws, including potential future climate change regulations, such as those affecting electric power providers or regulations related to the control of greenhouse gas emissions, or stricter requirements affecting our operations could result in increased capital and operating costs, which could materially and adversely affect us.

Under various U.S. federal, state and local environmental laws, including the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, commonly known as CERCLA, or the Superfund law, a current or previous owner or operator of real property may be liable for the entire cost of investigating, removing or remediating hazardous or toxic substances on such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the contamination. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for the entire cleanup cost. We may also be subject to environmental liabilities under the regulatory regimes in place in the other countries in which we operate.

The presence of hazardous or toxic substances on our properties, or the failure to properly remediate contaminated properties, could give rise to liens in favor of the government for failure to address the contamination, or otherwise adversely affect our ability to sell or lease properties or borrow using our properties as collateral. Environmental laws also may impose restrictions on the manner in which property may be used or our businesses may be operated.

Under environmental laws, a property owner or operator is subject to compliance obligations, potential government sanctions for violations or natural resource damages, claims from private parties for cleanup contribution or other environmental damages and investigation and remediation costs. In connection with the acquisition, ownership or operation of our properties, we may be exposed to such costs. The cost of resolving environmental, property damage or personal injury claims, of compliance with environmental regulatory requirements, of paying fines, or meeting new or stricter environmental requirements or of remediating contaminated properties could materially and adversely affect us.

Nearly all of our properties have been the subject of environmental assessments conducted by environmental consultants at some point in the past. Most of these assessments have not included soil sampling or subsurface investigations. Many of our older properties have not had asbestos surveys. In many instances, we have not conducted further investigations of environmental conditions disclosed in these environmental assessments nor can we be assured that these environmental assessments have identified all potential environmental liabilities associated with our properties. Material environmental conditions, liabilities or compliance concerns may have arisen or may arise after the date of the environmental assessments on our properties. Moreover, there can be no assurance that (i) future laws, ordinances or regulations will not impose new material environmental obligations or costs, including the potential effects of climate change or new climate change regulations, (ii) we will not incur material liabilities in connection with both known and undiscovered environmental conditions arising out of past activities on our properties or (iii) our properties will not be materially and adversely affected by the operations of customers, by environmental impacts or operations on neighboring properties (such as releases from underground storage tanks), or by the actions of parties unrelated to us.

In the future, our customers may demand lower indirect emissions associated with the storage and transportation of frozen and perishable foods, which could lead customers to seek temperature-controlled storage from our competitors. Further, such demand could require us to implement various processes to reduce emissions from our operations in order to remain competitive, which could materially and adversely affect us.

Our insurance coverage may be insufficient to cover potential environmental liabilities.

We maintain a portfolio environmental insurance policy that provides coverage for sudden and accidental environmental liabilities, subject to the policy's coverage conditions, deductibles and limits, for most of our properties. There is no assurance that future environmental claims will be covered under these policies or that, if covered, the loss will not exceed policy limits. From time to time, we may acquire properties, or interests in properties, with known adverse environmental conditions where we believe that the environmental liabilities associated with these conditions are quantifiable and that the acquisition will yield an attractive risk-adjusted return. In such an instance, we factor the estimated costs of environmental investigation, cleanup and monitoring into the net cost. Further, in connection with property dispositions, we may agree to remain responsible for, and to bear the cost of, remediating or monitoring certain environmental conditions on the properties. A failure to accurately estimate these costs, or uninsured environmental liabilities, could materially and adversely affect us.

Our properties may contain or develop harmful molds or have other air quality issues, which could lead to financial liability for adverse health effects to our employees or third parties, and costs of remediating the problem.

Our properties may contain or develop harmful molds or suffer from other air quality issues, which could lead to liability for adverse health effects and costs of remediating the problem. When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, poor equipment maintenance, chemical contamination from indoor or outdoor sources and other biological contaminants, such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants present above certain levels can cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property, to reduce indoor moisture levels, or to upgrade ventilation systems to improve indoor air quality. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our employees, our customers, employees of our customers and others if property damage or health concerns arise.

Illiquidity of real estate investments, particularly our specialized temperature-controlled warehouses, could significantly impede our ability to respond to adverse changes in the performance of our business and properties.

Real estate investments are relatively illiquid, and given the specialized nature of our business, our temperature-controlled warehouses may be more illiquid than other real estate investments. This illiquidity is driven by a number of factors, including the specialized and often customer-specific design of our warehouses, the relatively small number of potential purchasers of temperature-controlled warehouses and the location of many of our warehouses in secondary or tertiary markets. As a result, we may be unable to complete an exit strategy or quickly sell properties in our portfolio in response to adverse changes in the performance of our properties or in our business generally. We cannot predict whether we will be able to sell any property for the price or on the terms set by us or whether any price or other terms offered by a prospective buyer would be acceptable to us. We also cannot predict the length of time it would take to complete the sale of any such property. Such sales might also require us to expend funds to mitigate or correct defects to the property or make changes or improvements to the property prior to its sale. The ability to sell assets in our portfolio is also restricted by certain covenants in our mortgage loan agreements and other credit agreements. Code requirements relating to our status as a REIT may also limit our ability to vary our portfolio promptly in response to changes in economic or other conditions.

We could experience uninsured or under-insured losses relating to our warehouses and other assets, including our real property.

We carry insurance coverage on all of our properties in an amount that we believe adequately covers any potential casualty losses. However, there are certain losses, including losses from floods, earthquakes, acts of war or riots, that we are not generally insured against or that we are not generally fully insured against because it is not deemed economically feasible or prudent to do so. In addition, changes in the cost or availability of insurance could expose us to uninsured casualty losses. In the event that any of our properties incurs a casualty loss that is not covered by insurance (in part or at all), the value of our assets will be reduced by the amount of any such uninsured loss, and we could experience a significant loss of capital invested and potential revenues in these properties. Any such losses could materially and adversely affect us. In addition, we may have no source of funding to repair or reconstruct the damaged property, and we cannot assure you that any such sources of funding will be available to us for such purposes in the future on favorable terms or at all.

In the event of a fire, flood or other occurrence involving the loss of or damage to stored products held by us but belonging to others, we may be liable for such loss or damage. Although we have an insurance program in effect, there can be no assurance that such potential liability will not exceed the applicable coverage limits under our insurance policies. A number of our properties are located in areas that are known to be subject to earthquake activity, such as California, Washington, Oregon and New Zealand, or in flood zones, such as Appleton, Wisconsin and Roanoke, Virginia, in each case exposing them to increased risk of casualty.

If we or one or more of our customers experiences a loss for which we are liable and that loss is uninsured or exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged.

We are self-insured for workers' compensation and health insurance under a large deductible program, meaning that we have accrued liabilities in amounts that we consider appropriate to cover losses in these areas. In addition, we maintain excess loss coverage to insure against losses in excess of the reserves that we have established for these claims in amounts that we consider appropriate. However, in the event that our loss experience exceeds our reserves and the limits of our excess loss policies, we could be materially and adversely affected.

We may not be reimbursed for increases in operating expenses and other real estate costs.

We may be limited in our ability to obtain reimbursement from customers under existing warehouse contracts for any increases in operating expenses such as electricity charges, maintenance costs, taxes, including real estate and income taxes, or other real estate-related costs. Unless we are able to offset any unexpected costs with sufficient revenues through new warehouse contracts or customers, increases in these costs would lower our operating margins and could materially and adversely affect us.

Costs of complying with governmental laws and regulations could adversely affect us and our customers.

The food industry in all jurisdictions in which we operate is subject to numerous government standards and regulations. While we believe that we are currently in compliance with all applicable government standards and regulations, there can be no assurance that all of our warehouses or our customers' operations are currently in compliance with, or will be able to comply in the future with, all applicable standards and regulations or that the costs of compliance will not increase in the future.

All real property and the operations conducted on real property are subject to governmental laws and regulations relating to environmental protection and human health and safety. Our customers' ability to operate and to satisfy their contractual obligations, including those made to us, may be affected by permitting and compliance obligations arising under such laws and regulations. Some of these laws and regulations could increase their operating costs, result in fines or impose joint and several liability on customers, owners or operators for the costs to investigate or remediate contamination, regardless of fault or whether the acts causing the contamination were legal.

Some of these laws and regulations have been amended so as to require compliance with new or more stringent standards in the future. Compliance with new or more stringent laws or regulations or stricter interpretation of existing laws may require that we or our customers incur material expenditures. In addition, there are various governmental fire, health, safety and similar regulations with which we and our customers may be required to comply and which may subject us and our customers to liability in the form of fines or damages for noncompliance. Any material expenditures, fines or damages imposed on our customers or us could directly or indirectly have a material adverse effect on us. In addition, changes in these governmental laws and regulations, or their interpretation by agencies and courts, could occur.

The Americans with Disabilities Act of 1990, as amended, or the ADA, generally requires that public buildings, including portions of our warehouses, be made accessible to disabled persons. Noncompliance could result in the imposition of fines by the federal government or the award of damages to private litigants. If, under the ADA, we are required to make substantial alterations and capital expenditures in one or more of our warehouses, including the removal of access barriers, it could materially and adversely affect us.

Our properties are subject to regulation under OSHA, which requires employers to protect employees against many workplace hazards, such as exposure to harmful levels of toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress and unsanitary conditions. The cost of complying with OSHA and similar laws enacted by other jurisdictions in which we operate is substantial and any failure to comply with these regulations could expose us to penalties and potentially to liabilities to employees who may be injured at our warehouses, any of which could be material. Furthermore, any fines or violations that we face under OSHA could expose us to reputational risk.

We face ongoing litigation risks which could result in material liabilities and harm to our business regardless of whether we prevail in any particular matter.

We are a large company operating in multiple U.S. and international jurisdictions, with thousands of employees and business counterparts. As such, there is an ongoing risk that we may become involved in legal disputes or litigation with these parties or others. The costs and liabilities with respect to such legal disputes may be material and may exceed our amounts, if any, accrued for such liabilities and costs. In addition, our defense of legal disputes or resulting litigation could result in the diversion of our management's time and attention from the operation of our business, each of which could impede our ability to achieve our business objectives. Some or all of the amounts we may be required to pay to defend or to satisfy a judgment or settlement of any or all of our disputes and litigation may not be covered by insurance.

We face risks stemming from our partial ownership interests in certain properties which could materially and adversely affect the value of our joint venture investments.

We own an interest in one of our properties indirectly through an investment in a joint venture with a third party. In the future, we may make additional investments through joint venture investment vehicles. These investments involve risks not present in investments where a third party is not involved, including the possibility that:

- we and a co-venturer or partner may reach an impasse on a major decision that requires the approval of both parties;
- we may not have exclusive control over the development, financing, management and other aspects of the property or joint venture, which may prevent us from taking actions that are in our best interest but opposed by a co-venturer or partner;
- a co-venturer or partner may at any time have economic or business interests or goals that are or may become inconsistent with ours;
- a co-venturer or partner may encounter liquidity or insolvency issues or may become bankrupt, which may mean that we and any other remaining co-venturers or partners generally would remain liable for the joint venture's liabilities;
- a co-venturer or partner may be in a position to take action contrary to our instructions, requests, policies or investment objectives, including our current policy with respect to maintaining our qualification as a REIT under the Code;
- a co-venturer or partner may take actions that subject us to liabilities in excess of, or other than, those contemplated;
- in certain circumstances, we may be liable for actions of our co-venturer or partner, and the activities of a co-venturer or partner could adversely affect our ability to qualify as a REIT, even if we do not control the joint venture;
- our joint venture agreements may restrict the transfer of a co-venturer's or partner's interest or otherwise restrict our ability to sell the interest when we desire or on advantageous terms;
- our joint venture agreements may contain buy-sell provisions pursuant to which one co-venturer or partner may initiate procedures requiring the other co-venturer or partner to choose between buying the other co-venturer's or partner's interest or selling its interest to that co-venturer or partner;
- if a joint venture agreement is terminated or dissolved, we may not continue to own or operate the interests or investments underlying the joint venture relationship or may need to purchase such interests or investments at a premium to the market price to continue ownership; or
- disputes between us and a co-venturer or partner may result in litigation or arbitration that could increase our expenses and prevent our management from focusing their time and attention on our business.

Any of the above could materially and adversely affect the value of our current joint venture investment or any future joint venture investments and potentially have a material adverse effect on us.

Risks Related to Our Debt Financings

We have a substantial amount of indebtedness that may limit our financial and operating activities.

As of December 31, 2018, we had approximately $1.4 billion of total consolidated indebtedness outstanding and borrowing capacity under our 2018 Senior Unsecured Credit Facilities of $800 million less approximately $29.6 million for certain outstanding letters of credit. Our organizational documents contain no limitations regarding the maximum level of indebtedness that we may incur or keep outstanding.

Payments of principal and interest on indebtedness may leave us with insufficient cash resources to operate our properties or to pay distributions to our shareholders at expected levels. Our substantial outstanding indebtedness could have other material and adverse consequences, including, without limitation, the following:

- our cash flows may be insufficient to meet our required principal and interest payments;
- we may use a substantial portion of our cash flows to make principal and interest payments and we may be unable to obtain additional financing as needed or on favorable terms, which could, among other things, have a material adverse effect on our ability to capitalize upon acquisition opportunities, fund capital improvements or meet operational needs;
- we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness;
- we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms or in violation of certain covenants to which we may be subject;
- we may default on our indebtedness by failing to make required payments or violating covenants, which would entitle holders of such indebtedness and other indebtedness with a cross-default provision to accelerate the maturity of their indebtedness and, if such indebtedness is secured, to foreclose on our properties that secure their loans;
- we may be unable to effectively hedge floating rate debt with respect to our Senior Secured Credit Facilities or any successor facilities thereto;
- we are required to maintain certain debt and coverage and other financial ratios at specified levels, thereby reducing our operating and financial flexibility;
- our vulnerability to general adverse economic and industry conditions may be increased; and
- we may be subject to greater exposure to increases in interest rates for our variable-rate debt and to higher interest expense on future fixed rate debt.

If any one of these events were to occur, we could be materially and adversely affected. In addition, any foreclosure on our properties could create taxable income without accompanying cash proceeds, which could materially and adversely affect our ability to meet the REIT distribution requirements imposed by the Code.

We are dependent on external sources of capital, the continuing availability of which is uncertain.

In order to qualify as a REIT, we are required each year to distribute to our shareholders at least 90% of our REIT taxable income (determined without regard to the dividends paid deduction and by excluding capital gains). In addition, we will be subject to income tax at regular corporate rates to the extent that we distribute less than 100% of our REIT taxable income, including any net capital gains. Because of these distribution requirements, we may not be able to fund all of our future capital needs, including capital for acquisitions, development activities and recurring and non-recurring capital improvements, from operating cash flow. Consequently, we intend to rely on third-party sources of capital to fund a substantial amount of our future capital needs. We may not be able to obtain additional financing on favorable terms or at all when needed. Any additional debt we incur will increase our leverage, expose us to the risk of default and impose operating and financial restrictions on us. In addition, any equity financing could be materially dilutive to the equity interests held by our shareholders. Our access to third-party sources of capital depends, in part, on general market conditions, the market's perception of our growth potential, our leverage, our current and anticipated results of operations, liquidity, financial condition and cash distributions to shareholders and the market price of our common shares. If we cannot obtain sufficient capital on favorable terms when needed, we may not be able to execute our business and growth strategies, satisfy our debt service obligations, make the cash distributions to our shareholders necessary for us to qualify as a REIT (which would expose us to significant penalties and corporate-level taxation), or fund our other business needs, which could have a material adverse effect on us.

Adverse changes in our credit ratings could negatively impact our financing activity.

Our credit ratings are based on our operating performance, liquidity and leverage ratios, overall financial condition and other factors utilized by rating agencies in their analysis. Our credit ratings can affect the amount of capital that we can access, as well as the terms and pricing of any future debt. We can provide no assurance that we will be able to maintain our current credit ratings, and a downgrade of our credit ratings would likely cause us to incur higher borrowing costs and make additional financing more difficult to obtain. In addition, a downgrade could trigger higher costs under our existing credit facilities and may have other negative consequences . Adverse changes in our credit ratings could negatively impact our business, particularly our refinancing and other capital market activities, our future growth, development and acquisition activity.

At December 31, 2018, our credit ratings were "BBB" from both Fitch Ratings, Inc. and Morningstar, Inc., with stable outlook. A securities rating is not a recommendation to buy, sell or hold securities and is subject to revision or withdrawal at any time by the rating organization.

Increases in interest rates could increase the amount of our debt payments.

As of December 31, 2018, we had $475.0 million of our outstanding consolidated indebtedness that is variable-rate debt, and we may continue to incur variable-rate debt in the future. Increases in interest rates on such debt would raise our interest costs, reduce our cash flows and reduce our ability to make distributions to our shareholders. Increases in interest rates would also increase our interest expense on future fixed rate borrowings and have the same collateral effects. In addition, if we need to repay existing debt during periods of rising interest rates, we could be required to liquidate one or more of our investments in properties at times which may not permit realization of the maximum return on such investments.

Our existing indebtedness contains, and any future indebtedness is likely to contain, covenants that restrict our ability to engage in certain activities.

Our indebtedness outstanding requires, and our future indebtedness is likely to require, us to comply with a number of financial covenants, as well as operational covenants. The financial covenants under our 2018 Senior Unsecured Notes include a maximum leverage ratio, a minimum borrowing base coverage ratio, a minimum fixed charge coverage ratio, a minimum borrowing base debt service coverage ratio, a minimum tangible net worth requirement and a maximum recourse secured debt ratio and a maximum unsecured indebtedness to qualified assets ratio. These covenants may limit our ability to engage in certain transactions that may be in our best interests. In order to be able to make distributions to our shareholders (other than minimum distributions required to maintain our status as a REIT), there may not be an event of default under such indebtedness. Our failure to meet the covenants could result in an event of default under the applicable indebtedness, which could result in the acceleration of the applicable indebtedness and other indebtedness with a cross-default provision as well as foreclosure, in the case of secured indebtedness, upon any of our assets that secure such indebtedness. If we are unable to refinance our indebtedness at maturity or meet our payment obligations, we would be materially and adversely affected.

As of December 31, 2018, a total of 15 of our warehouses were financed under mortgage loans grouped into a single pool. Certain covenants in the mortgage loan agreement place limits on our use of the cash flows associated with the pool, and place other restrictions on our use of the assets included within the pool. In particular, if our subsidiaries that are borrowers under the mortgage loan agreement fail to maintain certain cash flow minimums or a debt service coverage ratio, the cash generated by those subsidiaries will be restricted and unavailable for us to use, which we refer to as a “cash trap event.” If the pool under our mortgage loan agreement were to fail to maintain the applicable cash flow minimum or debt service coverage ratio, our ability to make capital expenditures and distributions to our shareholders could be limited. In addition, as a holder of equity interests in the borrowers under the pool, our claim to the assets contained in the pool is subordinate to the claims of the holders of the indebtedness under the mortgage loan agreement.

Secured indebtedness exposes us to the possibility of foreclosure, which could result in the loss of our investment in certain of our subsidiaries or in a property or group of properties or other assets subject to indebtedness.

We have granted certain of our lenders security interests in approximately 14% of our assets, including equity interests in certain of our subsidiaries and in certain of our real property. Incurring secured indebtedness, including mortgage indebtedness, increases our risk of asset and property losses because defaults on indebtedness secured by our assets, including equity interests in certain of our subsidiaries and in certain of our real property, may result in foreclosure actions initiated by lenders and ultimately our loss of the property or other assets securing any loans for which we are in default. Any foreclosure on a mortgaged property or group of properties could have a material adverse effect on the overall value of our portfolio of properties and more generally on us. For tax purposes, a foreclosure of any of our properties would be treated as a sale of the property for a purchase price equal to the outstanding balance of the indebtedness secured by the mortgage. If the outstanding balance of the indebtedness secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds, which could materially and adversely affect us.

Foreign exchange rates and other hedging activity exposes us to risks, including the risks that a counterparty will not perform and that the hedge will not yield the economic benefits we anticipate.

As of December 31, 2018, we were a party to cross currency swaps on our intercompany loans. In addition, we have entered into certain forward contracts and other hedging arrangements in order to fix power costs for anticipated electricity requirements. These hedging transactions expose us to certain risks, such as the risk that counterparties may fail to honor their obligations under these arrangements, and that these arrangements may not be effective in reducing our exposure to foreign exchange rate and power cost changes. Moreover, there can be no assurance that our hedging arrangements will qualify for hedge accounting or that our hedging activities will have the desired beneficial impact on our results of operations or cash flows. Should we desire to terminate a hedging agreement, there could be significant costs and cash requirements involved to fulfill our obligation under the hedging agreement. Failure to hedge effectively against foreign exchange rates and power cost changes could have a material adverse effect on us. When a hedging agreement is required under the terms of a mortgage loan, it is often a condition that the hedge counterparty maintains a specified credit rating. With the current volatility in the financial markets, there is an increased risk that hedge counterparties could have their credit ratings downgraded to a level that would not be acceptable under the loan provisions. If we were unable to renegotiate the credit rating condition with the lender or find an alternative counterparty with an acceptable credit rating, we could be in default under the loan and the lender could seize that property through foreclosure, which could have a material adverse effect on us.

Risks Related to our Organization and Structure

Provisions of Maryland law may limit the ability of a third party to acquire control of our company.

Under the Maryland General Corporation Law, or the MGCL, as applicable to Maryland real estate investment trusts, certain "business combinations" (including a merger, consolidation, share exchange or, in certain circumstances specified under the statute, an asset transfer or issuance or reclassification of equity securities) between a Maryland real estate investment trust and any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the trust's then outstanding voting shares or an affiliate or associate of the trust who, at any time within the two-year period before the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the trust's then outstanding shares, which we refer to as an "interested shareholder," or an affiliate thereof, are prohibited for five years after the most recent date on which the interested shareholder becomes an interested shareholder. Thereafter, any such business combination must be approved by two super-majority shareholder votes unless, among other conditions, the trust's common shareholders receive a minimum price (as defined in the MGCL) for their shares and the consideration is received in cash or in the same form as previously paid by the interested shareholder for its voting shares. In addition, while the GS Entities no longer beneficially own more than 10% of our voting shares, until December 2018, the GS Entities did own more than 10% of our voting shares, and therefore are subject to the business combination provisions of the MGCL for a period of two years from such date. Yucaipa beneficially owns more than 10% of our voting shares and would, therefore, be subject to the business combination provisions of the MGCL. However, pursuant to the statute, our board of trustees, by resolution, elected to opt out of the business combination provisions of the MGCL. This resolution may not be modified or repealed by our board of trustees without the approval of our shareholders by the affirmative vote of a majority of the votes cast on the matter. Accordingly, the five-year prohibition and the super-majority vote requirements described above do not apply to a business combination between us and any other person, including Yucaipa. As a result, any person may be able to enter into business combinations with us, which may not be in your best interest as a shareholder, within five years of becoming an interested shareholder and without compliance by us with the super-majority vote requirements and other provisions of the MGCL.

The "control share" provisions of the MGCL provide that "control shares" of a Maryland real estate investment trust (defined as shares which, when aggregated with other shares controlled by the shareholder (except solely by virtue of a revocable proxy), entitle the shareholder to exercise one of three increasing ranges of voting power in electing trustees) acquired in a "control share acquisition" (defined as the direct or indirect acquisition of ownership or control of "control shares") have no voting rights except to the extent approved by the trust's shareholders by the affirmative vote of at least two-thirds of all the votes entitled to be cast on the matter, excluding votes entitled to be cast by the acquiror of control shares, the trust's officers and the trust's employees who are also the trust's trustees. Our amended and restated bylaws, or our bylaws, contain a provision exempting from the control share acquisition provisions of the MGCL any and all acquisitions by any person of our shares. This provision may not be amended by our board of trustees without the affirmative vote at a duly called meeting of shareholders of at least a majority of the votes cast on the matter by shareholders entitled to vote generally in the election of trustees.

Subtitle 8 of Title 3 of the MGCL, or Subtitle 8, permits our board of trustees, without shareholder approval, to implement certain takeover defenses (some of which, such as a classified board, we do not have), if we have a class of equity securities registered under the Exchange Act and at least three independent trustees. We have elected not to be subject to Subtitle 8 unless approved by the affirmative vote of at least a majority of the votes cast on the matter by shareholders entitled to vote generally in the election of trustees.

On any vote to opt in to the “business combination,” the “control share” or the Subtitle 8 provisions of the MGCL, YF ART Holdings (including its affiliates) will vote its common shares for and against the matter in the same proportion as the number of votes cast for and against the proposal to opt in by other shareholders until YF ART Holdings (including its affiliates) ceases to own at least 20% of the outstanding voting power.

Any of the MGCL provisions, if then applicable to us, may have the effect of inhibiting a third party from making an acquisition proposal for us or of delaying, deferring or preventing a transaction or change in control which might involve a premium price for our common shares or otherwise be in the best interests of our shareholders.

Our board of trustees can take many actions even if you and other shareholders disagree with such actions or if they are otherwise not in your best interest as a shareholder.

Our board of trustees has overall authority to oversee our operations and determine our major policies. This authority includes significant flexibility to take certain actions without shareholder approval. For example, our board of trustees can do the following without shareholder approval:

- issue additional shares, which could dilute your ownership;
- amend our declaration of trust to increase or decrease the aggregate number of shares or the number of shares of any class or series that we have authority to issue;
- classify or reclassify any unissued shares and set the preferences, rights and other terms of such classified or reclassified shares, which preferences, rights and terms could delay, defer or prevent a transaction or change in control which might involve a premium price for our common shares or otherwise be in your best interest as a shareholder;
- employ and compensate affiliates;
- change major policies, including policies relating to investments, financing, growth and capitalization;
- enter into new lines of business or new markets; and
- determine that it is no longer in our best interests to attempt to continue to qualify as a REIT.

Any of these actions without shareholder approval could increase our operating expenses, impact our ability to make distributions to our shareholders, reduce the market value of our real estate assets, negatively impact our share price, or otherwise not be in your best interest as a shareholder.

Our declaration of trust contains provisions that make removal of our trustees difficult, which could make it difficult for our shareholders to effect changes to our management.

Our declaration of trust provides that, subject to the rights of holders of one or more classes or series of preferred shares to elect or remove one or more trustees, a trustee may be removed only for “cause” (as defined in our declaration of trust), and then only by the affirmative vote of shareholders entitled to cast two-thirds of the votes entitled to be cast generally in the election of trustees; provided, however, pursuant to our shareholders agreement each of affiliates of Yucaipa and the GS Entities has the right to remove a trustee designated by such party, in each case, from our board of trustees for any reason. The foregoing provision of our declaration of trust, when coupled with the power of our board of trustees to fill vacant trusteeships and the rights of each of affiliates of Yucaipa and the GS Entities to designate an individual to fill a vacancy of a trustee designated by such party, will preclude shareholders from removing incumbent trustees except for cause and by a substantial affirmative vote and filling the vacancies created by such removal with their own nominees. These requirements make it more difficult to change our management by removing and replacing trustees and may prevent a change in control that is in the best interests of our shareholders.

The REIT ownership limit rules and the related restrictions on ownership and transfer contained in our declaration of trust have an anti-takeover effect.

In order for us to maintain our qualification as a REIT under the Code, not more than 50% in value of our outstanding shares of beneficial interest may be owned, directly or indirectly, by five or fewer individuals (as defined in the Code to include certain entities) at any time during the last half of each taxable year (other than the first taxable year for which the election to be treated as a REIT was made). To ensure that we will not fail to qualify as a REIT under this and other tests under the Code, our declaration of trust, subject to certain exceptions, authorizes our board of trustees to take such actions as are necessary and desirable to preserve our qualification as a REIT and does not permit individuals (including certain entities treated as individuals), other than excepted holders approved in accordance with our declaration of trust, to own, directly or indirectly, more than 9.8% (in value) of our outstanding shares. In addition, our declaration of trust prohibits: (a) any person from beneficially or constructively owning our shares of beneficial interest that would result in our company being "closely held" under Section 856(h) of the Code or otherwise cause us to fail to qualify as a REIT; (b) any person from transferring our shares of beneficial interest of our company if such transfer would result in our shares of beneficial interest being beneficially owned by fewer than 100 persons; and (c) any person from beneficially owning our shares of beneficial interest to the extent such ownership would result in our failing to qualify as a "domestically controlled qualified investment entity" within the meaning of Section 897(h) of the Code (after taking into account for such purpose the statutory presumptions set forth in Section 897(h)(4)(E) of the Code). Our board of trustees is required to exempt a person (prospectively or retrospectively) from the percentage ownership limit described above (but not the other restrictions) if the person seeking a waiver demonstrates that the waiver would not jeopardize our status as a REIT or violate the other conditions described above.

These ownership limitations are intended to provide added assurance of compliance with the tax law requirements and to minimize administrative burdens. Although our declaration of trust requires our board of trustees to grant a waiver of the percentage ownership limit described above if the person seeking a waiver demonstrates that such ownership would not jeopardize our status as a REIT or violate the other conditions described above, these limitations might still delay, defer or prevent a transaction or change in control which might involve a premium price for our common shares or otherwise not be in your best interest as a shareholder or result in the transfer of shares acquired in excess of the ownership limits to a trust for the benefit of a charitable beneficiary and, as a result, the forfeiture by the acquirer of the benefits of owning the additional shares.

Our rights and the rights of our shareholders to take action against our trustees and officers are limited.

Our declaration of trust eliminates our trustees' and officers' liability to us and our shareholders for money damages except for liability resulting from actual receipt of an improper benefit or profit in money, property or services or active and deliberate dishonesty established by a final judgment and which is material to the cause of action. Our declaration of trust and our bylaws require us to indemnify our trustees and officers and any observer to our board of trustees to the maximum extent permitted by Maryland law for liability actually incurred in connection with any proceeding to which they may be made, or threatened to be made, a party, except to the extent that the act or omission of the trustee, officer or observer was material to the matter giving rise to the proceeding and was either committed in bad faith or the result of active and deliberate dishonesty, the trustee, officer or observer actually received an improper personal benefit in money, property or services, or, in the case of any criminal proceeding, the trustee, officer or observer had reasonable cause to believe that the act or omission was unlawful. As a result, we and our shareholders may have more limited rights against our trustees and officers and any observer to our board of trustees than might otherwise exist under common law. In addition, we may be obligated to fund the defense costs incurred by our trustees and officers and any observer to our board of trustees.

Our significant shareholders, including Yucaipa, the GS Entities, and their respective affiliates, will continue to have significant influence over us, and their actions might not be in your best interest as a shareholder.

As of December 31, 2018, investment funds affiliated with Yucaipa and Goldman Sachs control on a fully diluted basis approximately 25.9% and 5.6% , respectively, of the voting power in us.

Under our shareholders agreement, YF ART Holdings has the right to designate two of the nine members of our board of trustees, so long as YF ART Holdings beneficially owns 10% or more of our fully diluted outstanding shares (as such term is defined in our new shareholders agreement). So long as YF ART Holdings beneficially owns 5% or more (but less than 10%) of our fully diluted outstanding shares it has the right to designate one of the nine members of our board of trustees. The GS Entities have the right to designate one of the nine members of our board of trustees, so long as the GS Entities beneficially own 5% or more of our fully diluted outstanding shares. Also, YF ART Holdings is entitled to appoint an observer to our board of trustees, so long as it beneficially owns 5% or more of our fully diluted outstanding shares.

We, and affiliates of Yucaipa and the GS Entities are parties to a registration rights agreement entered into in connection with the IPO, pursuant to which each of Yucaipa and the GS Entities remain entitled to registration rights in respect of our common shares held by them.

We expect that Yucaipa and the GS Entities will continue to exert a significant influence on our business and affairs as a result of the terms of our shareholders agreement. As a result, we expect these parties to continue to influence the outcome of matters required to be submitted to shareholders for approval, including the election of our trustees, amendments to our declaration of trust, the removal of our trustees for cause, and the approval of significant transactions, such as mergers or other sales of our company or our assets.

The influence exerted by these shareholders over our business and affairs might not be consistent with your best interests as a shareholder. In addition, this concentration of voting control and influence may have the effect of delaying, deferring or preventing a transaction or change in control which might involve a premium price for our common shares or otherwise be in your best interest as a shareholder.

Our declaration of trust contains provisions permitting certain of our shareholders to engage in the same businesses as ours and renouncing our interest and expectancy in certain business opportunities.

Yucaipa, the GS Entities, and their respective affiliates have other investments and business activities in addition to their ownership of us. Under our declaration of trust, Yucaipa, the GS Entities, and their respective affiliates (and any of their respective officers, trustees, directors, partners, members, managers, employees or other agents, or related persons), will have the right, and will have no obligation to abstain from exercising such right, to: (1) engage or invest, directly or indirectly, in the same or similar business activities or lines of business as us or our affiliates; (2) do business with any of our customers, suppliers or lessors; or (3) employ or otherwise engage any of our officers, trustees or employees. While we believe that none of Yucaipa or the GS Entities owned and operated any temperature-controlled warehouses in competition with us as of December 2018, there is no guarantee they will not do so in the future. If Yucaipa, the GS Entities, or any of their respective affiliates or any of their related persons, acquire knowledge of a potential transaction that could be a business opportunity, we, our affiliates and our shareholders will have no interest or expectancy in such opportunity, and they will have no obligation to present, communicate or offer such business opportunity to us, our affiliates or our shareholders. Rather, they will have the right to hold and exploit such opportunity for their own account or to direct, recommend, sell, assign or otherwise transfer such opportunity to any person or entity.

The only exception to our renunciation of business opportunities described above is in the event that a business opportunity is expressly offered to a related person solely in, and as a direct result of, his or her capacity as our trustee, officer or employee. In such cases, our declaration of trust provides that we do not renounce any interest or expectancy that we may have under applicable law in those business opportunities. If our Chief Executive Officer, Chief Operating Officer or Chief Financial Officer shall be a related person by virtue of his or her respective relationship with Yucaipa, the GS Entities, or their respective affiliates, then any business opportunity offered to such officer shall be deemed to have been offered solely in, and as a direct result of, such officer's capacity as an officer of our company unless such offer clearly and expressly is presented to such officer solely in, and as a direct result of, his or her capacity as an officer, trustee, director, partner, member, manager, employee or other agent of Yucaipa, the GS Entities, or their respective affiliates.

Therefore, a trustee, officer or other employee of our company who also serves as a trustee, director, member, partner, manager, officer or other employee of Yucaipa, the GS Entities, or their respective affiliates may pursue certain business opportunities that may be complementary to, or consistent or competing with, our business and, as a result, such opportunities may not be available to us. These potential conflicts of interest could materially and adversely affect us if attractive business opportunities are allocated by Yucaipa or the GS Entities or any trustee, director, member, partner, manager, officer or other employee of Yucaipa, the GS Entities, or their respective affiliates, to themselves or their other affiliates instead of to us.

We may invest in, or co-invest with, our affiliates, which could result in conflicts of interest.

We may in the future make investments in, enter into co-investment or joint venture arrangements with, or otherwise collaborate with and invest in, other firms or entities, which may include our affiliates, including Yucaipa and the GS Entities. Such activities could create conflicts of interest that result in actions or consequences that are not in your best interest as a shareholder.

We have fiduciary duties as general partner to our operating partnership, which may result in conflicts of interests in representing your interests as shareholders of our company.

Conflicts of interest could arise in the future as a result of the relationships between us and our affiliates, and between us and our operating partnership or any partner thereof. Our trustees and officers have duties to our company under applicable Maryland law in connection with their management of our company. Additionally, we have fiduciary duties as the general partner to our operating partnership and to its limited partners under Delaware law in connection with the management of our operating partnership, although our operating partnership does not currently have any limited partners that are not our wholly owned subsidiaries. Our duties as a general partner to our operating partnership and any future unaffiliated limited partners may come into conflict with the duties of our trustees and officers to our company and may be resolved in a manner that is not in your best interest as a shareholder.

Risks Related to our Common Shares

Our cash available for distribution to shareholders may not be sufficient to pay distributions at expected levels, or at all, and we may need to increase our borrowings or otherwise raise capital in order to make such distributions; consequently, we may not be able to make such distributions in full.

Our current annualized distributions to our shareholders are $0.75 per share. If cash available for distribution generated by our assets decreases in future periods is less than our estimate or if such cash available for distribution decreases in future periods, we may be unable to make distributions to our shareholders at expected levels, or at all, or we may need to increase our borrowings or otherwise raise capital in order to do so, and there can be no assurance that such capital will be available on attractive terms in sufficient amounts, or at all. Any of the foregoing could result in a decrease in the market price of our common shares. Any distributions made to our shareholders by us will be authorized and determined by our board of trustees in its sole discretion out of funds legally available therefor and will be dependent upon a number of factors, including our actual or anticipated financial condition, results of operations, cash flows and capital requirements, debt service requirements, financing covenants, restrictions under applicable law and other factors.

Any future debt, which would rank senior to our common shares upon liquidation, or equity securities, which could dilute our existing shareholders and may be senior to our common shares for the purposes of distributions, may adversely affect the market price of our common shares.

In the future, we may attempt to increase our capital resources by incurring additional debt, including term loans, borrowings under credit facilities, mortgage loans, commercial paper, senior or subordinated notes and secured notes, and making additional offerings of equity and equity-related securities, including preferred and common shares and convertible or exchangeable securities.

Upon our liquidation, holders of our debt securities and preferred shares and lenders with respect to other borrowings would receive a distribution of our available assets prior to the holders of our common shares. Additional offerings of common shares would dilute the holdings of our existing shareholders or may reduce the market price of our common shares or both. Additionally, any preferred shares or convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common shares and may result in dilution to holders of our common shares. Because our decision to incur debt or issue equity or equity-related securities in the future will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing, nature or success of our future capital raising. Thus, our shareholders bear the risk that our future capital raising will materially and adversely affect the market price of our common shares and dilute the value of their holdings in us.

Common shares eligible for future sale may have adverse effects on the market price of our common shares.

The market price of our common shares could decline as a result of sales or resales of a large number of our common shares in the market, or the perception that such sales or resales could occur. These sales or resales, or the possibility that these sales or resales may occur, also might make it more difficult for us to sell our common shares in the future at a desired time and at an attractive price. As of December 31, 2018, 148,234,959 common shares are issued and outstanding, and no Series A preferred shares, Series B preferred shares or Series C preferred shares are issued and outstanding.

As of December 31, 2018, the 47,883,628 common shares beneficially owned by our trustees, executive officers and other affiliates, including Yucaipa and the GS Entities, were “restricted securities” within the meaning of Rule 144 under the Securities Act and cannot be sold in the absence of registration under the Securities Act unless an exemption from registration is available, including the exemptions contained in Rule 144. The terms of our registration rights agreement include provisions for demand registration rights in favor of affiliates of Yucaipa and the GS Entities. Pursuant to these registration rights, these shareholders will be entitled to cause us, subject to their consultation with a coordination committee (as such committee is described under "Certain Relationships and Related Party Transactions-Shareholders Agreement and Related Agreements") and, at our own expense, to file registration statements under the Securities Act covering sales of our common shares held by them. If any of these shareholders require that we register our common shares held by them, affiliates of Yucaipa and the GS Entities, as the case may be, may request that their common shares be included in such registration in proportion to the common shares held by the shareholder requiring the registration that are included in the registration.

In addition, in connection with the IPO, we filed with the SEC a registration statement on Form S-8 covering common shares issuable pursuant to options and restricted stock units outstanding under our equity incentive plans in existence prior to the IPO, and our 2017 Equity Incentive Plan that was enacted in connection with the IPO.

As of December 31, 2018, 38,422,583 of our common shares held by affiliates of Yucaipa representing approximately 25.9% of our issued and outstanding common shares, were pledged pursuant to a financing agreement. Affiliates of Yucaipa used the proceeds from the financing agreement to pay in full the outstanding investment, including the preferred return on an investment vehicle affiliated with Fortress, which directly beneficially owned 7,235,529 of our common shares at that time. As of December 31, 2018, Fortress no longer owned any of our common shares.

We cannot predict the effect, if any, of future issuances, sales or resales of our common shares, or the availability of common shares for future issuances, sales or resales, on the market price of our common shares. The market price of our common shares may decline significantly when the restrictions on resale by certain of our shareholders lapse. Issuances, sales or resales of substantial amounts of common shares, or the perception that such issuances, sales or resales could occur, may materially and adversely affect the then prevailing market price for our common shares.

If securities analysts do not publish research or reports about our company, or if they issue unfavorable commentary about us, our industry or the real estate industry generally or downgrade the outlook of our common shares, the market price of our common shares could decline.

The trading market for our common shares will depend in part on the research and reports that third-party securities analysts publish about our company, our industry and the real estate industry generally. One or more analysts could downgrade the outlook for our common shares or issue other negative commentary about our company, our industry or the real estate industry generally. Furthermore, if one or more of these analysts cease coverage of our company, we could lose visibility in the market. As a result of one or more of these factors, the market price of our common shares could decline and cause you to lose all or a portion of your investment.

REIT and Tax Related Risks

Failure to qualify as a REIT for U.S. federal income tax purposes would have a material adverse effect on us.

We have elected to be taxed as a REIT under the Code. Our qualification as a REIT requires us to satisfy numerous requirements, some on an annual and quarterly basis, established under highly technical and complex Code provisions for which there are only limited judicial or administrative interpretations, and which involve the determination of various factual matters and circumstances not entirely within our control. We expect that our current organization and methods of operation will enable us to continue to qualify as a REIT, but we may not so qualify or we may not be able to remain so qualified in the future. In addition, U.S. federal income tax laws governing REITs and other corporations and the administrative interpretations of those laws may be amended at any time, potentially with retroactive effect. The Protecting Americans from Tax Hikes Act, or PATH Act, was enacted in December 2015, and included numerous changes in the U.S. federal income tax laws applicable to REITs, and comprehensive tax legislation passed on December 22, 2017, which is commonly known as the Tax Cuts and Jobs Act, or TCJA and, which is fully described in Note 18 to the consolidated financial statements included in this Annual Report on Form 10-K, made fundamental changes to the individual and corporate tax laws that will materially impact us and our shareholders. In addition, future legislation, new regulations, administrative interpretations or court decisions could materially and adversely affect our ability to qualify as a REIT or materially and adversely affect our company and shareholders.

If we fail to qualify as a REIT in any taxable year, we would be subject to U.S. federal income tax on our REIT taxable income at regular corporate rates, and would not be allowed to deduct dividends paid to our shareholders in computing our REIT taxable income. Also, unless the Internal Revenue Service, or the IRS, granted us relief under certain statutory provisions, we could not re-elect REIT status until the fifth calendar year after the year in which we first failed to qualify as a REIT. The additional tax liability from the failure to qualify as a REIT would reduce or eliminate the amount of cash available for investment or distribution to our shareholders. This would materially and adversely affect us. In addition, we would no longer be required to make distributions to our shareholders. Even if we continue to qualify as a REIT, we will continue to be subject to certain U.S. federal, state and local taxes on our income and property.

To qualify as a REIT, we must meet annual distribution requirements, which could result in material harm to our company if they are not met.

To obtain the favorable tax treatment accorded to REITs, among other requirements, we normally will be required each year to distribute to our shareholders at least 90% of our REIT taxable income, determined without regard to the deduction for dividends paid and by excluding net capital gains. We will be subject to U.S. federal income tax on our undistributed REIT taxable income and net capital gains. In addition, if we fail to distribute to our shareholders during each calendar year at least the sum of (a) 85% of our ordinary income for such year; (b) 95% of our capital gain net income for such year; and (c) any undistributed REIT taxable income from prior periods, we will be subject to a 4% excise tax on the excess of the required distribution over the sum of (i) the amounts actually distributed by us and (ii) retained amounts on which we pay U.S. federal income tax at the corporate level. We intend to make distributions to our shareholders to comply with the requirements of the Code for REITs and to minimize or eliminate our U.S. federal income tax obligation. However, differences between the recognition of REIT taxable income and the actual receipt of cash could require us to sell assets or raise capital on a short-term or long-term basis to meet the distribution requirements of the Code. Certain types of assets generate substantial mismatches between REIT taxable income and available cash. Such assets include rental real estate that has been financed through financing structures which require some or all of available cash flows to be used to service borrowings. Further, under amendments to the Code made by TCJA, income must be accrued for U.S. federal income tax purposes no later than when such income is taken into account as revenue in our financial statements, subject to certain exceptions, which could also create mismatches between REIT taxable income and the receipt of cash attributable to such income. As a result, the requirement to distribute a substantial portion of our REIT taxable income could cause us to: (1) sell assets in adverse market conditions; (2) raise capital on unfavorable terms; or (3) distribute amounts that would otherwise be invested in future acquisitions, expansions or developments, capital expenditures or repayment of debt, in order to comply with REIT requirements. Further, amounts distributed will not be available to fund our operations. Under certain circumstances, covenants and provisions in our existing and future debt instruments may prevent us from making distributions that we deem necessary to comply with REIT requirements. Our inability to make required distributions as a result of such covenants could threaten our status as a REIT and could result in material adverse tax consequences for our company and shareholders.

We conduct a portion of our business through TRSs, which are subject to certain tax risks.

We have established taxable REIT subsidiaries, or TRSs, and may establish others in the future. Despite our qualification as a REIT, our TRSs must pay income tax on their taxable income. As a result of the enactment of the TCJA, effective for taxable years beginning on or after January 1, 2018, our domestic TRSs are subject to U.S. federal income tax on their taxable income at a flat rate of 21% (as well as applicable state and local income tax), but net operating loss, or NOL, carryforwards of TRS losses arising in taxable years beginning after December 31, 2017, may be deducted only to the extent of 80% of TRS taxable income in the carryforward year (computed without regard to the NOL deduction or our dividends paid deduction). In contrast to prior law, which permitted unused NOL carryforwards to be carried back two years and forward 20 years, TCJA provides that losses arising in taxable years ending after December 31, 2017, can no longer be carried back but can be carried forward indefinitely. In addition, we must comply with various tests to continue to qualify as a REIT for U.S. federal income tax purposes, and our income from, and investments in, our TRSs generally do not constitute permissible income and investments for certain of these tests. No more than 20% of the value of a REIT's assets may consist of securities of one or more TRSs. Because TRS securities do not qualify for purposes of the 75% asset test described herein, and because we own other assets that do not, or may not, qualify for the 75% asset test, the 75% asset test may effectively limit the value of our TRS securities to less than 20% of our total assets. Our dealings with our TRSs may materially and adversely affect our REIT qualification. Furthermore, we may be subject to a 100% penalty tax, or our TRSs may be denied deductions, to the extent our dealings with our TRSs are determined not to be arm's length in nature or are otherwise not permitted under the Code.

Complying with REIT requirements may cause us to forgo otherwise attractive opportunities or liquidate certain of our investments.

To qualify as a REIT for U.S. federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our shareholders and the ownership of our shares. We may be required to make distributions to our shareholders at disadvantageous times or when we do not have funds readily available for distribution. Thus, compliance with the REIT requirements may, for instance, hinder our ability to make certain otherwise attractive investments or undertake other activities that might otherwise be beneficial to us and our shareholders, or may require us to raise capital or liquidate investments in unfavorable market conditions and, therefore, may hinder our performance.

As a REIT, at the end of each quarter, at least 75% of the value of our assets must consist of cash, cash items, government securities and qualified real estate assets. The remainder of our investments in securities (other than cash, cash items, government securities, securities issued by a TRS and qualified real estate assets) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our total assets (other than cash, cash items, government securities, securities issued by a TRS and qualified real estate assets) can consist of the securities of any one issuer, and no more than 20% of the value of our total securities can be represented by securities of one or more TRSs. If we fail to comply with these requirements at the end of any quarter, we must correct the failure within 30 days after the end of the quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering material adverse tax consequences. The need to comply with the 75% asset test and 20% TRS securities test on an ongoing basis potentially could require us in the future to limit the future acquisition of, or to dispose of, nonqualifying assets, limit the future expansion of our TRSs' assets and operations or dispose of or curtail TRS assets and operations, which could adversely affect our business and could have the effect of reducing our income and amounts available for distribution to our shareholders.

Future changes to the U.S. federal income tax laws could have an adverse impact on our business and financial results.

Changes to the U.S. federal income tax laws are proposed regularly. Additionally, the REIT rules are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Department of the Treasury, which may result in revisions to regulations and interpretations in addition to statutory changes. If enacted, certain such changes could have an adverse impact on our business and financial results. In particular, TCJA, which generally took effect for taxable years beginning on or after January 1, 2018 (subject to certain exceptions), makes many significant changes to the U.S. federal income tax laws that will profoundly impact the taxation of individuals, corporations (both regular C corporations as well as corporations that have elected to be taxed as REITs), and the taxation of taxpayers with overseas assets and operations. A number of changes that affect non-corporate taxpayers will expire at the end of 2025 unless Congress acts to extend them. These changes will impact us and our shareholders in various ways, some of which are adverse or potentially adverse compared to prior law. It is highly likely that technical corrections legislation will be needed to clarify certain aspects of the new law and give proper effect to Congressional intent. There can be no assurance, however, that technical clarifications or changes needed to prevent unintended or unforeseen tax consequences will be enacted by Congress in the near future.

Other legislative proposals could be enacted in the future that could affect REITs and their shareholders. Prospective investors are urged to consult their tax advisor regarding the effect of TCJA and any other potential tax law changes on an investment in our common shares.

Distributions payable by REITs generally do not qualify for the reduced tax rates that apply to certain other corporate distributions, potentially making an investment in our company less advantageous for certain persons than an investment in an entity with different tax attributes.

The maximum federal income tax rate applicable to "qualified dividend income" payable by non-REIT corporations to certain non-corporate U.S. stockholders is generally 20%, and a 3.8% Medicare tax may also apply. Dividends paid by REITs, however, generally are not eligible for the reduced rates applicable to qualified dividend income. Commencing with taxable years beginning on or after January 1, 2018 and continuing through 2025, TCJA temporarily reduces the effective tax rate on ordinary REIT dividends (i.e., dividends other than capital gain dividends and dividends attributable to certain qualified dividend income received by us) for U.S. holders of our common shares that are individuals, estates or trusts by permitting such holders to claim a deduction in determining their taxable income equal to 20% of any such dividends they receive. Taking into account TCJA's reduction in the maximum individual federal income tax rate from 39.6% to 37%, this results in a maximum effective rate of regular income tax on ordinary REIT dividends of 29.6% through 2025 (as compared to the 20% maximum federal income tax rate applicable to qualified dividend income received from a non-REIT corporation). Under final regulations recently issued by the IRS, in order to qualify for this deduction with respect to a dividend on our common shares, a shareholder must hold such shares for more than 45 days during the 91-day period beginning on the date which is 45 days before the date on which such shares become ex-dividend with respect to such dividend (taking into account certain special holding period rules that may, among other consequences, reduce a shareholder's holding period during any period in which the shareholder has diminished its risk of loss with respect to the shares). Shareholders are urged to consult their tax advisors as to their ability to claim this deduction. The more favorable rates applicable to regular corporate distributions could cause investors who are individuals to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay distributions. This could materially and adversely affect the value of the stock of REITs, including our common shares.

In certain circumstances, we may be subject to U.S. federal, state, local or foreign taxes, which would reduce our funds available for distribution to our shareholders.

Even if we qualify and maintain our status as a REIT, we may be subject to certain U.S. federal, state, local or foreign taxes. For example, net income from a "prohibited transaction," including sales or other dispositions of property, other than foreclosure property, held primarily for sale in the ordinary course of business, will be subject to a 100% tax. While we do not intend to hold properties that would be characterized as held for sale in the ordinary course of business, unless a sale or disposition qualifies under statutory safe harbors, there can be no assurance that the IRS would agree with our characterization of our properties or that we will be able to make use of available safe harbors. In addition, we may not be able to make sufficient distributions to avoid income and excise taxes. We may also decide to retain certain gains from the sale or other disposition of our property and pay income tax directly on such gains. In that event, our shareholders would be required to include such gains in income and would receive a corresponding credit for their share of taxes paid by us. Any net taxable income earned directly by a TRS will be subject to U.S. federal and state corporate income tax. We may also be subject to state, local, or foreign taxes on our income or property, either directly or at the level of our operating partnership or the other companies through which we indirectly own our assets. Any taxes we pay will reduce our funds available for distribution to our shareholders.

Complying with REIT requirements may limit our ability to hedge effectively and may cause us to incur tax liabilities.

The REIT provisions of the Code limit our ability to hedge our liabilities. Generally, income from a hedging transaction we enter into either to manage risk of interest rate changes with respect to borrowings incurred or to be incurred to acquire or carry real estate assets, or to manage the risk of currency fluctuations with respect to any item of income or gain (or any property which generates such income or gain) that constitutes "qualifying income" for purposes of the 75% or 95% gross income tests applicable to REITs, does not constitute "gross income" for purposes of the 75% or 95% gross income tests, provided that we properly identify the hedging transaction pursuant to the applicable sections of the Code and Treasury Regulations. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as non-qualifying income for purposes of both gross income tests. As a result of these rules, we may need to limit our use of otherwise advantageous hedging techniques or implement those hedges through a TRS. The use of a TRS could increase the cost of our hedging activities (because our TRS would be subject to tax on income or gain resulting from hedges entered into by it) or expose us to greater risks than we would otherwise want to bear. In addition, net losses in any of our TRSs will generally not provide any tax benefit except for being carried forward for use against future taxable income of the TRS.

If our operating partnership fails to qualify as a disregarded entity or a partnership for U.S. federal income tax purposes, we would fail to qualify as a REIT.

Our operating partnership is currently treated as a disregarded entity for U.S. federal income tax purposes. Following the admission of any additional limited partners, we intend that the operating partnership will be treated as a partnership for U.S. federal income tax purposes. As a disregarded entity or a partnership, our operating partnership will not be subject to U.S. federal income tax on its income. Instead, for all tax periods during which the operating partnership is treated as a disregarded entity, we will be required to take all of the operating partnership's income into account in computing our taxable income. For all tax periods during which the operating partnership is treated as a partnership, each of its partners, including us, will be allocated that partner's share of the operating partnership's income. Following the admission of additional limited partners, no assurance can be provided, however, that the IRS will not challenge the status of our operating partnership as a partnership for U.S. federal income tax purposes, or that a court would not sustain such a challenge. If the IRS were successful in treating our operating partnership as an association taxable as a corporation for U.S. federal income tax purposes, we would fail to meet the gross income tests and certain of the asset tests applicable to REITs and, accordingly, would cease to qualify as a REIT, which would have a material adverse effect on us and our shareholders. Also, our operating partnership would then be subject to U.S. federal corporate income tax, which would reduce significantly the amount of its funds available for debt service and for distribution to its partners, including us.

ITEM 1B. Unresolved Staff Comments

None.

ITEM 2. Properties

Our Warehouse Portfolio

As of December 31, 2018 , we operated a global network of 155 warehouses that contained approximately 918.7 million cubic feet and approximately 3.2 million pallet positions. We believe that the volume of cubic feet in our warehouses and the number of pallets contained therein provide a more meaningful measure of our storage space than warehouse surface area expressed in square feet as customers generally contract for storage on a pallet-by-pallet basis, not on a square footage basis. Our warehouses feature customized racking systems that allow for the storage of products on pallets in horizontal rows across vertically stacked levels. Our racking systems can accommodate a wide array of different customer storage needs.

The following table provides summary information regarding the warehouses in our portfolio that we owned, leased or managed as of December 31, 2018 .

Country / Region	# of warehouses	Cubic feet (in millions)	% of total cubic feet	Pallet positions (in thousands)	Average physical occupancy (1)	Revenues (2) (in millions)	Applicable segment contribution (NOI) (2)(3) (in millions)	Total customers (4)
Owned / Leased (5)								
United States								
Central	33	210.9	24%	870.5	77%	$ 240.6	$ 88.9	781
East	23	170.2	20%	544.0	76%	250.1	75.4	716
Southeast	36	170.9	20%	558.2	77%	216.5	64.0	617
West	37	230.8	27%	984.7	76%	270.0	103.9	685
United States Total / Average	**129**	**782.8**	**91%**	**2,957.4**	**76%**	**$ 977.2**	**$ 332.2**	**2,129**
International								
Australia	5	47.6	5%	140.9	83%	$ 159.2	$ 32.4	65
New Zealand	7	22.8	3%	72.8	90%	31.7	8.6	77
Argentina	2	9.7	1%	21.6	78%	8.8	1.3	40
International Total / Average	**14**	**80.1**	**9%**	**235.3**	**85%**	**$ 199.7**	**$ 42.3**	**173**
Owned / Leased Total / Average	**143**	**862.9**	**100%**	**3,192.7**	**77%**	**$ 1,176.9**	**$ 374.5**	**2,302**
Third-Party Managed								
United States	8	41.5	74%	—	—	$ 228.0	$ 9.9	4
Australia (6)	1	—	—%	—	—	12.7	2.9	1
Canada	3	14.3	26%	—	—	18.3	2.0	2
Third-Party Managed Total / Average	**12**	**55.8**	**100%**	**—**	**—**	**$ 259.0**	**$ 14.8**	**6**
Portfolio Total / Average	**155**	**918.7**	**100%**	**3,192.7**	**77%**	**$ 1,435.9**	**$ 389.3**	**2,303**

(1) We define average physical occupancy as the average number of occupied pallets divided by the estimated number of average physical pallet positions in our warehouses for the year ended December 31, 2018 . We estimate the number of physical pallet positions by taking into account actual racked space and by estimating unracked space on an as-if racked basis. We base this estimate on the total cubic feet of each room within the warehouse that is unracked divided by the volume of an assumed rack space that is consistent with

the characteristics of the relevant warehouse. On a warehouse by warehouse basis, rack space generally ranges from two to three feet depending upon the type of facility and the nature of the customer goods stored therein. The number of our pallet positions is reviewed and updated quarterly, taking into account changes in racking configurations and room utilization.

(2) Year ended December 31, 2018 .

(3) We use the term "segment contribution (NOI)" to mean a segment's revenues less its cost of operations (excluding any depreciation, depletion and amortization, impairment charges and corporate-level selling, general and administrative expenses). The applicable segment contribution (NOI) from our owned and leased warehouses and our third-party managed warehouses is included in our warehouse segment contribution (NOI) and third-party managed segment contribution (NOI), respectively. See Item 6. Selected Financial Data for more information.

(4) We serve some of our customers in multiple geographic regions and in multiple facilities within geographic regions. As a result, the total number of customers that we serve is less than the total number of customers reflected in the table above that we serve in each geographic region.

(5) As of December 31, 2018 , we owned 108 of our U.S. warehouses and ten of our international warehouses, and we leased 21 of our U.S. warehouses and four of our international warehouses. As of December 31, 2018 , seven of our owned facilities were located on land that we lease pursuant to long-term ground leases.

(6) Constitutes non-refrigerated, or "ambient," warehouse space. This facility contains 330,527 square feet of ambient space.

We own, develop and manage multiple types of temperature-controlled warehouses, which allows us to service our customers' needs across our network. Our warehouse portfolio consists of five distinct property types:

- *Distribution* . As of December 31, 2018 , we owned or leased 58 distribution centers with approximately 463.1 million cubic feet of temperature-controlled capacity and 1.5 million pallet positions. Distribution centers typically house a wide variety of customers' finished products until future shipment to end users. Each distribution center is located in a key distribution hub that services a distinct surrounding population center in a major market.
- *Public* . As of December 31, 2018 , we owned or leased 44 public warehouses with approximately 180.1 million cubic feet of temperature-controlled capacity and 776.7 thousand pallet positions. Public warehouses generally store multiple types of inventory and cater to small and medium-sized businesses by primarily serving the needs of local and regional customers.
- *Production Advantaged* . As of December 31, 2018 , we owned or leased 37 production advantaged warehouses with approximately 201.9 million cubic feet of temperature-controlled capacity and 883.9 thousand pallet positions. Production advantaged warehouses are temperature-controlled warehouses that are typically dedicated to one or a small number of customers. Production advantaged warehouses are generally located adjacent to or otherwise in close proximity to customer processing or production facilities and were often build-to-suit at the time of their construction.
- *Facility Leased* . As of December 31, 2018 , we had four facility leased warehouses with approximately 17.8 million cubic feet of temperature-controlled capacity. We charge our customers that are party to these leases rent based on the square footage leased in our warehouses. Our facility leased warehouses are facilities that are leased to third parties, such as retailers, e-tailers, distributors, transportation companies and food producers, that desire to manage their own temperature-controlled warehousing or carry on processing operations generally in warehouses adjacent, or in close proximity, to their retail stores or production facilities. The majority of our facility leased warehouses are leased to third parties under "triple net lease" arrangements.
- *Third-Party Managed* . As of December 31, 2018 , we managed 12 warehouses on behalf of third parties with approximately 55.8 million cubic feet of temperature-controlled capacity. We manage warehouses on behalf of third parties and provide warehouse management services to several leading food retailers and manufacturers in customer-owned facilities, including some of our largest and longest-standing customers. Our third-party managed segment provides a complete outsourcing solution by managing all aspects of the distribution of our customers' products, including order management, reverse logistics, inventory control and, in some instances, dedicated transportation services for temperature-controlled and ambient (*i.e.* , non-refrigerated) customers.

ITEM 3. Legal Proceedings

From time to time, we may be party to a variety of legal proceedings arising in the ordinary course of our business. We are not a party to, nor is any of our property a subject of, any material litigation or legal proceedings or, to the best of our knowledge, any threatened litigation or legal proceedings which, in the opinion of management, individually or in the aggregate, would have a material impact on our business, financial condition, liquidity, results of operations and prospects.

ITEM 4. Mine Safety Disclosures

Information concerning mine safety violations and other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 104 of Regulation S-K (17 CFR 229.104) is included in Exhibit 95.1 to this Annual Report on Form 10-K.

PART II

ITEM 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Americold Realty Trust

Americold Realty Trust's common shares are listed on the NYSE under the trading symbol “COLD”. Our common shares have been publicly traded since January 19, 2018. Prior to that time, there was no public market for our common stock.

On February 22, 2019, we had approximately 148,794,090 common shares outstanding. This figure does not include the 6,000,000 common shares that may be issued if we elect to physically settled a forward sale agreement with Bank of America, N.A., as forward purchaser. The number of holders of record of our common shares was six. This figure does not represent the actual number of beneficial owners of our common shares because our common shares are frequently held in “street name” by securities dealers and others for the benefit of beneficial owners who may vote the shares.

Our future common shares dividends, if and as declared, may vary and will be determined by our board of trustees upon the circumstances prevailing at the time, including our financial condition, operating results, estimated taxable income and REIT distribution requirements. These dividends, if and as declared, may be adjusted at the discretion of our board of trustees during the year.

Subject to the distribution requirements applicable to REITs under the Code, Americold Realty Trust intends, to the extent practicable, to invest substantially all of the proceeds from sales and refinancing of its assets in real estate-related assets and other assets. Americold Realty Trust may, however, under certain circumstances, make a dividend of capital or of assets. Such dividends, if any, will be made at the discretion of Americold Realty Trust's board of trustees.

Americold Realty Operating Partnership, L.P.

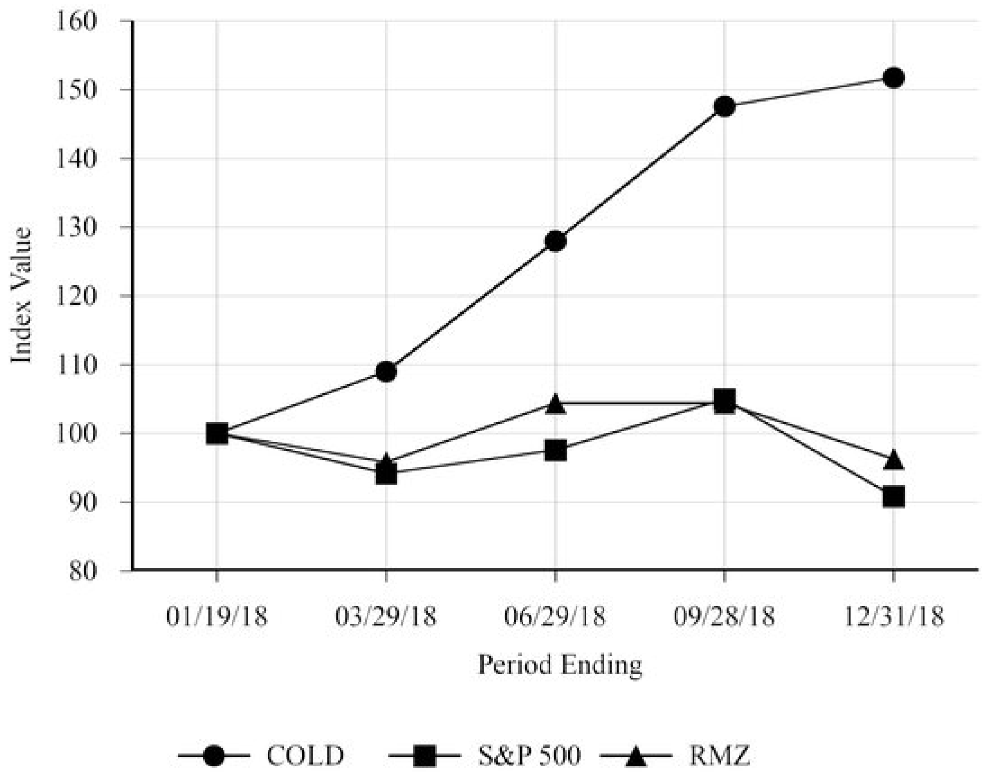
There is no established trading market for Americold Realty Operating Partnership, L.P.'s partnership units. As of February 26, 2019, the only holders of record of partnership units are Americold Realty Operating Partnership, L.P.'s general partner, Americold Realty Trust, and Americold Realty Operating Partnership, L.P.'s sole limited partner bearing a 1% interest, Americold Realty Operations, Inc., a wholly-owned subsidiary of the REIT.

Stock Performance Graph

The following graph compares the change in the cumulative total stockholder return on Americold Realty Trust common stock during the period from January 19, 2018 (the date of our IPO) through December 31, 2018, with the cumulative total returns on the MSCI US REIT Index (RMZ) and the S&P 500 Market Index. The comparison assumes that $100 was invested on January 19, 2018 in Americold Realty Trust common stock and in each of these indices and assumes reinvestment of dividends, if any.

Comparison of Cumulative Total Returns
Among Americold Realty Trust, S&P 500, and RMZ Index

Assumes $100 invested on January 19, 2018
Assumes dividends reinvested
To fiscal year ended December 31, 2018



Pricing Date	COLD ($)	S&P 500($)	RMZ($)
1/19/2018	100.00	100.00	100.00
3/29/2018	109.00	94.22	95.84
6/29/2018	127.97	97.57	104.38
9/28/2018	147.59	105.03	104.43
12/31/2018	151.79	90.82	96.30

- This graph and the accompanying text are not "soliciting material," are not deemed filed with the SEC and are not to be incorporated by reference in any filing by us under the Securities Act of 1933, as amended, or the Security Exchange Act of 1934, as amended, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.
- The stock price performance shown on the graph is not necessarily indicative of future price performance.
- The hypothetical investment in Americold Realty Trust's common stock presented in the stock performance graph above is based on the closing price of the common stock on January 19, 2018.

Sales of Unregistered Securities

None.

Purchases of Equity Securities

None.

Securities Authorized For Issuance Under Equity Compensation Plans

Information relating to compensation plans under which our common shares are authorized for issuance is set forth under Part III, Item 12 of this Annual Report on Form 10-K and such information is incorporated by reference herein.

Use of Proceeds

On September 18, 2018, we completed a follow-on public offering of 4,000,000 of its common shares at a public offering price of $24.50 per share, which generated net proceeds of approximately $92.5 million to the Company after deducting the underwriting discount and estimated offering expenses payable by the Company, and an additional 6,000,000 common shares that are subject to a forward sale agreement to be settled within one year. The Company did not initially receive any proceeds from the sale of the common shares subject to the forward sale agreement that were sold by the forward purchaser or its affiliate. As of December 31, 2018 , we have not settled any portion of the forward sale agreement. In tandem with the follow-on public offering, the Company announced its agreement to be the sole strategic supply chain partner for a major customer in Australia. The total investment is expected to be staggered over four years, funded by a combination of proceeds from the follow-on public offering, borrowings from the Revolving Line of Credit and available cash. The funds will be used to complete at least three highly automated distribution centers across three primary Australian markets.

Other Shareholder Matters

None.

ITEM 6. Selected Financial Data

Selected Company Financial and Other Data (Americold Realty Trust)

The following tables show our selected consolidated financial data for Americold Realty Trust and the Operating Partnership and their respective subsidiaries for the periods indicated. This information should be read together with the audited financial statements and notes thereto of Americold Realty Trust and its subsidiaries and the Operating Partnership and its subsidiaries and with "Management's Discussion and Analysis of Financial Condition and Results of Operations" included elsewhere in this Annual Report.

	Year ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands)				
Consolidated Statements of Operations Data:					
Warehouse segment revenues	$ 1,176,912	$ 1,145,662	$ 1,080,867	$ 1,057,124	$ 1,039,005
Total revenues	1,603,635	1,543,587	1,489,999	1,481,385	1,509,598
Operating income	179,960	136,989	132,124	112,502	107,467
Net income (loss) attributable to Americold Realty Trust	47,985	(608)	4,932	(21,176)	(42,434)
Total warehouse segment contribution (NOI) (1)	374,534	348,328	314,045	307,749	294,257
Total segment contribution (NOI) (1)	405,649	374,105	345,645	337,020	322,519
Consolidated Statement of Cash Flows Data:					
Net cash provided by operating activities	$ 188,171	$ 163,327	$ 118,781	$ 106,521	$ 117,243
Net cash used in investing activities	(125,703)	(138,831)	(41,653)	(51,532)	(51,866)
Net cash provided by (used in) financing activities	84,942	(18,604)	(95,322)	(28,120)	(58,981)
Net increase (decrease) in cash and cash equivalents	$ 147,410	$ 5,892	$ (18,194)	$ 26,869	$ 6,396

	Year ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands, except per share data)				
Per Share Data:					
Net income (loss) attributable to common shareholders per common share					
Basic	$ 0.31	$ (0.43)	$ (0.35)	$ (0.73)	$ (1.03)
Diluted	$ 0.31	$ (0.43)	$ (0.35)	$ (0.73)	$ (1.03)
Common share dividends paid	$ 76,523	$ 20,214	$ 20,214	$ 20,214	$ 20,214
Dividends paid per common share	$ 0.54	$ 0.29	$ 0.29	$ 0.29	$ 0.29
Weighted average common shares outstanding:					
Basic	141,415	70,022	69,890	69,758	69,621
Diluted	144,338	70,022	69,890	69,758	69,621
Selected Other Data:					
Same store contribution (NOI) (2)	$ 366,006	$ 346,879	$ 309,349	$ 302,040	$ 289,428
EBITDA (3)	255,331	240,424	248,934	230,891	214,285
Core EBITDA (3)	306,777	287,145	261,362	253,638	244,057
Funds from operations (4)	130,644	96,483	90,561	75,065	47,111
Core funds from operations (4)	174,993	106,093	69,207	55,697	42,133
Adjusted funds from operations (4)	170,433	94,616	71,125	59,754	81,152

	As of December 31,		
	2018	2017	2016
	(In thousands)		
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 208,078	$ 48,873	$ 22,834
Total assets	2,532,428	2,394,897	2,327,631
Total debt	1,510,721	1,901,090	1,831,973
Total shareholders' equity (deficit)	706,755	(186,924)	(149,455)

	As of December 31,		
	2018	2017	2016
Ratio Data:			
Net debt to Core EBITDA (6)	4.3x	6.6x	7.1x

(1) We evaluate the performance of our business segments based on their contribution (NOI) to our overall results of operations. We use the term "segment contribution (NOI)" to mean a segment's revenues less its cost of operations (excluding any depreciation, depletion and amortization, impairment charges and corporate-level selling, general and administrative expenses). We use segment contribution (NOI) to evaluate our segments for purposes of making operating decisions and assessing performance in accordance with Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 280, Segment Reporting.

We also calculate our total segment contribution (NOI) as the sum of the segment contribution (NOI) for each of our business segments. We believe our total segment contribution (NOI) is helpful to investors because it gives a picture of our business's profitability before differences in capital structures, capital investment cycles, useful life of related assets among otherwise comparable companies and corporate-level overhead which is not immediately and fully correlated with the provision of services by our business. For a reconciliation of total segment contribution (NOI) to our operating income, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP, see footnote (2) below.

(2) We refer to a "same store" as a warehouse we owned or leased for the entirety of two comparable periods and which has reported at least twelve months of consecutive normalized operations prior to the commencement of the earlier period being considered. We define "normalized operations" as a site open for operation or lease after a warehouse acquisition, development or significant modification, including the expansion of a warehouse footprint or a warehouse rehabilitation subsequent to an extraordinary event, such as natural disasters or similar events. In addition, our definition of "normalized operations" takes into account changes in the ownership structure, which would impact comparability in our warehouse segment contribution (NOI). As an example, the acquisition of a warehouse previously subject to an operating lease would result in the removal of the warehouse from the same store set because the operating expenses associated with the lease would not be included in both periods. Warehouses are excluded from the same store population as of the beginning of the fiscal quarter following the occurrence of such events. We evaluate our same store portfolio on a quarterly basis.

We calculate "same store contribution (NOI)" as revenues for the same store population less its cost of operations (excluding any depreciation, depletion and amortization, impairment charges and corporate-level selling, general and administrative expenses). In order to derive an appropriate measure of period-to-period operating performance, we also calculate our same store contribution (NOI) on a constant currency basis to remove the effects of foreign currency exchange rate movements by using the comparable prior period exchange rate to translate from local currency into U.S. dollars for both periods.

We evaluate the performance of the warehouses we own or lease using a "same store" analysis, and we believe that same store contribution (NOI) is helpful to investors as a supplemental performance measure because it includes the operating performance from the population of properties that is consistent from period to period and also on a constant currency basis, thereby eliminating the effects of changes in the composition of our portfolio of warehouses and currency fluctuations on performance measures.

Same store contribution (NOI) is not a measurement of financial performance under U.S. GAAP. In addition, other companies providing temperature-controlled warehouse storage and handling and other warehouse services may not define same store or calculate same store contribution (NOI) in a manner consistent with our definition or calculation. Same store contribution (NOI) should be considered as a supplement, but not as an alternative, to our results calculated in accordance with U.S. GAAP.

The following table reconciles same store contribution (NOI) to operating income, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP.

	Year ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands)				
Same store contribution (NOI)	$ 366,006	$ 346,879	$ 309,349	$ 302,040	$ 289,428
Non-same store contribution (loss) (NOI)	8,528	1,449	4,696	5,709	4,829
Warehouse segment contribution (NOI)	$ 374,534	$ 348,328	$ 314,045	$ 307,749	$ 294,257
Third-party managed segment contribution (NOI)	14,760	12,825	14,814	12,581	10,353
Transportation segment contribution (NOI)	15,735	12,950	14,418	14,305	15,855
Other segment contribution (NOI)	620	2	2,368	2,385	2,054
Total segment contribution (NOI)	$ 405,649	$ 374,105	$ 345,645	$ 337,020	$ 322,519
Depreciation, depletion and amortization	(117,653)	(116,741)	(118,571)	(125,720)	(132,679)
Corporate-level selling, general and administrative expenses	(114,760)	(110,945)	(96,728)	(88,786)	(82,428)
Impairment of long-lived assets	(747)	(9,473)	(9,820)	(9,415)	—
Gain (loss) from sale of real estate, net	7,471	43	11,598	(597)	55
U.S. GAAP operating income	$ 179,960	$ 136,989	$ 132,124	$ 112,502	$ 107,467

(3) We calculate EBITDA as earnings before interest expense, taxes, depreciation, depletion and amortization. EBITDA is a measure commonly used in our industry, and we present EBITDA to enhance investor understanding of our operating performance. We believe that EBITDA provides investors and analysts with a measure of operating results unaffected by differences in capital structures, capital investment cycles and useful life of related assets among otherwise comparable companies.

We also calculate our Core EBITDA as EBITDA adjusted for impairment charges on intangible and long-lived assets, gain or loss on depreciable real property asset disposals, severance and reduction in workforce costs, terminated site operations costs, expenses related to our review of the strategic alternatives for our company prior to the IPO, litigation settlements, loss on debt extinguishment and modifications, stock-based compensation expense, foreign currency exchange gain or loss, loss on partially owned entities, impairment of partially owned entities, and multi-employer pension plan withdrawal expense. We believe that the presentation of Core EBITDA provides a measurement of our operations that is meaningful to investors because it excludes the effects of certain items that are otherwise included in EBITDA but which we do not believe are indicative of our core business operations. EBITDA and Core EBITDA are not measurements of financial performance under U.S. GAAP, and our EBITDA and Core EBITDA may not be comparable to similarly titled measures of other companies. You should not consider our EBITDA and Core EBITDA as alternatives to net income or cash flows from operating activities determined in accordance with U.S. GAAP. Our calculations of EBITDA and Core EBITDA have limitations as analytical tools, including:

- these measures do not reflect our historical or future cash requirements for recurring maintenance capital expenditures or growth and expansion capital expenditures;
- these measures do not reflect changes in, or cash requirements for, our working capital needs;
- these measures do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our indebtedness;
- these measures do not reflect our tax expense or the cash requirements to pay our taxes; and
- although depreciation, depletion and amortization are non-cash charges, the assets being depreciated, depleted and amortized will often have to be replaced in the future and these measures do not reflect any cash requirements for such replacements.

We use EBITDA and Core EBITDA as measures of our operating performance and not as measures of liquidity. The following table reconciles EBITDA and Core EBITDA to net income, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP.

	Year ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands)				
Net income (loss) attributable to Americold Realty Trust	$ 47,985	$ (608)	$ 4,932	$ (21,176)	$ (42,434)
Adjustments:					
Depreciation, depletion and amortization	117,653	116,741	118,571	125,720	132,679
Interest expense	93,312	114,898	119,552	116,710	114,223
Income tax (benefit) expense	(3,619)	9,393	5,879	9,637	9,817
EBITDA	$ 255,331	$ 240,424	$ 248,934	$ 230,891	$ 214,285
Adjustments:					
Severance and reduction in workforce costs [(a)]	11	516	900	886	570
Terminated site operations cost	(1,804)	2,677	6	1,168	—
Non-offering related equity issuance expenses [(b)]	1,813	—	—	—	—
Non-recurring public company implementation costs [(c)]	1,202	—	—	—	—
Acquisition, diligence and other pursuit costs [(d)]	671	—	—	—	—
Strategic alternative costs [(e)]	—	8,136	4,666	(1,372)	712
Litigation settlements	—	—	89	900	—
Loss from partially owned entities	1,069	1,363	128	3,538	19,990
Non-recurring impairment of partially owned entities [(f)]	—	6,496	—	—	—
Impairment of intangible and long-lived assets and inventory	747	11,581	9,820	9,415	—
Foreign currency exchange (gain) loss, net	(2,882)	3,591	(464)	3,470	5,273
Stock-based compensation expense	10,683	2,358	6,436	3,108	2,827
Loss on debt extinguishment, modifications and termination of derivative instruments	47,559	986	1,437	503	—
(Gain) loss on real estate and other asset disposals	(7,623)	(150)	(10,590)	1,131	400
Multi-Employer pension plan withdrawal expense	—	9,167	—	—	—
Core EBITDA	$ 306,777	$ 287,145	$ 261,362	$ 253,638	$ 244,057

(a) Represents one-time severance from prior management team and reduction in workforce costs associated with exiting or selling non-strategic warehouses.

(b) Represents one-time costs and professional fees associated with our IPO and follow-on equity issuances.

(c) Represents one-time costs associated with the implementation of financial reporting systems and processes needed to convert the organization to a public company.

(d) Represents costs associated with M&A activity.

(e) Represents one-time operating costs associated with our review of strategic alternatives prior to the IPO.

(f) Represents an impairment charge related to our investment in the China JV based on a determination that the recorded investment was no longer recoverable from the projected future cash distributions we expect to receive from the China JV. We have not received any cash distributions from the China JV since the formation of the joint venture.

(4) We calculate funds from operations, or FFO, in accordance with the standards established by the Board of Governors of the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as net income or loss determined in accordance with U.S. GAAP, excluding extraordinary items as defined under U.S. GAAP and gains or losses from sales of previously depreciated operating real estate assets, plus specified non-cash items, such as real estate asset depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures. We believe that FFO is helpful to investors as a supplemental performance measure because it excludes the effect of depreciation, amortization and gains or losses from sales of real estate, all of which are based on historical costs, which implicitly assumes that the value of real estate diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, FFO can facilitate comparisons of operating performance between periods and among other equity REITs.

We calculate core funds from operations, or Core FFO, as FFO adjusted for the effects of gain or loss on the sale of non-real estate assets, severance and reduction in workforce costs, terminated site operations costs, expenses related to our review of the strategic alternatives for our company prior to the IPO, litigation settlements, non-recurring impairment charges arising from our joint venture in China, or the China JV, and impairment of partially owned entities, loss on debt extinguishment and modifications, inventory asset impairment charges, foreign currency exchange gain or loss, excise tax settlement, Tax Cuts and Jobs Act benefit, and multi-employer pension plan withdrawal expense. We believe that Core FFO is helpful to investors as a supplemental performance measure because it excludes the effects of certain items which can create significant earnings volatility, but which do not directly relate to our core business operations. We believe Core FFO can facilitate comparisons of operating performance between periods, while also providing a more meaningful predictor of future earnings potential.

However, because FFO and Core FFO add back real estate depreciation and amortization and do not capture the level of recurring maintenance capital expenditures necessary to maintain the operating performance of our properties, both of which have material economic impacts on our results from operations, we believe the utility of FFO and Core FFO as a measure of our performance may be limited.

We calculate adjusted funds from operations, or Adjusted FFO, as Core FFO adjusted for the effects of amortization of loan costs, debt discounts and above or below market leases, straight-line rent, provision or benefit from deferred income taxes, stock-based compensation expense from grants of stock options and restricted stock units under our equity incentive plans, non-real estate depreciation, depletion or amortization (including in respect of the China JV), and recurring maintenance capital expenditures. We believe that Adjusted FFO is helpful to investors as a meaningful supplemental comparative performance measure of our ability to make incremental capital investments in our business and to assess our ability to fund distribution requirements from our operating activities.

FFO, Core FFO and Adjusted FFO are used by management, investors and industry analysts as supplemental measures of operating performance of equity REITs. FFO, Core FFO and Adjusted FFO should be evaluated along with U.S. GAAP net income and net income per diluted share (the most directly comparable U.S. GAAP measures) in evaluating our operating performance. FFO, Core FFO and Adjusted FFO do not represent net income or cash flows from operating activities in accordance with U.S. GAAP and are not indicative of our results of operations or cash flows from operating activities as disclosed in our consolidated statements of operations included elsewhere in this Annual Report on Form 10-K. FFO, Core FFO and Adjusted FFO should be considered as supplements, but not alternatives, to our net income or cash flows from operating activities as indicators of our operating performance. Moreover, other REITs may not calculate FFO in accordance with the NAREIT definition or may interpret the NAREIT definition differently than we do. Accordingly, our FFO may not be comparable to FFO as calculated by other REITs. In addition, there is no industry definition of Core FFO or Adjusted FFO and, as a result, other REITs may also calculate Core FFO or Adjusted FFO, or other similarly-captioned metrics, in a manner different than we do. The following table reconciles FFO, Core FFO and Adjusted FFO to net income, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP.

	Year ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands)				
Net income (loss) attributable to Americold Realty Trust	$ 47,985	$ (608)	$ 4,932	$ (21,176)	$ (42,434)
Adjustments:					
Real estate related depreciation	88,246	86,478	85,645	88,717	88,394
Net (gain) loss on sale of depreciable real estate	(7,471)	(43)	(11,104)	597	(55)
Net (gain) loss on asset disposals	(65)	—	—	—	—
Impairment charges on certain real estate assets	747	9,473	9,820	5,711	—
Real estate depreciation on China JV	1,202	1,183	1,268	1,216	1,206
Funds from operations	130,644	96,483	90,561	75,065	47,111
Less distributions on preferred shares of beneficial interest	(1,817)	(28,452)	(28,452)	(28,452)	(28,452)
Funds from operations attributable to common shareholders	$ 128,827	$ 68,031	$ 62,109	$ 46,613	$ 18,659
Adjustments:					
Net (gain) loss on sale of non-real estate assets	(739)	(599)	464	(175)	195
Non-offering related equity issuance expenses [(a)]	1,813	—	—	—	—
Non-recurring public company implementation costs [(b)]	1,202	—	—	—	—
Acquisition, diligence and other pursuit costs [(c)]	671	—	—	—	—
Stock-based compensation expense, IPO grants	4,208	—	—	—	—
Severance and reduction in workforce costs [(d)]	11	516	900	886	570
Terminated site operations costs [(e)]	(1,804)	2,677	6	1,168	—
Strategic alternative costs [(f)]	—	8,136	4,666	(1,372)	712
Litigation settlements	—	—	89	900	—
Impairment of partially owned entities [(g)]	—	6,496	—	—	16,724
Loss on debt extinguishment, modifications and termination of derivative instruments	47,559	986	1,437	503	—
Inventory asset impairment	—	2,108	—	3,704	—
Foreign currency exchange (gain) loss, net	(2,882)	3,591	(464)	3,470	5,273
Alternative Minimum Tax Receivable from TCJA	(3,745)	—	—	—	—
Excise tax settlement	(128)	4,984	—	—	—
Multi-Employer pension plan withdrawal expense	—	9,167	—	—	—
Core FFO applicable to common shareholders	$ 174,993	$ 106,093	$ 69,207	$ 55,697	$ 42,133
Adjustments:					
Amortization of loan costs and debt discounts	6,176	8,604	7,193	6,672	6,144
Amortization of below/above market leases	151	151	196	520	630
Straight-line net rent	(179)	101	(564)	(516)	749
Deferred income taxes (benefit) expense	(3,152)	(3,658)	(586)	(2,292)	15,604
Stock-based compensation expense	6,474	2,358	6,436	3,108	2,827
Non-real estate depreciation and amortization	29,407	30,263	32,926	37,003	44,285
Non-real estate depreciation and amortization on China JV	538	610	762	1,247	1,588
Recurring maintenance capital expenditures [(h)]	(43,975)	(49,906)	(44,445)	(41,685)	(32,808)
Adjusted FFO applicable to common shareholders	$ 170,433	$ 94,616	$ 71,125	$ 59,754	$ 81,152

(a) Represents one-time costs and professional fees associated with our IPO and follow-on equity issuances.

(b) Represents one-time costs associated with the implementation of financial reporting systems and processes needed to convert the organization to a public company.

(c) Represents costs associated with M&A activity.

(d) Represents one-time severance from prior management team and reduction in workforce costs associated with exiting or selling non-strategic warehouses.

(e) Represents repair expenses incurred to return leased sites to their original physical state at lease inception in connection with the termination of the applicable underlying lease. These terminations were part of our strategic efforts to exit or sell non-strategic warehouses as opposed to ordinary course lease expirations. Repair and maintenance expenses associated with our ordinary course operations are reflected as operating expenses on our statement of operations. During Q4 2018, we were released from liability under a previously exited leased facility, for which we originally recorded in Q3 2017 a charge of $2.1 million repair expense to return the site to its original condition. As a result, we reversed this charge in Q4 2018. In total, $0.3 million was paid in conjunction with the exit of this facility.

(f) Represents one-time operating costs associated with our review of strategic alternatives prior to the IPO

(g) Represents an impairment charge related to our investment in the China JV based on a determination that the recorded investment was no longer recoverable from the projected future cash distributions we expect to receive from the China JV. We did not receive any cash distributions from the China JV since the formation of the joint venture.

(h) Recurring maintenance capital expenditures include capital expenditures made to extend the life of, and provide future economic benefit from, our existing temperature-controlled warehouse network and its existing supporting personal property and information technology. For additional information regarding these expenditures, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recurring Maintenance Capital Expenditures and Repair and Maintenance Expenses” in Item 7 of this Annual Report on Form 10-K.

(6) Net debt to Core EBITDA represents (i) our gross debt (defined as total debt plus discount and deferred financing costs) less cash and cash equivalents divided by (ii) Core EBITDA. Our management believes that this ratio is useful because it provides investors with information regarding gross debt less cash and cash equivalents, which could be used to repay debt, compared to our performance as measured using Core EBITDA.

The following table reconciles net debt to total debt, which is the most directly comparable financial measure calculated in accordance with U.S. GAAP:

	As of December 31,	
	2018	**2017**
	Historical	
	(In thousands)	
Total debt	$ 1,510,721	$ 1,901,090
Discount and deferred financing costs	13,943	31,996
Gross debt	1,524,664	1,933,086
Adjustments:		
Less: cash and cash equivalents	208,078	48,873
Net debt	$ 1,316,586	$ 1,884,213

Selected Company Financial and Other Data (Americold Realty Operating Partnership, L.P.)

The following tables summarize selected financial data related to our historical financial condition and results of operations for our operating partnership:

	Year ended December 31,				
	2018	2017	2016	2015	2014
	(In thousands, except per unit data)				
Consolidated Statements of Operations Data:					
Net income (loss) attributable to the Partnership	$ 47,985	$ (608)	$ 4,932	$ (21,176)	$ (42,434)
Per Share Data:					
General partners' interest in net income (loss) attributable to unitholders	$ 47,505	$ (602)	$ 4,883	$ (20,964)	$ (42,010)
Limited partners' interest in net income (loss) attributable to unitholders	480	(6)	49	(212)	(424)
General partners' net income (loss) per unit	0.34	(0.01)	0.07	(0.31)	(0.61)
Limited partners' net income (loss) per unit	0.34	(0.01)	0.07	(0.31)	(0.61)
Distributions paid	86,679	48,666	48,666	48,666	48,666
General partners' distributions paid per unit	0.62	0.70	0.70	0.70	0.70
Limited partners' distributions paid per unit	$ 0.62	$ 0.70	$ 0.70	$ 0.70	$ 0.70
General partners' weighted average units outstanding	139,394	68,677	68,677	68,677	68,677
Limited partners' weighted average units outstanding	1,408	694	694	694	694

	As of December 31,		
	2018	2017	2016
	(In thousands)		
Consolidated Balance Sheet Data:			
Cash and cash equivalents	$ 208,078	$ 48,873	$ 22,834
Total assets	2,532,428	2,394,897	2,327,631
Total debt	1,510,721	1,901,090	1,831,973
General partners' capital	712,078	184,240	230,687
Limited partners' capital	7,192	1,860	2,329

All other selected financial and other data is the same for Americold Realty Trust and Americold Realty Operating Partnership, L.P. except amounts attributable to common shareholders and unitholders.

ITEM 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements included in this Annual Report on Form 10-K. In addition, the following discussion contains forward-looking statements, such as statements regarding our expectation for future performance, liquidity and capital resources, that involve risks, uncertainties and assumptions that could cause actual results to differ materially from our expectations. Our actual results may differ materially from those contained in or implied by any forward-looking statements. Factors that could cause such differences include those identified below and those described under Item 1A of this Annual Report on Form 10-K.

Management's Overview

We are the world's largest owner and operator of temperature-controlled warehouses. We are organized as a self-administered and self-managed REIT with proven operating, development and acquisition expertise. As of December 31, 2018 , we operated a global network of 155 temperature-controlled warehouses encompassing 918.7 cubic feet, with 137 warehouses in the United States, six warehouses in Australia, seven warehouses in New Zealand, two warehouses in Argentina and three warehouses in Canada. We also own and operate a limestone quarry through a separate business segment. We view and manage our business through three primary business segments: warehouse, third–party managed and transportation. In addition, we hold a minority interest in the China JV, which owns or operates 12 temperature-controlled warehouses located in China.

Components of Our Results of Operations

Warehouse . Our primary source of revenues consists of rent, storage and warehouse services fees. Our rent, storage and warehouse services revenues are the key drivers of our financial performance. Rent and storage revenues consist of recurring, periodic charges related to the storage of frozen and perishable food and other products in our warehouses by our customers. We also provide these customers with a wide array of handling and other warehouse services, such as (1) receipt, handling and placement of products into our warehouses for storage and preservation, (2) retrieval of products from storage upon customer request, (3) blast freezing, which involves the rapid freezing of non-frozen products, including individual quick freezing for agricultural produce and seafood, (4) case-picking, which involves selecting product cases to build customized pallets, (5) kitting and repackaging, which involves assembling custom product packages for delivery to retailers and consumers, and labeling services, (6) order assembly and load consolidation, (7) exporting and importing support services, (8) container handling, (9) cross-docking, which involves transferring inbound products to outbound trucks utilizing our warehouse docks without storing them in our warehouses, and (10) government-approved temperature-controlled storage and inspection services. We refer to these handling and other warehouse services as our value-added services.

Cost of operations for our warehouse segment consists of power, other facilities costs, labor, and other costs. Labor, the largest component of the cost of operations from our warehouse segment, consists primarily of employee wages, benefits, and workers' compensation. Trends in our labor expense are influenced by changes in headcount and compensation levels, changes in customer requirements, workforce productivity, variability in costs associated with medical insurance and the impact of workplace safety programs, inclusive of the number and severity of workers' compensation claims. Our second largest cost of operations from our warehouse segment is power utilized in the operation of our temperature-controlled warehouses. As a result, trends in the price for power in the regions where we operate may have a significant effect on our financial results. We may from time to time hedge our exposure to changes in power prices through fixed rate agreements or, to the extent possible and appropriate, through rate escalations or power surcharge provisions within our customer contracts. Other facilities costs include utilities other than power, property insurance, property taxes, sanitation, repairs and maintenance on real estate, rent under operating leases, where applicable, and other related facilities costs. Other services costs include equipment costs, warehouse consumables (e.g., shrink-wrap and uniforms), warehouse administration and other related services costs.

Third-Party Managed . We receive a reimbursement of substantially all expenses for warehouses that we manage on behalf of third-party owners, with all reimbursements recognized as revenues under the relevant accounting guidance. We also earn management fees, incentive fees upon achieving negotiated performance and cost-savings results, or an applicable mark-up on costs. Cost of operations for our third-party managed segment is reimbursed on a pass-through basis (typically within two weeks).

Transportation . We charge transportation fees, including fuel surcharges, to our customers for whom we arrange the transportation of their products. Cost of operations for our transportation segment consists primarily of third-party carrier charges, which are impacted by factors affecting those carriers.

Other . In addition to our primary business segments, we own and operate a limestone quarry in Carthage, Missouri. Revenues are generated from the sale of limestone mined at our quarry. Cost of operations for our quarry consists primarily of labor, equipment, fuel and explosives. We have referred to this segment as Quarry within our Management's Discussion and Analysis.

Other Consolidated Operating Expenses . We also incur depreciation, depletion and amortization expenses and corporate-level selling, general and administrative expenses.

Our depreciation, depletion and amortization charges result primarily from the capital-intensive nature of our business. The principal components of depreciation relate to our warehouses, including buildings and improvements, refrigeration equipment, racking, leasehold improvements, material handling equipment, furniture and fixtures, and our computer hardware and software. Depletion relates to the reduction of mineral resources resulting from the operation of our limestone quarry. Amortization relates primarily to intangible assets for customer relationships and below-market leases.

Our corporate-level selling, general and administrative expenses consist primarily of wages and benefits for management, administrative, business development, account management, marketing, engineering, supply-chain solutions, human resources and information technology personnel, as well as expenses related to equity incentive plans, communications and data processing, travel, professional fees and public company costs, bad debts, training, office equipment and supplies. Trends in corporate-level selling, general and administrative expenses are influenced by changes in headcount and compensation levels, achievement of incentive compensation targets, and variability in costs associated with pension obligations. To position ourselves to meet the challenges of the current business environment, we have implemented a shared services support structure to better manage costs and enhance the efficiency of our operations.

Key Factors Affecting Our Business and Financial Results

Foreign Currency Translation Impact on Our Operations

Our consolidated revenues and expenses are subject to variations caused by the net effect of foreign currency translation on revenues and expenses incurred by our operations outside the United States. Future fluctuations of foreign currency exchange rates and their impact on our consolidated statements of operations are inherently uncertain. As a result of the relative size of our international operations, these fluctuations may be material on our results of operations. Our revenues and expenses from our international operations are denominated in the local currency of the country in which they are derived or incurred. Therefore, the impact of foreign currency fluctuations on our results of operations and margins is partially mitigated.

The following table shows a comparison of underlying average exchange rates of the foreign currencies that impacted our U.S. dollar-reported revenues and expenses during the periods discussed herein together with a comparison against the exchange rates of such currencies at the end of the applicable periods presented herein.

	December 31, 2018 compared to December 31, 2017			December 31, 2017 compared to December 31, 2016		
	Average foreign exchange rate used to adjust operating results for the year ended December 31, 2018 (1)	Foreign exchange rates as of December 31, 2018	Foreign exchange rates as of December 31, 2017	Average foreign exchange rate used to adjust operating results for the year ended December 31, 2017 (1)	Foreign exchange rates as of December 31, 2017	Foreign exchange rates as of December 31, 2016
Australian dollar	0.769	0.705	0.781	0.744	0.781	0.723
New Zealand dollar	0.710	0.671	0.710	0.697	0.710	0.696
Argentine peso	0.059	0.037	0.054	0.068	0.054	0.063
Canadian dollar	0.768	0.733	0.799	0.755	0.799	0.745

(1) Represents the relevant average foreign exchange rates in effect in the comparable prior period applied to the activity for the current period. The average foreign currency exchange rates we apply to our operating results are derived from third party reporting sources for the periods indicated.

Focus on Our Operational Effectiveness and Cost Structure

We continuously seek to implement various initiatives aimed at streamlining our business processes and reducing our cost structure including realigning and centralizing key business processes; implementing standardized operational processes; integrating and launching new information technology tools and platforms; instituting key health, safety, leadership and training programs; and capitalizing on the purchasing power of our network. Through the realignment of our business processes, we have improved retention of our key talent and reduced employee turnover, acquired new talent and strengthened our service offerings. In order to reduce costs in our facilities, we have invested in energy efficiency projects, including LED lighting, motion-sensor technology, variable frequency drives for our fans and compressors, third party efficiency reviews and real-time monitoring of energy consumption, rapid open and close doors, and alternative-power generation technologies to improve the energy efficiency of our warehouses. We have also performed fine-tuning of our refrigeration systems, deployed efficient energy management practices, such as time-of-use and awareness, and have increased our participation in Power Demand Response programs with some of our power suppliers. These initiatives have allowed us to reduce our consumption of kilowatt hours and energy spend.

As part of our initiatives to streamline our business processes and to reduce our cost structure, we have evaluated and exited less strategic and profitable markets or business lines, including the sale of certain warehouse assets and the exit of certain leased facilities. Through our process of active portfolio management, we continue to evaluate our markets and offerings.

Strategic Shift within Our Transportation Segment

In order to better focus our business on the operation of our temperature-controlled warehouses, we have undertaken a strategic shift in the solutions we provide in our transportation segment. As a result of this strategic shift, we have gradually exited certain commoditized, non-scalable, or low margin services we historically offered to our customers, including traditional brokered transportation services. We continue to offer more profitable and value added programs, such as national and regional cross-dock, regional and multi-vendor consolidation service, and dedicated transportation services. We designed each of these programs to improve efficiency and reduce transportation and logistics costs to our warehouse customers, whose transportation spend typically represents the majority of their supply-chain costs. We believe this efficiency and cost reduction helps to drive increased occupancy in our temperature-controlled warehouses.

Historically Significant Customer

For the years ended December 31, 2018 , 2017 and 2016 , one customer accounted for more than 10% of our total revenues, with $212.8 million , $198.6 million and $210.5 million , respectively. The substantial majority of this customer's business relates to our third-party managed segment. We are reimbursed for substantially all expenses we incur in managing warehouses on behalf of third-party owners. We recognize these reimbursements as revenues under applicable accounting guidance, but generally do not affect our financial results because they are offset by the corresponding expenses that we recognize in our third-party managed segment cost of operations. Of the revenues received from this customer, $196.3 million , $183.1 million and $196.1 million represented reimbursements for certain expenses we incurred during the years ended December 31, 2018 , 2017 and 2016 , respectively, that were offset by matching expenses included in our third-party managed cost of operations.

Occupancy of our Warehouses

Occupancy in our warehouses is an important driver of our financial results. Physical occupancy of an individual warehouse is impacted by a number of factors, including the type of warehouse (*i.e.* , distribution, public, production advantaged or leased facility), specific customer needs in the markets served by the warehouse, timing of harvests or protein production for customers of the warehouse, the existence of leased but unoccupied pallets and the adverse effect of weather or market conditions on the customers of the warehouse. On a portfolio-wide basis, physical occupancy rates and warehouse revenues generally peak between mid-September and early December in connection with the holiday season and the peak harvest season in the United States. Physical occupancy rates and warehouse revenues on a portfolio-wide basis are generally the lowest during May and June. Our target occupancy across our warehouse portfolio varies by warehouse and warehouse type because our warehouses are configured to accommodate the individual needs of our customers. We generally regard approximately 85% average physical occupancy across our temperature-controlled warehouse portfolio as optimal, subject to relevant local market conditions and individual customer needs. We do not believe that a 100% occupancy rate is an ideal target for utilization of our warehouses because optimizing pallet throughput and efficient delivery of relevant value-added services require a certain amount of free pallet position capacity at all times in order to be able to efficiently place, store and retrieve products from pallet positions, particularly during periods of greatest occupancy or highest volume. Our occupancy metrics account for the physical occupancy of our warehouses. As customers continue to transition to contracts that feature a fixed storage commitment, our financial occupancy may be greater than our physical occupancy, as our customers may have committed to, and be paying for, space that they are currently not physically occupying, but intend to physically occupy in the future.

Throughput at our Warehouses

The level of throughput at our warehouses is an important factor impacting our warehouse services revenues in our warehouse segment. Throughput refers to the volume of pallets that enter and exit our warehouses. Higher levels of throughput drive warehouse services revenues in our warehouse segment as customers are typically billed on a basis that takes into account the level of throughput of the goods they store in our warehouses.

How We Assess the Performance of Our Business

Segment Contribution (NOI)

We evaluate the performance of our primary business segments based on their contribution (NOI) to our overall results of operations. We use the term “segment contribution (NOI)” to mean a segment’s revenues less its cost of operations (excluding any depreciation, depletion and amortization, impairment charges and corporate-level selling, general and administrative expenses). We use segment contribution (NOI) to evaluate our segments for purposes of making operating decisions and assessing performance in accordance with FASB ASC, Topic 280, *Segment Reporting* .

We also analyze the “segment contribution (NOI) margin” for each of our business segments, which we calculate as segment contribution (NOI) divided by segment revenues.

In addition to our segment contribution (NOI) and segment contribution (NOI) margin, we analyze the contribution (NOI) of our warehouse rent and storage operations and our warehouse services operations within our warehouse segment. We calculate the contribution (NOI) of our warehouse rent and storage operations as rent and storage revenues less power and other facilities cost. We calculate the contribution (NOI) of our warehouse services operations as warehouse services revenues less labor and other service costs. We calculate the contribution (NOI) margin for each of these operations as the applicable contribution (NOI) measure divided by the applicable revenue measure. We believe the presentation of these contribution (NOI) and contribution (NOI) margin measures helps investors understand the relative revenues, costs and earnings resulting from each of these separate types of services we provide to our customers in the same manner reviewed by our management in connection with the operation of our business. These contribution (NOI) measures within our warehouse segment are not measurements of financial performance under U.S. GAAP, and these measures should be considered as supplements, but not as alternatives, to our results calculated in accordance with U.S. GAAP. We provide reconciliations of these measures in the discussions of our comparative results of operations below.

Same Store Analysis

We refer to a "same store" as a warehouse we owned or leased for the entirety of two comparable periods and which has reported at least twelve months of consecutive normalized operations prior to the commencement of the earlier period being considered. We define "normalized operations" as a site open for operation or lease after a warehouse acquisition, development or significant modification, including the expansion of a warehouse footprint or a warehouse rehabilitation subsequent to an extraordinary event, such as natural disasters or similar events. In addition, our definition of "normalized operations" takes into account changes in the ownership structure (*e.g.* , acquisition of a previously leased warehouse would result in different charges in the compared periods), which would impact comparability in our warehouse segment contribution (NOI). Warehouses are excluded from the same store population as of the beginning of the fiscal quarter following the occurrence of such events. We evaluate our same store portfolio on a quarterly basis.

We calculate "same store contribution (NOI)" as revenues for the same store population less its cost of operations (excluding any depreciation, depletion and amortization, impairment charges and corporate-level selling, general and administrative expenses). In order to derive an appropriate measure of period-to-period operating performance, we also calculate our same store contribution (NOI) on a constant currency basis to remove the effects of foreign currency exchange rate movements by using the comparable prior period exchange rate to translate from local currency into U.S. dollars for both periods. We evaluate the performance of the warehouses we own or lease using a "same store" analysis, and we believe that same store contribution (NOI) is helpful to investors as a supplemental performance measure because it includes the operating performance from the population of properties that is consistent from period to period and also on a constant currency basis, thereby eliminating the effects of changes in the composition of our warehouse portfolio and currency fluctuations on performance measures.

The following table shows the number of same-store warehouses in our portfolio and the number of warehouses excluded as same-store warehouses during the periods discussed herein.

	December 31, 2018 compared to December 31, 2017	December 31, 2017 compared to December 31, 2016
Total Warehouses	155	158
Same Store Warehouses [(1)]	136	139
Non-Same Store Warehouses	7	7
Managed Warehouses	12	12

[(1)] During 2018, two of our owned warehouse facilities were sold, one was categorized as same store and one was categorized as non-same store, and one of our leased facilities was exited that was categorized as same store. In addition, a warehouse that is currently undergoing significant construction due to expansion was moved from same store to the non-same store category in Q4 2018.

Same store contribution (NOI) is not a measurement of financial performance under U.S. GAAP. In addition, other companies providing temperature-controlled warehouse storage and handling and other warehouse services may not define same store or calculate same store contribution (NOI) in a manner consistent with our definition or calculation. Same store contribution (NOI) should be considered as a supplement, but not as an alternative, to our results calculated in accordance with U.S. GAAP. We provide reconciliations of these measures in the discussions of our comparative results of operations below.

Constant Currency Metrics

As discussed above under "Key Factors Affecting Our Business and Financial Results *—Foreign Currency Translation Impact on Our Operations* ," our consolidated revenues and expenses are subject to variations caused by the net effect of foreign currency translation on revenues generated and expenses incurred by our operations outside the United States, variations which we cannot control. As a result, in order to provide a framework for assessing how our underlying businesses performed excluding the effect of foreign currency fluctuations, we analyze our business performance based on certain constant currency reporting that represents current period results translated into U.S. dollars at the relevant average foreign exchange rates applicable in the comparable prior period. We believe that the presentation of constant currency results provides a measurement of our ongoing operations that is meaningful to investors because it excludes the impact of these foreign currency movements that we cannot control. Constant currency results are not measurements of financial performance under U.S. GAAP, and our constant currency results should be considered as a supplement, but not as an alternative, to our results calculated in accordance with U.S. GAAP. We provide reconciliations of these measures in the discussions of our comparative results of operations below. Our discussion of the drivers of our performance below are based upon U.S. GAAP.

Results of Operations

The results of operations discussion is combined for Americold Realty Trust and our operating partnership because there are no material differences in the results of operations between the two reporting entities.

Comparison of Results for the Years Ended December 31, 2018 and 2017

Warehouse Segment

The following table presents the operating results of our warehouse segment for the years ended December 31, 2018 and 2017 .

	Year ended December 31,			Change	
	2018 actual	2018 constant currency [1]	2017 actual	Actual	Constant currency
	(Dollars in thousands)				
Rent and storage	$ 514,755	$ 519,950	$ 501,604	2.6 %	3.7 %
Warehouse services	662,157	668,330	644,058	2.8 %	3.8 %
Total warehouse segment revenues	1,176,912	1,188,280	1,145,662	2.7 %	3.7 %
Power	72,332	73,441	72,408	(0.1)%	1.4 %
Other facilities costs [2]	104,618	105,898	104,713	(0.1)%	1.1 %
Labor	519,262	524,758	510,421	1.7 %	2.8 %
Other services costs [3]	106,166	107,772	109,792	(3.3)%	(1.8)%
Total warehouse segment cost of operations	802,378	811,869	797,334	0.6 %	1.8 %
Warehouse segment contribution (NOI)	$ 374,534	$ 376,411	$ 348,328	7.5 %	8.1 %
Warehouse rent and storage contribution (NOI) [4]	$ 337,805	$ 340,611	$ 324,483	4.1 %	5.0 %
Warehouse services contribution (NOI) [5]	$ 36,729	$ 35,800	$ 23,845	54.0 %	50.1 %
Total warehouse segment margin	31.8%	31.7%	30.4%	140 bps	130 bps
Rent and storage margin [6]	65.6%	65.5%	64.7%	90 bps	80 bps
Warehouse services margin [7]	5.5%	5.4%	3.7%	180 bps	170 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.
(2) Includes real estate rent expense of $ 14.0 million and $15.1 million for the year ended December 31, 2018 and 2017, respectively.
(3) Includes non-real estate rent expense (equipment lease and rentals) of $13.8 million and $14.0 million for the year ended December 31, 2018 and 2017, respectively.
(4) Calculated as rent and storage revenues less power and other facilities costs.
(5) Calculated as warehouse services revenues less labor and other services costs.
(6) Calculated as warehouse rent and storage contribution (NOI) divided by warehouse rent and storage revenues.
(7) Calculated as warehouse services contribution (NOI) divided by warehouse services revenues.

Warehouse segment revenues were $1.18 billion for the year ended December 31, 2018 , an increase of $31.3 million , or 2.7% , compared to $1.15 billion for the year ended December 31, 2017 . On a constant currency basis, our warehouse segment revenues were $1.19 billion for the year ended December 31, 2018 , an increase of $42.6 million , or 3.7% , compared to the prior year. These increases were primarily driven by net new business, improvements in our commercial terms and contractual rate escalations, the maturation of the Clearfield, Utah facility and the opening of the build-to-suit facility in Middleboro, Massachusetts at the end of the third quarter in 2018. The foreign currency translation of revenues incurred by our foreign operations had an $11.4 million unfavorable impact during the year ended December 31, 2018 , which was mainly driven by the strengthening of the U.S. dollar over the Australian dollar and to a lesser extent the strengthening of the U.S. dollar over the Argentine peso.

Warehouse segment cost of operations was $802.4 million for the year ended December 31, 2018 , an increase of $5.0 million , or 0.6% , compared to $797.3 million for the year ended December 31, 2017 . On a constant currency basis, our warehouse segment cost of operations was $811.9 million for the year ended December 31, 2018 , an increase of $14.5 million , or 1.8% , compared to the prior year. Despite increases in our costs of operations related to inflation and incremental revenue, as previously discussed, our ongoing efforts to improve productivity and energy efficiency initiatives partially offset this increase and are enabling us to leverage our cost of operations. The foreign currency translation of expenses incurred by our foreign operations had a $9.5 million favorable impact during the year ended December 31, 2018 .

Warehouse segment contribution (NOI) was $374.5 million for the year ended December 31, 2018 , an increase of $26.2 million , or 7.5% , compared to $348.3 million for the year ended December 31, 2017 . On a constant currency basis, warehouse segment contribution was $376.4 million for the year ended December 31, 2018 , an increase of $28.1 million , or 8.1% , compared to the prior year. The foreign currency translation of our results of operations had a $1.9 million unfavorable impact to the warehouse segment contribution period-over-period. Again, a more favorable customer mix, net new business, improvements in our commercial terms and contractual rate escalations, the contribution from the maturation of the Clearfield, Utah facility and opening of the build-to-suit facility in Middleboro, Massachusetts, combined with operating efficiency gains driven by labor productivity, and the leveraging of our fixed expenses allowed us to generate higher contribution margins in our warehouse segment during the year ended December 31, 2018 .

Same Store Analysis

We had 136 same stores for the year ended December 31, 2018 and 139 same stores for the year ended December 31, 2017 . Please see “How We Assess the Performance of Our Business—Same Store Analysis” above for a reconciliation of the change in the same store portfolio from year to year.

The following table presents revenues, cost of operations, contribution (NOI) and margins for our same stores and non-same stores with a reconciliation to the total financial metrics of our warehouse segment for the years ended December 31, 2018 and 2017 .

	Year ended December 31,			Change	
	2018 actual	2018 constant currency (1)	2017 actual	Actual	Constant currency
Same store revenues:	(Dollars in thousands)				
Rent and storage	$ 496,860	$ 502,055	$ 482,422	3.0 %	4.1 %
Warehouse services	642,038	648,211	624,221	2.9 %	3.8 %
Total same store revenues	1,138,898	1,150,266	1,106,643	2.9 %	3.9 %
Same store cost of operations:					
Power	69,438	70,547	68,250	1.7 %	3.4 %
Other facilities costs	98,615	99,894	96,163	2.5 %	3.9 %
Labor	502,579	508,076	494,182	1.7 %	2.8 %
Other services costs	102,260	103,866	105,626	(3.2)%	(1.7)%
Total same store cost of operations	$ 772,892	$ 782,383	$ 764,221	1.1 %	2.4 %
Same store contribution (NOI)	$ 366,006	$ 367,883	$ 342,422	6.9 %	7.4 %
Same store rent and storage contribution (NOI) (2)	$ 328,807	$ 331,614	$ 318,009	3.4 %	4.3 %
Same store services contribution (NOI) (3)	$ 37,199	$ 36,269	$ 24,413	52.4 %	48.6 %
Total same store margin	32.1%	32.0%	30.9%	120 bps	110 bps
Same store rent and storage margin (4)	66.2%	66.1%	65.9%	30 bps	20 bps
Same store services margin (5)	5.8%	5.6%	3.9%	190 bps	170 bps
Non-same store revenues:					
Rent and storage	$ 17,895	$ 17,895	$ 19,182	(6.7)%	(6.7)%
Warehouse services	20,119	20,119	19,837	1.4 %	1.4 %
Total non-same store revenues	38,014	38,014	39,019	(2.6)%	(2.6)%
Non-same store cost of operations:					
Power	2,894	2,894	4,158	(30.4)%	(30.4)%
Other facilities costs	6,003	6,003	8,550	(29.8)%	(29.8)%
Labor	16,683	16,683	16,239	2.7 %	2.7 %
Other services costs	3,906	3,906	4,166	(6.2)%	(6.2)%
Total non-same store cost of operations	$ 29,486	$ 29,486	$ 33,113	(11.0)%	(11.0)%
Non-same store contribution (NOI)	$ 8,528	$ 8,528	$ 5,906	44.4 %	44.4 %
Non-same store rent and storage contribution (NOI) (2)	$ 8,998	$ 8,998	$ 6,474	39.0 %	39.0 %
Non-same store services contribution (NOI) (3)	$ (470)	$ (470)	$ (568)	17.3 %	17.3 %
Total warehouse segment revenues	$ 1,176,912	$ 1,188,280	$ 1,145,662	2.7 %	3.7 %
Total warehouse cost of operations	$ 802,378	$ 811,869	$ 797,334	0.6 %	1.8 %
Total warehouse segment contribution	$ 374,534	$ 376,411	$ 348,328	7.5 %	8.1 %

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis is the effect of changes in foreign currency exchange rates relative to the comparable prior period.
(2) Calculated as rent and storage revenues less power and other facilities costs.
(3) Calculated as warehouse services revenues less labor and other services costs.
(4) Calculated as same store rent and storage contribution (NOI) divided by same store rent and storage revenues.
(5) Calculated as same store warehouse services contribution (NOI) divided by same store warehouse services revenues.

The following table provides certain operating metrics to explain the drivers of our same store performance.

	Year ended December 31, 2018	Year ended December 31, 2017	Change
Same store rent and storage:			
Occupancy [1]			
Average occupied pallets (in thousands)	2,361	2,407	(1.9)%
Average physical pallet positions (in thousands)	3,059	3,062	(0.1)%
Occupancy percentage	77.2%	78.6%	-140 bps
Same store rent and storage revenues per occupied pallet	$ 210.49	$ 200.43	5.0 %
Constant currency same store rent and storage revenues per occupied pallet	$ 212.69	$ 200.43	6.1 %
Same store warehouse services:			
Throughput pallets (in thousands)	26,084	26,797	(2.7)%
Same store warehouse services revenues per throughput pallet	$ 24.61	$ 23.29	5.7 %
Constant currency same store warehouse services revenues per throughput pallet	$ 24.85	$ 23.29	6.7 %
Non-same store rent and storage:			
Occupancy			
Average occupied pallets (in thousands)	98	102	(3.9)%
Average physical pallet positions (in thousands)	133	154	(13.6)%
Occupancy percentage	73.2%	66.1%	
Non-same store warehouse services:			
Throughput pallets (in thousands)	861	830	3.7 %

(1) We define average physical occupancy as the average number of occupied pallets divided by the estimated number of average physical pallet positions in our warehouses for the applicable period. We estimate the number of physical pallet positions by taking into account actual racked space and by estimating unracked space on an as-if racked basis. We base this estimate on a formula utilizing the total cubic feet of each room within the warehouse that is unracked divided by the volume of an assumed rack space that is consistent with the characteristics of the relevant warehouse. On a warehouse by warehouse basis, rack space generally ranges from three to four feet depending upon the type of facility and the nature of the customer goods stored therein. The number of our pallet positions is reviewed and updated quarterly, taking into account changes in racking configurations and room utilization.

Average occupancy at our same stores was 77.2% for the year ended December 31, 2018 , a decrease of 140 basis points compared to 78.6% for the year ended December 31, 2017 . This change was primarily the result of a decrease of 1.9% in average occupied pallets, which was partially attributable to a decline in the number of occupied pallets in our West region of the United States caused by lower average inventory in our “harvest sites” that service some of our largest fruit and vegetables suppliers. In addition, certain other regions of our domestic warehouse segment reported lower storage volume as we continue to focus on profitable growth by optimizing our warehouse network and improving our customer mix. Finally, in the third quarter of 2017, we exited a leased facility in New Zealand and partially transferred the storage volume from that facility to other warehouses in that country.

Despite the reduction in average occupied pallets, same store rent and storage revenues per occupied pallet increased 5.0% compared to the prior year, primarily driven by a more favorable customer mix, net new business, improvements in our commercial terms and contractual rate escalations. On a constant currency basis, the increase in our same store rent and storage revenues per occupied pallet was 6.1% compared to the prior year largely driven by the strengthening of the U.S. dollar against the Australian dollar and to a lesser extent the strengthening of the U.S. dollar against the Argentine peso.

Throughput pallets at our same stores were 26.1 million pallets for the year ended December 31, 2018 , a decrease of 2.7% from 26.8 million pallets for the year ended December 31, 2017 . This decrease was primarily attributable to a shift in the inbound/outbound profile of certain domestic customers from higher inventory turn customers to lower inventory turn customers. Same store warehouse services revenues per throughput pallet increased 5.7% compared to the prior year primarily as a result of an increase in higher priced repackaging, blast freezing, and case-picking warehouse services. On a constant currency basis, our same store services revenues per throughput pallet increased 6.7% compared to the prior year.

Third-Party Managed Segment

The following table presents the operating results of our third-party managed segment for the years ended December 31, 2018 and 2017 .

	Year ended December 31,			Change	
	2018 actual	**2018 constant currency [(1)]**	**2017 actual**	**Actual**	**Constant currency**
Number of managed sites	12		12		
		(Dollars in thousands)			
Third-party managed revenues	$ 259,034	$ 259,151	$ 242,189	7.0%	7.0%
Third-party managed cost of operations	244,274	244,524	229,364	6.5%	6.6%
Third-party managed segment contribution	$ 14,760	$ 14,627	$ 12,825	15.1%	14.1%
Third-party managed margin	5.7%	5.6%	5.3%	40 bps	30 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Third-party managed revenues were $259.0 million for the year ended December 31, 2018 , an increase of $16.8 million , or 7.0% , compared to $242.2 million for the year ended December 31, 2017 . On a constant currency basis, third-party managed revenues were $259.2 million for the year ended December 31, 2018 , an increase of $17.0 million , or 7.0% , compared to the prior year. These increases were attributable to higher business volume from our largest third-party managed customers in the United States and Australia.

Third-party managed cost of operations was $244.3 million for the year ended December 31, 2018 , an increase of $14.9 million , or 6.5% , compared to $229.4 million for the year ended December 31, 2017 . On a constant currency basis, third-party managed cost of operations was $244.5 million for the year ended December 31, 2018 , an increase of $15.2 million , or 6.6% , compared to the prior year. The increase was due to higher business volume as indicated in revenue when compared to the prior year.

Third-party managed segment contribution (NOI) was $14.8 million for the year ended December 31, 2018 , an increase of $1.9 million , or 15.1% , compared to $12.8 million for the year ended December 31, 2017 . On a constant currency basis, third-party managed segment contribution (NOI) was $14.6 million for the year ended December 31, 2018 , an increase of $1.8 million , or 14.1% , compared to the prior year. Improved margins in this segment were primarily driven by increased volume from our largest retail customer in Australia coupled with increased incentives associated with achieving certain key performance incentive targets.

Transportation Segment

The following table presents the operating results of our transportation segment for the years ended December 31, 2018 and 2017 .

	Year ended December 31,			Change	
	2018 actual	2018 constant currency (1)	2017 actual	Actual	Constant currency
	(Dollars in thousands)				
Transportation revenues	$ 158,790	$ 161,560	$ 146,070	8.7 %	10.6 %
Brokered transportation	117,639	119,643	104,981	12.1 %	14.0 %
Other cost of operations	25,416	25,908	28,139	(9.7)%	(7.9)%
Total transportation cost of operations	143,055	145,551	133,120	7.5 %	9.3 %
Transportation segment contribution (NOI)	$ 15,735	$ 16,009	$ 12,950	21.5 %	23.6 %
Transportation margin	9.9%	9.9%	8.9%	100 bps	100 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Our transportation segment continued its strategic shift to focus on more profitable solutions, which create value for our customers while driving and supporting our warehouse business including multi-vendor consolidation offerings. Transportation revenues were $158.8 million for the year ended December 31, 2018 , an increase of $12.7 million , or 8.7% , compared to $146.1 million for the year ended December 31, 2017 . On a constant currency basis, transportation revenues were $161.6 million for the year ended December 31, 2018 , an increase of $15.5 million , or 10.6% , compared to the prior year. The strategic shift in our transportation segment resulted in higher revenue of $13.8 million on new and incremental business primarily from our domestic operations, which now focus on providing multi-vendor consolidation programs and dedicated transportation services. Our international operations led to a net revenue decrease of $0.9 million primarily from decreased volume in Argentina offset by incremental transportation services in Australia.

Transportation cost of operations was $143.1 million for the year ended December 31, 2018 , an increase of $9.9 million , or 7.5% , compared to $133.1 million for the year ended December 31, 2017 . On a constant currency basis, transportation cost of operations was $145.6 million for the year ended December 31, 2017 , an increase of $12.4 million , or 9.3% , compared to the prior year. Brokered transportation costs were higher than a year ago primarily as a result of an increase in domestic consolidation programs, higher volume and rate escalations. Additionally, the strategic shift referenced above led to a decline in other cost of operations for the segment. Transportation segment contribution (NOI) was $15.7 million for the year ended December 31, 2018 , an increase of $2.8 million , or 21.5% , compared to $13.0 million for the year ended December 31, 2017 . Transportation segment margin increased 100 basis points from the prior year, to 9.9% from 8.9% . The increase in margin was primarily due to the strategic shift referenced above, which resulted in more profitable business. On a constant currency basis, transportation segment contribution was $16.0 million for the year ended December 31, 2018 , an increase of $3.1 million , or 23.6% , compared to the prior year.

Quarry Revenues and Cost of Operations

The following table presents the operating results of our quarry segment for the years ended December 31, 2018 and 2017 .

	Year ended December 31,		
	2018	2017	Change
	(Dollars in thousands)		
Quarry revenues	$ 8,899	$ 9,666	(7.9)%
Quarry cost of operations	8,279	9,664	(14.3)%
Quarry segment contribution (NOI)	$ 620	$ 2	n/m
Quarry margin	7.0%	—%	n/m

n/m: not meaningful

Quarry revenues were $8.9 million for the year ended December 31, 2018 , a decrease of $0.8 million , or 7.9% , compared to $9.7 million for the year ended December 31, 2017 . Lower revenues in our quarry operations were attributable to lower demand from our construction and industrial customers. Demand from these customers was higher in the comparable prior period due to inclement weather driving the demand for roofing materials containing limestone.

Quarry cost of operations was $8.3 million for the year ended December 31, 2018 , a decrease of $1.4 million , or 14.3% , compared to $9.7 million for the year ended December 31, 2017 . This decrease was primarily due to the recording of an impairment charge of $2.1 million in the second quarter of 2017 to write-down certain limestone inventory held at our quarry operations, which we determined to be not of saleable quality. No such impairment charge was recorded during the year ended December 31, 2018 . After excluding the prior year impact of this impairment charge, quarry costs of operations were approximately $0.7 million higher compared to the prior year. During the year ended December 31, 2018 , the quarry recognized workers' compensation expense of approximately $0.5 million related to a current realized claim. In addition, less of the limestone byproduct has been capitalized compared to 2017 due to excess supply.

Quarry segment contribution (NOI) was $0.6 million for the year ended December 31, 2018 , as compared to a break even contribution (NOI) for the year ended December 31, 2017 , largely driven by the factors described above.

Other Consolidated Operating Expenses

Depreciation, depletion and amortization . Depreciation, depletion and amortization expense was $117.7 million for the year ended December 31, 2018 , an increase of $0.9 million , or 0.8% , compared to $116.7 million for the year ended December 31, 2017 . This change was primarily due to placing three new facilities into service.

Selling, general and administrative . Corporate-level selling, general and administrative expenses were $114.8 million for the year ended December 31, 2018 , an increase of $3.8 million , or 3.4% , compared to $110.9 million for the year ended December 31, 2017 . Included in these amounts are business development expenses attributable to our customer onboarding, engineering and consulting services to support our customers in the cold chain. Business development expenses represented approximately 15% of corporate-level selling, general and administrative expenses for 2018 and 2017 . W e believe these costs are comparable to leasing costs for other publicly traded REITs. The increase in corporate-level selling, general and administrative expenses compared to the prior year was primarily due to higher stock-based compensation expense we incurred for certain equity incentive awards to certain employees and non-employee directors. Overall, stock-based compensation expense increased $8.0 million compared to the prior year. In addition, we have hired additional resources within our business development, engineering, and human resources functions resulting in an increase of $4.7 million compared to the prior year. Included in corporate-level selling, general and administrative expense for the year ended December 31, 2018 , were also higher professional fees we have, and will continue to incur, in preparation for our annual assessment of internal control over financial reporting, higher audit fees as a public company, and other professional fees. These increases were partially offset by non-recurring charges recorded during the third quarter of 2017. We recorded a one-time charge of $9.2 million representing the present value of a liability associated with our withdrawal obligation under the New England Teamsters & Trucking Industry Multi-Employer Pension Fund for hourly, unionized associates at four of our domestic warehouse facilities. No such charge was recorded during the year ended December 31, 2018 . Additionally, during the third quarter of 2017, we recorded a one-time charge of $2.1 million representing expense to repair a leased facility to restore the site to its original condition prior to the lease expiration. This charge was subsequently reversed during the fourth quarter of 2018, when the Company was released from this liability by the landlord. After excluding the prior year impact of the pension withdrawal and lease exit charges, as well as the reversal of the lease exit charge in the fourth quarter of 2018, corporate-level selling, general and administrative expenses were $17.0 million higher compared to the prior year, driven by the reasons previously discussed. For the years ended December 31, 2018 and 2017 , corporate-level selling, general and administrative expenses were 7.2% and 7.2% , respectively, of total revenues.

Impairment of long-lived assets . For the years ended December 31, 2018 and 2017 , we recorded impairment charges of $0.7 million and $9.5 million , respectively, as a result of the planned disposal or exit of certain warehouse facilities, including certain idle facilities, with a net book value in excess of their estimated fair value based on third-party appraisals or letters of intent executed with prospective buyers. All of these impaired assets related to the Warehouse segment, and the related impairment charges are included in the “Impairment of long-lived assets” line item of the consolidated statements of operations for the related periods.

Other Expense

Loss from Partially Owned Entities. For the year ended December 31, 2018 , our partially owned entities reported a loss of $1.1 million , a $0.3 million decrease compared to a loss of $1.4 million for the year ended December 31, 2017 . The prior year loss included a $1.4 million charge our China JV recorded to write-off a loan receivable from one of its bankrupt customers. While the 2017 charge was non-recurring, the loss in 2018 is driven by increased professional fees related to public company implementation costs, paired with the proportionate share of the $0.3 million charge our China JV recorded in 2018 related to a litigation settlement accrual that is in negotiations and considered probable.

Impairment of Partially Owned Entities. In 2017, we recognized an impairment charge totalling $6.5 million related to our investment in the China JV accounted for under the equity method as we determined that the recorded investment was no longer recoverable from the projected future cash flows expected to be received from the China JV. The estimated fair value of this investment was determined based on an assessment of the proceeds expected to be received from the potential sale of our investment interests to the joint venture partner based on current negotiations. There were no such impairment charges recorded during the year ended December 31, 2018 .

The following table presents other items of income and expense for the years ended December 31, 2018 and 2017 .

	Year ended December 31,		Change
	2018	2017	%
Other (expense) income:	(In thousands)		
Interest expense	$ (93,312)	$ (114,898)	(18.8)%
Interest income	3,996	1,074	272.1 %
Loss on debt extinguishment, modifications and termination of derivative instruments	(47,559)	(986)	n/m
Foreign currency exchange gain (loss), net	2,882	(3,591)	n/m
Other expense - net	(532)	(1,944)	n/m

n/m: not meaningful

Interest expense . Interest expense was $93.3 million for the year ended December 31, 2018 , a decrease of $21.6 million , or 18.8% , compared to $114.9 million for the year ended December 31, 2017 . In connection with the IPO, we used the net proceeds from the equity offering and the 2018 Senior Secured Term Loan A Facility to pay in full our 2015 Senior Secured Term Loan B Facility, which had a weighted average balance of $772.7 million for the year ended December 31, 2017 . Furthermore, in December 2018 we entered into the 2018 Recast Credit Facility, further decreasing our contractual interest rate. The average balance of our term loan facility was $479.2 million for the year ended December 31, 2018 .

Interest income . Interest income of $4.0 million for the year ended December 31, 2018 was 272.1% higher when compared to $1.1 million for the year ended December 31, 2017 . This change was primarily driven by the increase in interest income associated with the increase in net cash provided by our initial and follow-on offerings which was deposited into interest bearing cash equivalent accounts.

Loss on debt extinguishment, modifications and termination of derivative instruments . In 2018, we recognized an aggregate $47.6 million loss on debt extinguishment and modifications charge. This was comprised of a write-off of unamortized debt issuance costs in connection with the refinancing of our pre-IPO Senior Secured Credit Facilities in connection with the IPO for $21.4 million , the defeasance of our 2010 CMBS debt for $18.5 million and write-off of related unamortized debt issuance costs of $3.4 million , the write-off of unamortized debt issuance costs in connection with the prepayment of our ANZ Loans for $2.2 million , and the recognition of the remaining unamortized Accumulated other comprehensive loss resulting from the interest rate swaps terminated in connection with the prepayment of our ANZ Loans for $1.8 million .

Foreign currency exchange gain (loss), net . We reported a foreign currency exchange gain of $2.9 million for the year ended December 31, 2018 compared to a $3.6 million loss for the year ended December 31, 2017 . The monthly re-measurement of an intercompany loan denominated in Australian dollars, issued from our Australian subsidiary to one of our U.S. corporate subsidiaries, resulted in a foreign currency exchange gain in the year ended December 31, 2018 , as the U.S. dollar strengthened against the Australian dollar as compared to the year ended December 31, 2017 . This intercompany loan was repaid in December 2018. In tandem with the repayment, two new intercompany loans were initiated from the U.S. to the Australia and New Zealand entities totaling AUD$153.5 million and NZD$37.5 million, respectively. The Company also entered into cross-currency swaps to hedge the changes in the cash flows of interest and principal payment on these intercompany loans, which qualifies for hedge accounting. As such, the remeasurement of these intercompany loans did not have an impact to earnings in 2018.

Other expense - net . In this line item, which represents income or expense outside our operating segments, we reported other expense - net, of $0.5 million for the year ended December 31, 2018 , an increase of

$1.4 million , as compared to $1.9 million other income-net for the year ended December 31, 2017 . This change is attributed primarily to higher pension expense in 2017 as a result of lump sum participant settlements.

Income Tax Benefit (Expense)

Income tax benefit for the year ended December 31, 2018 was $3.6 million , which represented a change of $13.0 million , from an income tax expense of $9.4 million for the year ended December 31, 2017 . This change was driven by a $3.8 million receivable recorded in 2018 for alternative minimum tax paid and now refundable under the Tax Cuts and Jobs Act (TCJA), paired with lower earnings reported by our taxable REIT foreign subsidiaries which impacted tax expense favorably by $1.7 million. Additionally, a valuation allowance was favorably adjusted by $2.6 million as indefinite-lived assets created under the TCJA can now be used as a source of income when determining the amount subject to offset. In addition, the Company incurred a 2017 excise tax settlement liability in the amount of $4.6 million offset by a $2.3 million income tax benefit recognized in 2017 for the tax rate change due to TCJA.

Comparison of Results for the Years Ended December 31, 2017 and 2016

Warehouse Segment

The following table presents the operating results of our warehouse segment for the years ended December 31, 2017 and 2016.

	Year ended December 31,			Change	
	2017 actual	2016 constant currency (1)	2016 actual	Actual	Constant currency
		(Dollars in thousands)			
Rent and storage	$ 501,604	$ 501,168	$ 476,800	5.2%	5.1%
Warehouse services	644,058	640,805	604,067	6.6%	6.1%
Total warehouse segment revenues	1,145,662	1,141,973	1,080,867	6.0%	5.7%
Power	72,408	72,376	71,999	0.6%	0.5%
Other facilities costs (2)	104,713	104,596	102,032	2.6%	2.5%
Labor	509,951	507,715	484,822	5.2%	4.7%
Other services costs (3)	110,262	109,898	107,969	2.1%	1.8%
Total warehouse segment cost of operations	$ 797,334	$ 794,585	$ 766,822	4.0%	3.6%
Warehouse segment contribution (NOI)	$ 348,328	$ 347,388	$ 314,045	10.9%	10.6%
Warehouse rent and storage contribution (NOI) (4)	$ 324,483	$ 324,196	$ 302,769	7.2%	7.1%
Warehouse services contribution (NOI) (5)	$ 23,845	$ 23,192	$ 11,276	111.5%	105.7%
Total warehouse segment margin	30.4%	30.4%	29.1%	130 bps	130 bps
Rent and storage margin (6)	64.7%	64.7%	63.5%	120 bps	120 bps
Warehouse services margin (7)	3.7%	3.6%	1.9%	180 bps	170 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

(2) Includes real estate rent expense of $15.1 million and $16.7 million for the year ended December 31, 2017 and 2016, respectively.
(3) Includes non-real estate rent expense of $14.0 million and $12.0 million for the year ended December 31, 2017 and 2016, respectively.
(4) Calculated as rent and storage revenues less power and other facilities costs.
(5) Calculated as warehouse services revenues less labor and other services costs.
(6) Calculated as warehouse rent and storage contribution (NOI) divided by warehouse rent and storage revenues.
(7) Calculated as warehouse services contribution (NOI) divided by warehouse services revenues.

Warehouse segment revenues were $1.15 billion for the year ended December 31, 2017, an increase of $64.8 million, or 6.0%, compared to $1.08 billion for the year ended December 31, 2016. On a constant currency basis, our warehouse segment revenues were $1.14 billion for the year ended December 31, 2017, an increase of $61.1 million, or 5.7%, compared to the prior year. These increases were primarily driven by a greater proportion of occupancy by customers that paid higher average rates per pallet as well as an increase in warehouse services volumes. The majority of the change in customer composition and related increase in revenues was generated through our domestic operations. The foreign currency translation of revenues incurred by our foreign operations had a $3.7 million favorable impact during the year ended December 31, 2017.

Warehouse segment cost of operations was $797.3 million for the year ended December 31, 2017, an increase of $30.5 million, or 4.0%, compared to $766.8 million for the year ended December 31, 2016. On a constant currency basis, our warehouse segment cost of operations was $794.6 million for the year ended December 31, 2017, an increase of $27.8 million, or 3.6%, compared to $766.8 million for the year ended December 31, 2016. This increase was driven primarily by rising labor costs, partially driven by higher throughput and an increased amount of more labor-intensive warehouse services relative to the year ended December 31, 2016.

Warehouse segment contribution (NOI) was $348.3 million for the year ended December 31, 2017, an increase of $34.3 million, or 10.9%, compared to $314.0 million for the year ended December 31, 2016. On a constant currency basis, warehouse segment contribution was $347.4 million for the year ended December 31, 2017, an increase of $33.3 million, or 10.6%, compared to the prior year.

Same Store Analysis

We had 139 same stores for the year ended December 31, 2017 and 2016. Please see "—How We Assess the Performance of Our Business—Same Store Analysis" above for a reconciliation of the change in the same store portfolio from year to year.

The following table presents revenues, cost of operations, contribution (NOI) and margins for our same stores and non-same stores with a reconciliation to the total financial metrics of our warehouse segment for the years ended December 31, 2017 and 2016.

	Year ended December 31,			Change	
	2017 actual	2017 constant currency (1)	2016 actual	Actual	Constant currency
Same store revenues:	(Dollars in thousands)				
Rent and storage	$ 491,174	$ 490,725	$ 465,528	5.5 %	5.4 %
Warehouse services	631,287	627,995	591,994	6.6 %	6.1 %
Total same store revenues	1,122,461	1,118,720	1,057,522	6.1 %	5.8 %
Same store cost of operations:					
Power	70,101	70,076	68,974	1.6 %	1.6 %
Other facilities costs	99,448	99,339	94,153	5.6 %	5.5 %
Labor	498,978	496,689	473,325	5.4 %	4.9 %
Other services costs	107,055	106,679	105,261	1.7 %	1.3 %
Total same store cost of operations	$ 775,582	$ 772,783	$ 741,713	4.6 %	4.2 %
Same store contribution (NOI)	$ 346,879	$ 345,937	$ 315,809	9.8 %	9.5 %
Same store rent and storage contribution (NOI) (2)	$ 321,625	$ 321,310	$ 302,401	6.4 %	6.3 %
Same store warehouse services contribution (NOI) (3)	$ 25,254	$ 24,627	$ 13,408	88.4 %	83.7 %
Total same store margin	30.9%	30.9%	29.9%	100 bps	100 bps
Same store rent and storage margin (4)	65.5%	65.5%	65.0%	50 bps	50 bps
Same store warehouse services margin (5)	4.0%	3.9%	2.3%	170 bps	160 bps
Non-same store revenues:					
Rent and storage	$ 10,430	$ 10,443	$ 11,272	(7.5)%	(7.4)%
Warehouse services	12,771	12,810	12,073	5.8 %	6.1 %
Total non-same store revenues	23,201	23,253	23,345	(0.6)%	(0.4)%
Non-same store cost of operations:					
Power	2,307	2,300	3,025	(23.7)%	(24.0)%
Other facilities costs	5,265	5,257	7,879	(33.2)%	(33.3)%
Labor	10,973	11,026	11,497	(4.6)%	(4.1)%
Other services costs	3,207	3,219	2,708	18.4 %	18.9 %
Total non-same store cost of operations	$ 21,752	$ 21,802	$ 25,109	(13.4)%	(13.2)%
Non-same store contribution (NOI)	$ 1,449	$ 1,451	$ (1,764)	(182.1)%	(182.3)%
Non-same store rent and storage contribution (NOI) (2)	$ 2,858	$ 2,886	$ 368	676.6 %	684.2 %
Non-same store warehouse services contribution (NOI) (3)	$ (1,409)	$ (1,435)	$ (2,132)	(33.9)%	(32.7)%
Total warehouse segment revenues	$ 1,145,662	$ 1,141,973	$ 1,080,867	6.0 %	5.7 %
Total warehouse cost of operations	$ 797,334	$ 794,585	$ 766,822	4.0 %	3.6 %
Total warehouse segment contribution (NOI)	$ 348,328	$ 347,388	$ 314,045	10.9 %	10.6 %

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis is the effect of changes in foreign currency exchange rates relative to the comparable prior period.
(2) Calculated as rent and storage revenues less power and other facilities costs.
(3) Calculated as warehouse services revenues less labor and other services costs.

(4) Calculated as same store rent and storage contribution (NOI) divided by same store rent and storage revenues.
(5) Calculated as same store warehouse services contribution (NOI) divided by same store warehouse services revenues.

The following table provides certain operating metrics to explain the drivers of our same store performance.

	Year ended December 31, 2017	Year ended December 31, 2016	Change
Same store rent and storage:			
Occupancy [1]			
Average occupied pallets (in thousands)	2,447	2,414	1.4 %
Average physical pallet positions (in thousands)	3,124	3,125	— %
Occupancy percentage	78.3%	77.2%	110 bps
Same store rent and storage revenues per occupied pallet	$ 200.75	$ 192.87	4.1 %
Constant currency same store rent and storage revenues per occupied pallet	$ 200.56	$ 192.87	4.0 %
Same store warehouse services:			
Throughput pallets (in thousands)	27,038	26,562	1.8 %
Same store warehouse services revenues per throughput pallet	$ 23.34	$ 22.29	4.7 %
Constant currency same store warehouse services revenues per throughput pallet	$ 23.22	$ 22.29	4.2 %
Non-same store rent and storage:			
Occupancy			
Average occupied pallets (in thousands)	62	56	9.6 %
Average physical pallet positions (in thousands)	91	106	(14.3)%
Occupancy percentage	67.8%	53.0%	
Non-same store warehouse services:			
Throughput pallets (in thousands)	584	567	2.9 %

(1) We define average physical occupancy as the average number of occupied pallets divided by the estimated number of average physical pallet positions in our warehouses for the applicable period. We estimate the number of physical pallet positions by taking into account actual racked space and by estimating unracked space on an as-if racked basis. We base this estimate on a formula utilizing the total cubic feet of each room within the warehouse that is unracked divided by the volume of an assumed rack space that is consistent with the characteristics of the relevant warehouse. On a warehouse by warehouse basis, rack space generally ranges from two to three feet depending upon the type of facility and the nature of the customer goods stored therein. The number of our pallet positions is reviewed and updated quarterly, taking into account changes in racking configurations and room utilization.

Average occupancy at our same stores was 78.3% for the year ended December 31, 2017, an increase of 110 basis points compared to 77.2% for the year ended December 31, 2016. This growth was primarily the result of an increase of 1.4% in average occupied pallets. The increase in our average occupied pallets primarily resulted from new business and incremental business with existing customers at our domestic and Australian operations, partially offset by a slight decline in the average occupied pallets in our New Zealand and Argentina operations. Same store rent and storage revenues per occupied pallet increased 4.1% compared to the prior year, primarily driven by rate increases and a greater proportion of occupancy by customers that paid higher average rates per pallet. On a constant currency basis, the increase in our same store rent and storage revenues per occupied pallet was approximately the same as the change in same store rent and storage revenues per occupied pallet including the effect of foreign currency fluctuations. This was attributable to the fact that the increase in same store rent and storage revenues from our domestic operations was substantially higher than the increase in same store rent and storage revenues from our foreign operations.

Throughput pallets at our same stores were 27.0 million pallets for the year ended December 31, 2017, an increase of 1.8% from 26.6 million pallets for the year ended December 31, 2016. This increase was largely the result of new and incremental occupancy and throughput from our domestic and Australian customers. Same store warehouse services revenues per throughput pallet increased 4.7% compared to the prior year primarily as a result of an increase in higher priced repackaging, blast freezing, and case-picking warehouse services and, in part, a favorable net effect of foreign currency translation as the increase in warehouse services revenues from our foreign operations was greater than the increase from the same revenues stream at our domestic operations. On a constant currency basis, our same store services revenues per throughput pallet increased 4.2% compared to the prior year.

Third-Party Managed Segment

The following table presents the operating results of our third-party managed segment for the years ended December 31, 2017 and 2016.

	Year ended December 31,			Change	
	2017 actual	**2017 constant currency** [(1)]	**2016 actual**	**Actual**	**Constant currency**
Number of managed sites	**12**		12		
			(Dollars in thousands)		
Third-party managed revenues	$ 242,189	$ 241,674	$ 252,411	(4.0)%	(4.3)%
Third-party managed cost of operations	$ 229,364	$ 228,851	$ 237,597	(3.5)%	(3.7)%
Third-party managed segment contribution	12,825	12,823	14,814	(13.4)%	(13.4)%
Third-party managed margin	5.3%	5.3%	5.9%	-60 bps	-60 bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Third-party managed revenues were $242.2 million for the year ended December 31, 2017, a decrease of $10.2 million, or 4.0%, compared to $252.4 million for the year ended December 31, 2016. On a constant currency basis, third-party managed revenues were $241.7 million for the year ended December 31, 2017, a decrease of $10.7 million, or 4.3%, compared to the prior year. These declines were attributable to lower business volume from our largest third-party managed customer, which led to a decline in incentive fees as compared to the prior year.

Third-party managed cost of operations was $229.4 million for the year ended December 31, 2017, a decrease of $8.2 million, or 3.5%, compared to $237.6 million for the year ended December 31, 2016. On a constant currency basis, third-party managed cost of operations was $228.9 million for the year ended December 31, 2017, a decrease of $8.7 million, or 3.7%, compared to the prior year.

Third-party managed segment contribution (NOI) was $12.8 million for the year ended December 31, 2017, a decrease of $2.0 million, or 13.4%, compared to $14.8 million for the year ended December 31, 2016. On a constant currency basis, third-party managed segment contribution (NOI) was $12.8 million for the year ended December 31, 2017, a decrease of $2.0 million, or 13.4%, compared to the prior year.

Transportation Segment

The following table presents the operating results of our transportation segment for the years ended December 31, 2017 and 2016.

	Year ended December 31,			Change	
	2017 actual	2017 constant currency (1)	2016 actual	Actual	Constant currency
	(Dollars in thousands)				
Transportation revenues	$ 146,070	$ 145,043	$ 147,004	(0.6)%	(1.3)%
Brokered transportation	104,981	104,532	102,897	2.0 %	1.6 %
Other cost of operations	28,139	27,568	29,689	(5.2)%	(7.1)%
Total transportation cost of operations	133,120	132,100	132,586	0.4 %	(0.4)%
Transportation segment contribution (NOI)	$ 12,950	$ 12,943	$ 14,418	(10.2)%	(10.2)%
Transportation margin	8.9%	8.9%	9.8%	-90bps	-90bps

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis are the effect of changes in foreign currency exchange rates relative to the comparable prior period.

Our transportation segment continued its strategic shift to focus on more profitable warehouse services and consolidation solutions by exiting certain commoditized, non-scalable, or low margin services we have historically offered to our customers. Transportation revenues were $146.1 million for the year ended December 31, 2017, a decrease of $0.9 million, or 0.6%, compared to $147.0 million for the year ended December 31, 2016. On a constant currency basis, transportation revenues were $145.0 million for the year ended December 31, 2017, a decrease of $2.0 million, or 1.3%, compared to the prior year. The strategic shift in our transportation segment resulted in higher revenue of $3.3 million on higher rates and more profitable transportation services in our domestic operations. Transportation services from our international operations led to a revenue decline of $4.4 million primarily as a result of lower volume from an Australian customer.

Transportation cost of operations was $133.1 million for the year ended December 31, 2017, an increase of $0.5 million, or 0.4%, compared to $132.6 million for the year ended December 31, 2016. On a constant currency basis, transportation cost of operations was $132.1 million for the year ended December 31, 2017, a decrease of $0.5 million, or 0.4%, compared to the prior year. Brokered transportation costs were slightly higher than a year ago primarily as a result of an increase in domestic consolidation programs. However, the strategic shift referenced above together with lower volume from our international operations led to a decline in other cost of operations for the segment.

Transportation segment contribution (NOI) was $13.0 million for the year ended December 31, 2017, a decrease of $1.5 million, or 10.2%, compared to $14.4 million for the year ended December 31, 2016. Transportation segment margin decreased 90 basis points compared to the prior year, to 8.9% from 9.8%. Despite increased margins and greater efficiencies in our domestic transportation operations, the overall decrease in margins resulted from slightly lower margins in our international transportation business . On a constant currency basis, transportation segment contribution was $12.9 million for the year ended December 31, 2017, a decrease of $1.5 million, or 10.2%, compared to the prior year.

Quarry Revenues and Cost of Operations

The following table presents the operating results of our quarry segment for the years ended December 31, 2017 and 2016.

	Year ended December 31,		
	2017	2016	Change
	(Dollars in thousands)		
Quarry revenues	$ 9,666	$ 9,717	(0.5)%
Quarry cost of operations	9,664	7,349	31.5 %
Quarry segment contribution (NOI)	$ 2	$ 2,368	(99.9)%
Quarry margin	—%	24.4%	n/m

Quarry revenues were $9.7 million for the year ended December 31, 2017, which were consistent with revenues for the year ended December 31, 2016.

Quarry cost of operations was $9.7 million for the year ended December 31, 2017, an increase of $2.3 million, or 31.5%, compared to $7.3 million for the year ended December 31, 2016. This increase was primarily due to an impairment charge of $2.1 million we recognized in the second quarter of 2017 to write-down certain limestone inventory held at our quarry operations, which we determined to be not of saleable quality.

Quarry segment contribution (NOI) was break even for the year ended December 31, 2017, as compared to a contribution (NOI) of $2.4 million for the year ended December 31, 2016, largely driven by the write-down of inventory described above.

Other Consolidated Operating Expenses

Depreciation, depletion and amortization . Depreciation, depletion and amortization expense was $116.7 million for the year ended December 31, 2017, a decrease of $1.8 million, or 1.5%, compared to $118.6 million for the year ended December 31, 2016. This change was primarily associated with the exit of certain warehouses toward the end of 2016, and the disposal of machinery and equipment no longer in use.

Selling, general and administrative . Corporate-level selling, general and administrative expenses were $110.9 million for the year ended December 31, 2017, an increase of $14.2 million, or 14.7%, compared to $96.7 million for the year ended December 31, 2016. Included in these amounts are business development expenses attributable to our customer onboarding, engineering and consulting services to support our customers in the cold chain. Business development expenses represented approximately 15% of corporate-level selling, general and administrative expenses for 2017 and 2016. W e believe these costs are comparable to leasing costs for other publicly traded REITs. The increase in corporate-level selling, general and administrative expenses was primarily due to higher professional fees incurred in preparation for the IPO, and higher bonus and incentive expense resulting from improved operational results. During the year ended December 31, 2017 we recorded a one-time charge of $9.2 million representing the present value of a liability associated with our withdrawal obligation under the New England Teamsters & Trucking Industry Multi-Employer Pension Fund for hourly, unionized associates at four of our domestic warehouse facilities. No such charge was recorded during the year ended December 31, 2016. In addition, in the third quarter of 2017, we recorded a $2.1 million expense to repair a leased warehouse facility to restore the site to its original condition prior to the lease. For the years ended December 31, 2017 and 2016, corporate-level selling, general and administrative expenses were 7.2% and 6.5%, respectively, of total revenues.

Impairment of long-lived assets . For the years ended December 31, 2017 and 2016, we recorded impairment charges of $9.5 million and $9.8 million, respectively, as a result of the planned disposal or exit of certain warehouse facilities, including certain idle facilities, with a net book value in excess of their estimated fair value based on third-party appraisals or letters of intent executed with prospective buyers. All of these impaired assets related to the Warehouse segment.

Other Expense

Loss from Partially Owned Entities. For the year ended December 31, 2017, our partially owned entities reported a loss of $1.4 million, a $1.2 million increase compared to a loss of $0.1 million for the year ended December 31, 2016. This change was primarily attributable to a $1.4 million charge our China JV recorded to write-off a loan receivable from one of its bankrupt customers.

Impairment of Partially Owned Entities. In 2017, we recognized an impairment charge totalling $6.5 million related to our investment in the China JV accounted for under the equity method as we determined that the recorded investment was no longer recoverable from the projected future cash flows expected to be received from the China JV. The estimated fair value of this investment was determined based on an assessment of the proceeds expected to be received from the potential sale of our investment interests to the joint venture partner based on current negotiations.

The following table presents other items of income and expense for the years ended December 31, 2017 and 2016 .

	Year ended December 31,		
	2017	**2016**	**Change**
Other (expense) income:	**(Dollars in thousands)**		
Interest expense	$ (114,898)	$ (119,552)	(3.9)%
Interest income	1,074	708	51.7 %
Loss on debt extinguishment, modifications and termination of derivative instruments	(986)	(1,437)	n/m
Foreign currency exchange (loss) gain	(3,591)	464	n/m
Other expense—net	(1,944)	(1,368)	42.1 %

n/m: not meaningful

Interest expense . Interest expense was $114.9 million for the year ended December 31, 2017, a decrease of $4.7 million, or 3.9%, compared to $119.6 million for the year ended December 31, 2016. In July 2016, we amended the terms of our Senior Secured Term Loan B Facility to lower the coupon rate on the initial tranche of the Senior Secured Term Loan B Facility from one-month LIBOR plus 5.50% to one-month LIBOR plus 4.75%, and to secure incremental borrowings of $385.0 million principal amount to pay off $375.0 million on our 2006 Mortgage Loans (as defined elsewhere in this Annual Report on Form 10-K), which had coupon rates ranging from 5.43% to 5.55%. In January 2017, we re-amended the terms of our Senior Secured Term Loan B Facility to lower the credit spread from 4.75% to 3.75% on weighted average balance of $772.7 million for the year ended December 31, 2017.

Interest income . Interest income of $1.1 million for the year ended December 31, 2017 was 51.7% higher when compared to the year ended December 31, 2016. This period-over-period change was primarily driven by the collection of interest earned on delinquent billings. Historically, we have earned interest income primarily from term deposits held by our foreign subsidiaries. Starting in the second half of 2016, we began charging interest on delinquent billings net of a bad debt provision equal to the amount of interest earned for such delinquent customers until collected.

Loss on debt extinguishment, modifications and termination of derivative instruments . As part of the January 2017 amendment of our Senior Secured Term Loan B Facility, and in connection with the pay-off of certain mortgage notes using incremental borrowings under the same facility in May of 2017, we recognized a $1.0 million charge to write-off unamortized debt issuance costs on the mortgage notes extinguished and debt modification costs on the Senior Secured Term Loan B Facility that could not be capitalized. In 2016, we recognized similar charges totalling $1.4 million related to the extinguishment of other mortgage notes and the refinancing of our Senior Secured Term Loan B Facility.

Foreign currency exchange (loss) gain . We reported a foreign currency exchange loss of $3.6 million for the year ended December 31, 2017 compared to a $0.5 million gain for the year ended December 31, 2016. The monthly re-measurement of an intercompany loan denominated in Australian dollars, issued from our Australian subsidiary to one of our U.S. corporate subsidiaries, resulted in a larger foreign currency exchange loss in the year ended December 31, 2017, as the U.S. dollar weakened against the Australian dollar compared to the year ended December 31, 2016.

Other expense—net . Other expense-net, which represented income outside our operating segments, was $1.9 million for the year ended December 31, 2017, an increase of $0.6 million, or 42.1% compared to $1.4 million for the year ended December 31, 2016. Other expense-net in 2016 included proceeds of $3.1 million from the business interruption claim related to the disruption at our Dallas facility, whereas proceeds from the same claim were $0.6 million in 2017.

Income Tax Expense

Income tax expense for the year ended December 31, 2017 was $9.4 million, an increase of $3.5 million, or 59.8% compared to $5.9 million for the year ended December 31, 2016. During 2017, we reached a settlement with the Internal Revenue Service for payment of an excise tax in the amount of $4.3 million, including interest to resolve the matter for years prior to 2017 with an expected payment of $0.7 million to be made to resolve 2017 year. The settlement was reached with respect to a ruling request for confirmation of certain tax positions we believed qualified for the treatment we historically applied on the Company’s tax returns.

Net Effect of Foreign Currency Translation for Comparative Periods

In order to provide a framework for assessing how our underlying businesses performed on an overall basis during the comparison periods presented above, excluding the effect of foreign currency fluctuations, the table below provides an overview of the aggregate effect of foreign currency fluctuations by showing the actual and constant currency results of each of the comparison periods translated into U.S. dollars at the average foreign exchange rates applicable during the year ended December 31, 2016. Constant currency results are not measurements of financial performance under U.S. GAAP, and our constant currency results should be considered as a supplement, but not as an alternative, to our results calculated in accordance with U.S. GAAP.

	Actual currency exchange rates							
	Year ended December 31,			Year ended December 31,			Compound annual growth rate 2016-2018	
	2018 actual currency	2017 actual currency	2016 actual currency	2018 constant currency (1)	2017 constant currency (1)	2016 constant currency	Actual currency	Constant currency
	(In thousands)							
Warehouse Segment								
Rent and storage revenue	$ 514,755	$ 501,604	$ 476,800	$ 519,950	$ 501,168	$ 496,015	3.9 %	2.4 %
Warehouse services revenue	662,157	644,058	604,067	668,330	640,805	632,105	4.7 %	2.8 %
Total warehouse revenue	$ 1,176,912	$ 1,145,662	$ 1,080,867	$ 1,188,280	$ 1,141,973	$ 1,128,120	4.3 %	2.6 %
Rent and storage contribution (NOI)	$ 337,805	$ 324,483	$ 302,769	$ 340,611	$ 324,196	$ 315,744	5.6 %	3.9 %
Warehouse services contribution (NOI)	36,729	23,845	11,276	35,800	23,192	10,079	80.5 %	88.5 %
Total warehouse contribution (NOI)	$ 374,534	$ 348,328	$ 314,045	$ 376,411	$ 347,388	$ 325,823	9.2 %	7.5 %
Third-Party Managed Segment								
Revenue	$ 259,034	$ 242,189	$ 252,411	$ 259,151	$ 241,674	$ 256,745	1.3 %	0.5 %
Contribution (NOI)	14,760	12,825	14,814	14,627	12,823	15,340	(0.2)%	(2.4)%
Transportation Segment								
Revenue	$ 158,790	$ 146,070	$ 147,004	$ 161,560	$ 145,043	$ 164,752	3.9 %	(1.0)%
Contribution (NOI)	15,735	12,950	14,418	16,009	12,943	16,947	4.5 %	(2.8)%
Quarry								
Revenue	$ 8,899	$ 9,666	$ 9,717	$ 8,899	$ 9,666	$ 9,717	(4.3)%	(4.3)%
Contribution (NOI)	620	2	2,368	620	2	2,368	(48.8)%	(48.8)%
Total Revenue	$ 1,603,635	$ 1,543,587	$ 1,489,999	$ 1,617,890	$ 1,538,356	$ 1,559,334	3.7 %	1.9 %
Total Segment Contribution (NOI)	$ 405,649	$ 374,105	$ 345,645	$ 407,667	$ 373,156	$ 360,478	8.3 %	6.3 %

(1) The adjustments from our U.S. GAAP operating results to calculate our operating results on a constant currency basis is the effect of changes in foreign currency exchange rates relative to December 31, 2016.

Liquidity and Capital Resources of the Parent Company

In this section and in the section "Liquidity and Capital Resources of the Operating Partnership" below, the term "Parent Company" refers to Americold Realty Trust on an unconsolidated basis, excluding our operating partnership.

Analysis of Liquidity and Capital Resources

Our Parent Company's business is operated primarily through our operating partnership, of which our Parent Company is the sole general partner and limited partner, and for which it consolidates for financial reporting purposes. Because our Parent Company operates on a consolidated basis with our operating partnership, the section entitled "Liquidity and Capital Resources of the Operating Partnership" should be read in conjunction with this section to understand the liquidity and capital resources of our Parent Company on a consolidated basis and how our Company is operated as a whole.

Our Parent Company issues public equity from time to time, but generally does not otherwise generate any capital itself or conduct any business itself, other than incurring certain expenses in operating as a public company which are fully reimbursed by the operating partnership. Our Parent Company itself does not hold any indebtedness other than guarantees of the indebtedness of our operating partnership and certain of its subsidiaries, and its only material asset is its ownership of partnership interests of our operating partnership. Therefore, the consolidated assets and liabilities and the consolidated revenues and expenses of our Parent Company and our operating partnership are the same on their respective financial statements. However, all debt is held directly or indirectly at the operating partnership level. Our Parent Company's principal funding requirement is the payment of dividends on its common and preferred stock. Our Parent Company's principal source of funding for its dividend payments is distributions it receives from our operating partnership.

As the sole general partner of our operating partnership, our Parent Company has the full, exclusive and complete responsibility for our operating partnership's day-to-day management and control. Our Parent Company causes our operating partnership to distribute such portion of its available cash as our Parent Company may in its discretion determine, in the manner provided in our operating partnership's partnership agreement. Our Parent Company receives proceeds from its equity issuances from time to time, but is generally required by our limited partnership agreement to contribute the proceeds from its equity issuances to our operating partnership in exchange for partnership units of our operating partnership.

The liquidity of our Parent Company is dependent on our operating partnership's ability to make sufficient distributions to our Parent Company. The primary cash requirement of our Parent Company is its payment of dividends to its shareholders. Our Parent Company also guarantees our operating partnership's, as well as certain of its subsidiaries' and affiliates', unsecured debt. If our operating partnership or such subsidiaries fail to fulfill their debt requirements, which trigger Parent Company guarantee obligations, then our Parent Company will be required to fulfill its cash payment commitments under such guarantees. However, our Parent Company's only material asset is its investment in our operating partnership.

We believe our Operating Partnership's sources of working capital, specifically its cash flow from operations, and funds available under its revolving credit facility are adequate for it to make its distribution payments to our Parent Company and, in turn, for our Parent Company to make its dividend payments to shareholders. However, we cannot assure you that our operating partnership's sources of capital will continue to be available at all or in amounts sufficient to meet its needs, including making distribution payments to our Parent Company. The lack of availability of capital could adversely affect our operating partnership's ability to pay its distributions to our Parent Company, which would in turn, adversely affect our Parent Company's ability to pay cash dividends to its shareholders.

Dividends and Distributions

Our Parent Company is required to distribute 90% of its taxable income (excluding capital gains) on an annual basis in order for it to continue to qualify as a REIT for federal income tax purposes. Accordingly, our Parent Company intends to make, but is not contractually bound to make, regular quarterly distributions to shareholders from cash flow from our operating partnership's operating activities. While historically our Parent Company has satisfied this distribution requirement by making cash distributions to its shareholders, it may choose to satisfy this requirement by making distributions of cash or other property. All such distributions are at the discretion of our Parent Company's board of trustees. Our Parent Company considers market factors and our operating partnership's performance in addition to REIT requirements in determining distribution levels. Our Parent Company has distributed at least 100% of its taxable income annually since inception to minimize corporate level federal income taxes. Amounts accumulated for distribution to shareholders are invested primarily in interest-bearing accounts and short-term interest-bearing securities, which are consistent with our intention to maintain our Parent Company's status as a REIT.

As a result of this distribution requirement, our operating partnership cannot rely on retained earnings to fund its ongoing operations to the same extent that other companies whose parent companies are not REITs can. Our Parent Company may need to continue to raise capital in the debt and equity markets to fund our operating partnership's working capital needs, as well as potential developments at new or existing properties, acquisitions or investments in existing or newly created joint ventures. In addition, our Parent Company may be required to use borrowings under our revolving credit facility, if necessary, to meet REIT distribution requirements and maintain our Parent Company's REIT status.

Our Parent Company declared the following dividends on its common and preferred shares during the years ended December 31, 2018 , 2017 and 2016 (in thousands, except per share amounts):

2018						
Month Declared/Paid	**Dividend Per Share**	**Distributions Declared**		**Distributions Paid**		
		Common Shares	**Series B Preferred Shares**	**Common Shares**	**Series B Preferred Shares**	
		(In thousands, except per share amounts)				
January [a]	$ 0.0186	$ 1,291	$ 619	$ 1,291	$ 619	
March/April	0.1396	20,145	—	20,145		
March [c]				(79)	—	Dividend equivalents accrued on unvested restricted stock units to be paid when the awards vest.
March/April				20	—	Dividend equivalents paid on unvested restricted stock units that are not expected to vest (recognized as additional compensation).
June/July	0.1875	27,250	—	27,246	—	
June [d]				(114)	—	Dividend equivalents accrued on unvested restricted stock units to be paid when the awards vest.
June/July				28	—	Dividend equivalents paid on unvested restricted stock units that are not expected to vest (recognized as additional compensation).
September/October	0.1875	28,072	—	28,072		
October [e]			—	(114)	—	Dividend equivalents accrued on unvested restricted stock units to be paid when the awards vest.
September/October			—	28	—	Dividend equivalents paid on unvested restricted stock units that are not expected to vest (recognized as additional compensation).
December/January 2019	$ 0.1875	28,218	—	—	—	
		$ 104,976		$ 76,523		
Series B Preferred Shares - Fixed Dividend						
January [a]			1,198		1,198	
Total distributions paid to holders of Series B Preferred Shares [b]			$ 1,817		$ 1,817	

(a) Stub period dividend paid to shareholders of record prior to the IPO.
(b) Last participating and fixed dividend paid to holders of Series B Preferred Shares in connection with the conversion to common shares on the IPO date.
(c) Declared in March and included in the $20.1 million declared, see description to the right regarding timing of payment.
(d) Declared in June and included in the $27.3 million declared, see description to the right regarding timing of payment.
(e) Declared in September and included in the $28.1 million declared, see description to the right regarding timing of payment.

2017				
Month Declared	Dividend Per Share	Distributions Paid		Month Paid
		Common Shares	Series B Preferred Shares	
	(In thousands, except per share amounts)			
March	$ 0.073	$ 5,053	$ 2,421	April
June	0.073	5,054	2,422	July
September	0.073	5,053	2,421	October
December	$ 0.073	5,054	2,422	December
		$ 20,214	9,686 (a)	
Series B Preferred Shares - Fixed Dividend			18,750 (b)	
Total distributions paid to holders of Series B Preferred Shares			$ 28,436	

(a) Participating dividend.
(b) Paid in equal quarterly amounts along with the participating dividend.

2016				
Month Declared	Dividend Per Share	Distributions Paid		Month Paid
		Common Shares	Series B Preferred Shares	
	(In thousands, except per share amounts)			
March	$ 0.073	$ 5,053	$ 2,421	April
June	0.073	5,054	2,422	July
September	0.073	5,053	2,421	October
December	$ 0.073	5,054	2,422	December
		$ 20,214	9,686 (a)	
Series B Preferred Shares - Fixed Dividend			18,750 (b)	
Total distributions paid to holders of Series B Preferred Shares			$ 28,436	

(a) Participating dividend.
(b) Paid in equal quarterly amounts along with the participating dividend.

Liquidity and Capital Resources of the Operating Partnership

In this section, the terms “we”, “our” and “us” refer to our operating partnership together with its consolidated subsidiaries or our Operating Partnership and our Parent Company together with their consolidated subsidiaries, as the context requires.

Analysis of Liquidity and Capital Resources

Our Parent Company is our sole general partner and consolidates our results of operations for financial reporting purposes. Because we operate on a consolidated basis with our Parent Company, the section entitled “Liquidity and Capital Resources of the Parent Company” should be read in conjunction with this section to understand our liquidity and capital resources on a consolidated basis.

We currently expect that our principal sources of funding for working capital, facility acquisitions, expansions, maintenance and renovation of our properties, developments projects, debt service and distributions to our shareholders will include:

- current cash balances;
- cash flows from operations;
- borrowings under our 2018 Senior Unsecured Credit Facilities; and
- other forms of unsecured debt financings and equity offerings.

We expect that our funding sources as noted above are adequate and will continue to be adequate to meet our short-term liquidity requirements and capital commitments. These liquidity requirements and capital commitments include:

- operating activities and overall working capital;
- capital expenditures;
- debt service obligations; and
- quarterly shareholder distributions.

We expect to utilize the same sources of capital we will rely on to meet our short-term liquidity requirements to also meet our long-term liquidity requirements, which include funding our operating activities, our debt service obligations and shareholder distributions, and our future development and acquisition activities.

Security Interests in Customers' Products

By operation of law and in accordance with our customer contracts (other than leases), we typically receive warehouseman's liens on products held in our warehouses to secure customer payments. Such liens permit us to take control of the products and sell them to third parties in order to recover any monies receivable on a delinquent account, but such products may be perishable or otherwise not readily saleable by us. Historically, in instances where we have warehouseman's liens and our customer sought bankruptcy protection, we have been successful in receiving "critical vendor" status, which has allowed us to fully collect on our accounts receivable during the pendency of the bankruptcy proceeding.

Our bad debt expense was $2.3 million , $1.2 million and $1.1 million for the years ended December 31, 2018 , 2017 and 2016, respectively. As of December 31, 2018 , we maintained bad debt allowances of approximately $5.7 million , which we believed to be adequate.

Distributions

All distributions on our units are at the discretion of our Parent Company's board of trustees. In 2018, 2017 and 2016, our operating partnership declared and paid the following distributions (in thousands):

2018

Month Declared/Paid	Distributions Declared	Distributions Paid
	(In thousands)	
January [(a)]	$ 3,242	$ 3,242
January [(e)]	5,750	5,750
March/April	20,145	20,165
March [(b)]		(79)
June/July	27,250	27,274
June [(c)]		(114)
September [(e)]	2,455	2,455
September/October	28,072	28,100
October [(d)]		(114)
December/January	28,218	—
	$ 115,132	$ 86,679

(a) Stub period distribution paid to Parent immediately prior to the IPO.
(b) Distribution equivalents declared in March and included in the $20.1 million , accrued on unvested restricted stock units to be paid when the awards vest.
(c) Distribution equivalents declared in June and included in the $27.3 million , accrued on unvested restricted stock units to be paid when the awards vest.
(d) Distribution equivalents declared in September and included in the $28.1 million , accrued on unvested restricted stock units to be paid when the awards vest.
(e) Distribution was paid to Parent for payment of underwriters' costs in conjunction with the offering completed in the respective quarter, and for conversion of Series A Preferred shares in connection with the IPO.

2017

Month Declared/Paid	Distributions Paid
(In thousands)	
March/April	$ 12,161
June/July	12,171
September/October	12,162
December	12,172
	$ 48,666

2016

Month Declared/Paid	Distributions Paid
(In thousands)	
March/April	$ 12,161
June/July	12,171
September/October	12,162
December	12,172
	$ 48,666

Outstanding and Available Indebtedness

The following table presents our outstanding indebtedness as of December 31, 2018 and 2017 .

Indebtedness	Stated maturity date	Contractual interest rate (1)	Effective interest rate (2) as of December 31, 2018	Outstanding principal amount at December 31, 2018	Outstanding principal amount at December 31, 2017
				(In thousands)	
2010 Mortgage Loans					
Component A-1	1/2021	3.86%	4.40%	$ —	$ 56,941
Component A-2-FX	1/2021	4.96%	5.38%	—	150,334
Component A-2-FL	1/2021	L+1.51%	2.94%	—	48,654
Component B	1/2021	6.04%	6.48%	—	60,000
Component C	1/2021	6.82%	7.28%	—	62,400
Component D	1/2021	7.45%	7.92%	—	82,600
Total 2010 Mortgage Loans				**—**	**460,929**
2013 Mortgage Loans					
Senior note	5/2023	3.81%	4.14%	187,957	194,223
Mezzanine A	5/2023	7.38%	7.55%	70,000	70,000
Mezzanine B	5/2023	11.50%	11.75%	32,000	32,000
Total 2013 Mortgage Loans				**289,957**	**296,223**
Senior Unsecured Notes					
Series A 4.68% notes due 2026	1/2026	4.68%	n/a	200,000	—
Series B 4.86% notes due 2029	1/2029	4.86%	n/a	400,000	—
Total Senior Unsecured Notes				**600,000**	**—**
ANZ Term Loans					
Australia Term Loan (1)	6/2020	BBSY+1.40%	4.62%	—	158,645
New Zealand Term Loan (1)	6/2020	BKBM+1.40%	5.21%	—	31,240
2018 Senior Unsecured Term Loan A Facility (1)	1/2023	L+1.45%	4.23%	475,000	—
2015 Senior Secured Term Loan B Facility	12/2022	L+3.75%	5.79%	—	806,918
Total principal amount of mortgage notes, unsecured senior notes and term loans				1,364,957	1,753,955
Less deferred financing costs				(13,666)	(25,712)
Less debt discount				(277)	(6,285)
Total mortgage notes, unsecured senior notes and term loans, net of deferred financing costs and debt discount				$ 1,351,014	$ 1,721,958
2018 Senior Unsecured Revolving Credit Facility (1)	1/2021	L+1.45%	0.34%	$ —	$ —
2015 Senior Secured Revolving Credit Facility (1)	12/2018	L+3.00%	3.92%	$ —	$ —
Construction Loan:					
Warehouse Clearfield, UT (1)	2/2019	L+3.25%	5.18%	$ —	$ 19,671
Less deferred financing costs				—	(179)
				$ —	$ 19,492

(1) References in this table to LIBOR are references to one-month LIBOR and references to BBSY and BKBM are to Australian Bank Bill Swap Bid Rate and New Zealand Bank Bill Reference Rate, respectively.

(2) The effective interest rate includes effects of amortization of the deferred financing costs and debt discount. The weighted average effective interest rate for total debt was 5.04% and 5.68% as of December 31, 2018 and 2017 , respectively.

Pre-IPO Senior Secured Credit Facilities

In December 2015, we entered into a credit agreement with various lenders providing senior secured credit facilities that consisted of a $325.0 million senior secured term loan, which we refer to as our Senior Secured Term Loan B Facility, and a $135.0 million senior secured revolving credit facility, which we refer to as our 2015 Senior Secured Revolving Credit Facility, and, collectively with our Senior Secured Term Loan B Facility, our pre-IPO Senior Secured Credit Facilities. The net proceeds from the Senior Secured Term Loan B Facility of $314.4 million were used to repay a portion of the 2006 Mortgage Notes - Pool 2 tranche. Borrowings under our Senior Secured Term Loan B Facility and 2015 Senior Secured Revolving Credit Facility bore interest, at inception, of 5.50% per year plus one-month LIBOR with a 1% floor, and 3.25% per year plus one-month LIBOR, respectively.

In April 2016, we upsized the commitments under our 2015 Senior Secured Revolving Credit Facility by $15.0 million to increase the aggregate borrowing capacity under that credit facility to $150.0 million.

In July 2016, we issued a $385.0 million incremental term loan under our Senior Secured Term Loan B Facility and used the net proceeds to repay, among other things, the balance of our 2006 Mortgage Loans. In connection with this refinancing, we lowered the credit spread on the initial tranche of our Senior Secured Term Loan B Facility from 5.50% to 4.75% per year plus one-month LIBOR with a 1% floor.

In January 2017, we lowered the credit spread on the outstanding tranches of the Senior Secured Term Loan B Facility from 4.75% to 3.75% per year plus one month LIBOR with a 1% floor.

In February 2017, we obtained an increase in the size of our 2017 Senior Secured Revolving Credit Facility of $20.0 million, for a total commitment of $170.0 million.

In May 2017, we issued a $110.0 million incremental term loan under our Senior Secured Term Loan B Facility and used the net proceeds to release, among other things, three properties from the 2010 Mortgage Loans collateral pool (as described below), and repay$26.2 million of our 2010 Mortgage Loans. Two of these properties were added to the borrowing base supporting our 2015 Senior Secured Revolving Credit Facility.

Borrowings under our 2015 Senior Secured Revolving Credit Facility bore interest, at our election, at the then-applicable margin plus an applicable one-month LIBOR or base rate interest rate. Base rate was defined as the greatest of the bank prime rate, the one-month LIBOR rate plus one percent or the federal funds rate plus one-half of one percent. The applicable margin varied between (i) in the case of LIBOR-based loans, 3.00% and 3.50% and (ii) in the case of base rate loans, 2.00% and 2.50%, in each case, based on changes in our credit ratings. In addition, any unused portion of our 2015 Senior Secured Revolving Credit Facility was subject to an annual 0.40% commitment fee. As of December 31, 2017, borrowings under our 2015 Senior Secured Revolving Credit Facility bore interest at 3.00% per year plus one-month LIBOR, or 4.57% per annum. As of that date, we had no amounts outstanding under the 2015 Senior Secured Revolving Credit Facility, but we applied approximately $33.8 million of that credit facility to backstop certain outstanding letters of credit. In connection with entering into the original agreement and subsequent amendments for the 2015 Senior Secured Revolving Credit Facility, we capitalized approximately $3.4 million of debt issuance costs, which we amortize as interest expense under the effective interest method. As of December 31, 2017, the $1.2 million unamortized balance of these debt issuance costs was included in "Other assets" in the accompanying consolidated balance sheet.

After giving effect to the May 2017 amendments described above, the outstanding tranches of term loans under our Senior Secured Term Loan B Facility bore interest, at our election, at (i) 3.75% per year plus one-month LIBOR with a 1.0% floor or (ii) 2.75% per year plus a base rate with a 2.0% floor. The principal amount of the term loans outstanding under our Senior Secured Term Loan B Facility was subject to principal amortization in quarterly installments of approximately $2.0 million until the maturity date thereof, with a final payment of the balance that was due on December 1, 2022. As of December 31, 2017, $806.9 million were outstanding under our Senior Secured Term Loan B Facility, which was prepayable without premium or penalty. In connection with entering into the agreement and subsequent amendments for the Senior Secured Term Loan B Facility, we capitalized a total Original Issue Discount (OID) of $8.4 million and incurred debt issuance costs of approximately $21.6 million, of which $18.8 million were capitalized. The OID and capitalized debt issuance costs are amortized as interest expense under the effective interest method. As of December 31, 2017, approximately $21.0 million unamortized balance of OID and debt issuance costs related to the Senior Secured Term Loan B Facility, in the aggregate, was classified as a contra-liability to the "Mortgage notes, senior unsecured notes and term loans" line item of the accompanying consolidated balance sheet.

Our pre-IPO Senior Secured Credit Facilities were guaranteed by certain subsidiaries of our operating partnership and were secured by a pledge in the stock of certain subsidiaries of our operating partnership, and contained certain financial covenants relating to the maintenance of a specified borrowing base coverage ratio, a total leverage ratio and a fixed charge coverage ratio and other customary covenants.

Post-IPO Senior Secured Credit Facilities

In January 2018, simultaneously with the IPO, we closed on a five year, $525.0 million Senior Secured Term Loan A Facility and a three year, $400.0 million Senior Secured Revolving Credit Facility, which we refer to as the 2018 Senior Secured Credit Facilities. Our 2018 Senior Secured Revolving Credit Facility has a one-year extension option subject to certain conditions. We used the net proceeds from the IPO transactions, together with $517.0 million of net proceeds from our Senior Secured Term Loan A Facility, to repay the entire $806.9 million aggregate principal amount of indebtedness outstanding under our Senior Secured Term Loan B Facility plus accrued and unpaid interest, to repay $20.9 million of indebtedness outstanding under our Clearfield, Utah and Middleboro, Massachusetts construction loans, and for working capital.

At the completion of the IPO, borrowings under our 2018 Senior Secured Credit Facilities bore interest at a floating rate of one-month LIBOR plus 2.50%. In addition, we applied approximately $33.6 million of our 2018 Senior Secured Revolving Credit Facility to backstop certain outstanding letters of credit.

On February 6, 2018, we amended the credit agreement with the lenders of our 2018 Senior Revolving Credit Facility to increase the aggregate revolving credit commitments on this facility by $50.0 million to $450.0 million. Concurrently, we utilized cash on hand to repay $50.0 million on our Senior Secured Term Loan A facility. As a result of these modifications, our total aggregate commitments under its 2018 Senior Credit Facilities remain unchanged at $925.0 million.

Borrowings under our 2018 Senior Secured Credit Facilities bear interest, at our election, at the then-applicable margin plus an applicable LIBOR or base rate interest rate. The base rate was the greatest of the bank prime rate, the one-month LIBOR rate plus one percent or the federal funds rate plus one-half of one percent. The applicable margin varied between (i) in the case of LIBOR-based loans, 2.35% and 3.00% and (ii) in the case of base rate loans, 1.35% and 2.00%, in each case, based on changes in our total leverage. In addition, any unused portion of our 2018 Senior Secured Revolving Credit Facility was subject to an annual 0.30% commitment fee at times that we were utilizing at least 50% of our outstanding revolving credit commitments or an annual 0.040%

commitment fee at times that we were utilizing less than 50% of our revolving credit commitments, in each case, based upon the actual daily unused portion of our 2018 Senior Secured Revolving Credit Facility.

During the second quarter of 2018, the applicable margin in the case of LIBOR-based loans was reduced to 2.35% from 2.50% .

During the third quarter of 2018, we reduced our application of the Senior Secured Revolving Credit Facility for letters of credit from $33.6 million to $32.7 million .

Prior to the December 2018 refinancing, borrowings under our 2018 Senior Secured Credit Facilities bore interest at a floating rate of one-month LIBOR plus 2.35%. In addition, we applied approximately $29.6 million of our 2018 Senior Secured Revolving Credit Facility to backstop certain outstanding letters of credit.

Our 2018 Senior Secured Credit Facilities were guaranteed by our company and certain eligible subsidiaries of our operating partnership and secured by a pledge in the stock of certain subsidiaries of our operating partnership. Additionally, it contained certain representations, covenants and other terms customary for a publicly traded REIT.

2018 Recast Credit Facility

On December 4, 2018, we entered into a recast credit agreement to, among other things, (i) increase the revolver borrowing capacity from $450 million to $800 million , (ii) convert the credit facility (term loan and revolver) from a secured credit facility to an unsecured credit facility, and (iii) decrease the applicable interest rate margins from 2.35% to 1.45% and decrease the fee on unused borrowing capacity by 5 basis points. The terms of the revolver allow for the ability to draw proceeds in multiple currencies, up to $400 million . In connection with entering into the original agreement and subsequent amendments for the Term Loan A Credit Facility, we capitalized approximately $8.9 million of debt issuance costs, which we amortize as interest expense under the effective interest method.

As of December 31, 2018, $5.4 million of unamortized debt issuance costs related to the revolving credit facility is included in "Other assets" in the accompanying consolidated balance sheet.

Our 2018 Senior Secured Revolving Credit Facility is structured to include a borrowing base, which will allow us to borrow against the lesser of our Senior Secured Term Loan A Facility balance outstanding and $800 million in revolving credit commitments, and the value of certain owned real estate assets, ground, capital and operating leased assets, with credit given for income from third-party managed warehouses. At December 31, 2018 , the gross value of our assets included in the calculations under our 2018 Credit Agreement, was in excess of $3.1 billion, and had an effective borrowing base collateral value (after concentration limits and advance rates as calculated under the anticipated terms of our 2018 Credit Agreement) in excess of $1.9 billion.

Our 2018 Senior Secured Credit Facilities contain representations, covenants and other terms customary for a publicly traded REIT. In addition, our 2018 Senior Secured Credit Facilities contain certain financial covenants, as defined in the credit agreement, including:

- a maximum leverage ratio of less than or equal to 60% of our total asset value;
- a minimum borrowing base coverage ratio of greater than or equal to 1.00 to 1.00;
- a minimum pro forma fixed charge coverage ratio of greater than or equal to 1.40 to 1.00 which increased to 1.50 to 1.00 in the first quarter of 2018;
- a minimum borrowing base debt service coverage ratio of greater than or equal to 2.00 to 1.00;

- a minimum tangible net worth requirement of greater than or equal to $900 million plus 70% of any future net equity proceeds following the completion of the IPO transactions; and
- a maximum recourse secured debt ratio of less than or equal to 20% of our total asset value.

Our 2018 Senior Secured Credit Facilities are fully recourse to our operating partnership. As of December 31, 2018, the Company was in compliance with all debt covenants.

$400 million Senior Unsecured 4.86% Notes due 2029 and $200 million Senior Unsecured 4.68% Notes due 2026

On November 6, 2018, we priced a debt private placement transaction consisting of (i) $200 million senior unsecured notes with a coupon of 4.68% due January 8, 2026 ("Series A") and (ii) $400 million senior unsecured notes with a coupon of 4.86% due January 8, 2029 ("Series B"), collectively referred to as the debt private placement. The transaction closed on December 4, 2018. Interest will be paid on January 8 and July 8 of each year until maturity, with the first payment occurring July 8, 2019. The initial July 8, 2019 payment will include interest accrued since December 4, 2018. The notes are our general unsecured senior obligations and are guaranteed by us and our subsidiaries. We applied a portion of the proceeds of the debt private placement to complete the defeasance of the $600 million Americold 2010 LLC Trust, Commercial Mortgage Pass-Through Certificates, Series 2010, ART, or the 2010 Mortgage Loans. We applied the remaining proceeds to the Australian term loan and the New Zealand term loan, or the ANZ Loans. See below for further detail regarding the early extinguishment of debt under 2010 Mortgage Loans and ANZ Loans.

The Series A and Series B senior notes and guarantee agreement includes a prepayment option executable at any time during the term of the loans. The prepayment can be either a partial payment or payment in full, as long as the partial payment is at least 5% of the outstanding principal. Any prepayment in full must include a make-whole amount, which is the discounted remaining scheduled payments due to the lender. The discount rate to be used is equal to 0.50% plus the yield to maturity reported for the most recently actively traded U.S. Treasury Securities with a maturity equal to the remaining average life of the prepaid principal. The Company must give each lender at least 10 day's written notice whenever it intends to prepay any portion of the debt.

If a change in control occurs for us, we must issue an offer to prepay the remaining portion of the debt to the lenders. The prepayment amount will be 100% of the principal amount, as well as accrued and unpaid interest.

The Senior Unsecured Notes require compliance with leverage ratios, secured and unsecured indebtedness ratios, and unsecured indebtedness to qualified assets ratios. In addition, we are required to maintain at all times a credit rating for each series of notes from a nationally recognized statistical rating organization. The 2018 Senior Secured Credit Facilities require compliance with other financial covenants on a quarterly or on occurrence basis.

- a maximum leverage ratio of less than or equal to 60% of our total asset value;
- a maximum unsecured indebtedness to qualified assets ratio of less than 0.60 to 1.00;
- a minimum fixed charge coverage ratio of greater than or equal to 1.50 to 1.00;
- a minimum unsecured debt service ratio of greater than or equal to 2.00 to 1.00;
- a maximum total secured indebtedness ratio of less than 0.40 to 1.00

ANZ Loans

In June 2015, we entered into syndicated facility agreements in each of Australia and New Zealand, which we refer to collectively as the ANZ Loans, and separately as the Australian term loan and the New Zealand term loan. The ANZ Loans were non-recourse to us and our U.S. subsidiaries.

The Australian term loan was an AUD$203.0 million five-year syndicated facility. The $151.1 million net proceeds that we borrowed under this facility were used to repay the AUD$19.0 million mortgage loan on one of our facilities, return AUD$30.0 million of capital to our domestic subsidiary owning the equity of our Australian subsidiary, repay an intercompany loan totaling CAD$47.6 million, and return AUD$70.0 million to the United States in the form of a long-term intercompany loan and working capital. This facility was secured by our owned real property and equity of certain of our Australian subsidiaries and bore interest at a floating rate of Australian Bank Bill Swap Bid Rate plus 1.4%. The Australian term loan was fully prepayable without penalty.

The New Zealand term loan was a NZD$44.0 million five-year syndicated facility. The $29.3 million net proceeds that we borrowed under this facility were used to repay an intercompany loan plus interest totaling NZD$28.3 million, make a NZD$14.3 million dividend, and fund working capital. The facility was secured by our owned real property, leased assets and equity of certain of our New Zealand subsidiaries, and bore interest at a floating rate of New Zealand Bank Bill Swap Bid Rate plus 1.4%.

The New Zealand term loan was fully prepayable without penalty. In connection with entering into the agreement for the ANZ Loans, we capitalized direct transaction-related costs and expenses of approximately $6.3 million as debt issuance costs. As part of the ANZ Loans, we entered into interest rate swaps to effectively fix the interest rates on 75% of the notional balances.

The ANZ Loans were repaid in December 2018 using proceeds from the issuance of the Senior Unsecured Notes. In order to repay the ANZ Loans, the operating partnership initiated intercompany loans to the Australia and New Zealand subsidiaries, in combination with the repayment of a pre-existing intercompany loan payable to Australia totaling AUD $49.5 million , and a capital contribution of NZD $7.8 million from the US to New Zealand. We entered into cross-currency swaps to hedge the cash flow variability from the impact of changes in foreign currency on the periodic interest payments and the final principal repayments of the intercompany loans.

In total, $176 million was paid to extinguish the remaining outstanding principal, and $ 1.8 million was paid to terminate the related interest rate swaps. As a result of terminating the interest rate swaps and related hedge accounting treatment, the remaining net fair value recorded in other comprehensive income (loss) was reclassified to loss on debt extinguishment. Additionally, $0.1 million in legal fees and $2.2 million of unamortized deferred financing costs were expensed to loss on debt extinguishment in conjunction with the loan prepayment.

Construction Loans

In February 2017, certain of our subsidiaries entered into a $24.1 million construction loan with the National Bank of Arizona to finance the development of an expansion to our Clearfield, Utah distribution facility. The facility was secured by a mortgage on the property and the repayment of the construction loan was guaranteed by us. This construction loan, which had an outstanding balance of $19.7 million at December 31, 2017, bore interest, at our election, at a floating rate of one-month LIBOR plus 3.25% or the bank defined prime rate (which may not be lower than LIBOR) and was scheduled to mature in February 2019.

In August 2017, certain of our subsidiaries entered into a $16.0 million construction loan with JPMorgan Chase Bank, N.A. to finance the development of a production advantaged facility in Middleboro, Massachusetts.

The facility was secured by a mortgage on the property and the construction loan was supported by a limited repayment guaranty by us. This construction loan, which had no outstanding balance as of December 31, 2017, but on which we had drawn approximately $1.1 million in early January 2018, bore interest at a floating rate of one-month LIBOR plus 2.75% and was scheduled to mature in August 2020.

Both construction loans were repaid in January 2018 in connection with the IPO.

2013 Mortgage Loans

On May 1, 2013, we entered into a mortgage financing in an aggregate principal amount of $322.0 million, which we refer to as the 2013 Mortgage Loans. The debt consists of a senior debt note and two mezzanine notes. The components are cross-collateralized and cross-defaulted. The senior debt note requires monthly principal payments. The mezzanine notes require no principal payments until the stated maturity date in May 2023. The interest rates on the notes are fixed and range from 3.81% to 11.50% per annum. The senior debt note and the two mezzanine notes remain subject to yield maintenance provisions. We used the net proceeds of these loans to refinance certain of the 2006 Mortgage Loans, acquire two warehouses, and fund general corporate purposes.

The 2013 Mortgage Loans are collateralized by 15 warehouses. The terms governing the 2013 Mortgage Loans require us to maintain certain cash amounts in accounts that are restricted as to their use for the respective warehouses. As of December 31, 2018 , the amount of restricted cash associated with the 2013 Mortgage Loans was $3.4 million . Additionally, if we do not maintain certain financial thresholds, including a debt service coverage ratio of 1.10x, the cash generated will further be temporarily restricted and limited to the use for scheduled debt service and operating costs. The debt service coverage ratio as of December 31, 2018 was 1.70 x. The 2013 Mortgage Loans are non-recourse to us subject to customary non-recourse carve-outs.

The 2013 Mortgage Loans also require compliance with other financial covenants, including a debt coverage ratio and cash flow calculation, as defined.

2010 Mortgage Loans

On December 15, 2010, we entered into a mortgage financing in an aggregate principal amount of $600.0 million, which we refer to as the 2010 Mortgage Loans. The debt included six separate components, which were comprised of independent classes of certificates and seniority. The components were cross-collateralized and cross-defaulted. No principal payments were required on five of the six components until the stated maturity date in January 2021, and one component required monthly principal payments of $1.4 million. Interest was payable monthly in an amount equal to the aggregate interest accrued on each component. The interest rates on five of the six components were fixed, and ranged from 3.86% to 7.45% per annum. One component had a variable interest rate equal to one-month LIBOR plus 1.51%, with one-month-LIBOR subject to a floor of 1.00% per annum. In addition, we maintained an interest rate cap on the variable rate tranche that caps one-month LIBOR at 6.0%. We used the net proceeds of these loans to refinance existing term loans, fund the acquisition of the acquired Versacold entities, and for general business purposes.

The 2010 Mortgage Loans were initially collateralized by 53 warehouses. In November 2014, we sold one of the warehouses collateralizing the 2010 Mortgage Loans for $9.5 million, and $6.0 million of the proceeds were used to pay down the 2010 Mortgage Loans. In 2015, we sold three warehouses for $9.4 million, and $6.1 million of the proceeds were used to pay down the 2010 Mortgage Loans. In 2017, we used a portion of the net proceeds from incremental borrowings under our existing Senior Secured Term Loan B Facility to pay down $26.2 million of the 2010 Mortgage Loans. As a result, two warehouses were transferred from the collateral base of the 2010 Mortgage Loans to the existing Senior Secured Revolving Credit Facility borrowing base, and one was released and positioned for sale. The terms that governed the 2010 Mortgage Loans required us to maintain certain cash amounts in accounts that are restricted as to their use for the respective warehouses.

The 2010 Mortgage Loans were extinguished in December 2018 using proceeds from the Senior Unsecured Notes. The Company paid $416.7 million in consideration to defease the fixed rate component of the 2010 Mortgage Loans, including principal of $394.8 million, a defeasance fee of $18.5 million and other fees of $0.1 million. The Company paid $48.8 million in consideration to repay the floating rate component of the 2010 Mortgage Loans. Upon extinguishment of the 2010 Mortgage Loans, the $15.5 million balance of restricted cash was released for operating purposes. In accordance with the defeasance agreement on the fixed rate component of the 2010 Mortgage Loans, a successor borrower assumed all responsibilities of the Company under the original loan agreement. The transaction was accounted for as an extinguishment of debt.

Debt Covenants

Our senior unsecured credit facility, the senior unsecured notes, and mortgage loan require financial statements reporting, periodic requirements to report compliance with established thresholds and performance measurements, and affirmative and negative covenants that govern our allowable business practices. The affirmative and negative covenants include continuation of insurance, maintenance of collateral, the maintenance of REIT status, and our ability to enter into certain types of transactions or exposures in the normal course of business. As of December 31, 2018 , we were in compliance with all debt covenants.

Loss on debt extinguishment, modifications and termination of derivative instruments

During 2018, we completed multiple refinancing and extinguishment of debt transactions resulting in amount recorded to Loss on debt extinguishment, modifications and termination of derivative instruments . During the first quarter of 2018, simultaneous with the IPO, we closed on a Senior Secured Term Loan A and repaid the Term Loan B. Shortly thereafter, we amended the facility by repaying a portion of the Term Loan A and increasing the capacity on the revolving credit facility. The total amount recorded to Loss on debt extinguishment, modifications and termination of derivative instruments as a result of these transactions totaled $21.4 million , representing the write-off of unamortized deferred financing costs and debt discount from Term Loan B. During the fourth quarter of 2018, the 2010 Mortgage Loans were extinguished. This resulted in an $18.5 million defeasance fee, as well as a $3.4 million write-off of unamortized deferred financing costs recorded to Loss on debt extinguishment, modifications and termination of derivative instruments . Additionally, during the fourth quarter of 2018, the ANZ Loans were fully prepaid, which resulted in a write-off of $2.2 million in unamortized deferred financing costs and $1.8 million charge for termination of the related interest rate swaps, both recorded to Loss on debt extinguishment, modifications and termination of derivative instruments .

The aggregate maturities of our total indebtedness as of December 31, 2018 , including amortization of principal amounts due under the Term Loan A, senior unsecured notes and mortgage notes for each of the next five years and thereafter, are as follows:

Years Ending December 31:	(In thousands)
2019	$ 6,513
2020	6,750
2021	7,035
2022	7,312
2023	737,347
Thereafter	600,000
Aggregate principal amount of debt	1,364,957
Less unamortized discount and deferred financing costs	(13,943)
Total debt net of discount and deferred financing costs	$ 1,351,014

Credit Ratings

Our capital structure and financial practices have earned us investment grade credit ratings from two nationally recognized credit rating agencies. During the fourth quarter of 2018, the Company received its inaugural investment grade ratings of BBB with a Stable outlook from both Fitch and Morningstar. These credit ratings are important to our ability to issue debt at favorable rates of interest, among other terms. Refer to our risk factor " *Adverse changes in our credit ratings could negatively impact our financing activity"* for further details regarding the potential impacts from changes to our credit ratings.

Recurring Maintenance Capital Expenditures and Repair and Maintenance Expenses

We utilize a strategic approach to recurring maintenance capital expenditures and repair and maintenance expenses to maintain the high quality and operational efficiency of our warehouses and ensure that our warehouses meet the “mission-critical” role they serve in the cold chain.

Recurring Maintenance Capital Expenditures

Recurring maintenance capital expenditures are capitalized investments made to extend the life of, and provide future economic benefit from, our existing temperature-controlled warehouse network and its existing supporting personal property and information technology systems. Examples of recurring maintenance capital expenditures related to our existing temperature-controlled warehouse network include replacing roofs and refrigeration equipment, and upgrading our racking systems. Examples of recurring maintenance capital expenditures related to personal property include expenditures on material handling equipment (*e.g.* , fork lifts and pallet jacks) and related batteries. Examples of recurring maintenance capital expenditures related to information technology include expenditures on existing servers, networking equipment and current software. The following table sets forth our recurring maintenance capital expenditures for the years ended December 31, 2018 , 2017 and 2016 . The decrease in recurring maintenance capital expenditures from 2017 was primarily related to various roof replacement projects in our facilities located in Australia and New Zealand.

	Year ended December 31,		
	2018	2017	2016
	(In thousands, except per cubic foot amounts)		
Real estate	$ 37,613	$ 44,102	$ 36,153
Personal property	3,175	1,890	3,213
Information technology	3,187	3,914	5,079
Total recurring maintenance capital expenditures	$ 43,975	$ 49,906	$ 44,445
Total recurring maintenance capital expenditures per cubic foot	$ 0.048	$ 0.053	$ 0.047

Repair and Maintenance Expenses

We incur repair and maintenance expenses that include costs of normal maintenance and repairs and minor replacements that do not materially extend the life of the property or provide future economic benefits. Repair and maintenance expenses consist of expenses related to our existing temperature-controlled warehouse network and its existing supporting personal property and are reflected as operating expenses on our income statement. Examples of repair and maintenance expenses related to our warehouse portfolio include ordinary repair and maintenance on roofs, racking, walls, doors, parking lots and refrigeration equipment. Examples of repair and maintenance expenses related to personal property include ordinary repair and maintenance expenses on material handling equipment (*e.g.* , fork lifts and pallet jacks) and related batteries. The following table sets forth our repair and maintenance expenses for the years ended December 31, 2018 , 2017 and 2016 .

	Year ended December 31,		
	2018	2017	2016
	(In thousands, except per cubic foot amounts)		
Real estate	$ 19,813	$ 21,467	$ 20,956
Personal property	32,536	31,254	30,888
Total repair and maintenance expenses	$ 52,349	$ 52,721	$ 51,844
Repair and maintenance expenses per cubic foot	$ 0.057	$ 0.056	$ 0.055

Growth and Expansion Capital Expenditures

Growth and expansion capital expenditures are capitalized investments made to support both our customers and our warehouse expansion and development initiatives. It also includes investments in enhancing our information technology platform. Examples of growth and expansion capital expenditures associated with expansion and development initiatives include funding of construction costs, increases to warehouse capacity and pallet positions, acquisitions of reusable incremental material handling equipment, and implementing energy efficiency projects, such as LED lighting, motion-sensor technology, variable frequency drives for our fans and compressors, rapid-close doors and alternative-power generation technologies. Examples of growth and expansion capital expenditures to enhance our information technology platform include expenditures related to the delivery of new systems and software and customer interface functionality.

The decrease in expenditures can be attributed to the reduction in construction and acquisition activity. The reduction in construction activity is primarily due to three buildings being constructed in 2017 compared to the two buildings in 2018. In 2017, Clearfield, Middleboro and Rochelle were under construction and at the end of the third quarter of 2017, our Clearfield facility was placed into service and spending was ceased. In 2018, only our Middleboro and Rochelle facilities were under construction with our Middleboro facility announcing its grand opening in August 2018. The Rochelle facility expansion is expected to be completed during the first quarter of

2019. Furthermore, the purchase of our building in San Antonio in 2017 contributed to the decrease in expenditures, as there have been no facility acquisitions during 2018.

The following table sets forth our growth and expansion capital expenditures for the years ended December 31, 2018 , 2017 and 2016 .

	Year ended December 31,		
	2018	2017	2016
	(In thousands)		
Expansion and development initiatives	$ 72,049	$ 102,653	$ 27,529
Information technology	3,686	5,973	4,649
Total growth and expansion capital expenditures	$ 75,735	$ 108,626	$ 32,178

Contractual Obligations

The following table summarizes our contractual obligations as of December 31, 2018 :

	Payments due by period				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
Principal on mortgage and term loans	$ 1,364,957	$ 6,513	$ 13,785	$ 744,659	$ 600,000
Interest on mortgage and term loans (1)	422,891	69,138	138,149	99,720	115,884
Sale leaseback financing obligations, including interest (2)	220,038	16,829	34,438	35,511	133,260
Capital lease obligations, including interest	48,622	12,415	22,138	7,494	6,575
Operating leases	93,949	25,453	31,641	16,098	20,757
Growth and expansion commitments (3)	54,382	54,382	—	—	—
Total (4)	$ 2,204,839	$ 184,730	$ 240,151	$ 903,482	$ 876,476

(1) Interest payable is based on interest rates in effect at December 31, 2018 . Amounts include variable-rate interest payments, which are calculated utilizing the applicable interest rates as of December 31, 2018 .
(2) Sale leaseback financing obligations are subject to multiple expiration dates and bear interest rates that vary from 7.00%-19.59% . For more information, see Note 11 to our consolidated financial statements included in this Annual Report on Form 10-K.
(3) Growth and expansion commitments reflect open commitments related to a construction expansion project expected to be completed during the first quarter of 2019 as well as a potential land purchase backstopped by a customer if construction is not substantially commenced within certain parameters.
(4) The table above excludes $2.3 million (included in 'Other assets' in the accompanying Consolidated Balance Sheet) aggregate fair value as of December 31, 2018 of two cross-currency swap agreements expiring in 2023 and 2026.

Historical Cash Flows

The following summary discussion of our cash flows is based on the consolidated statements of cash flows and is not meant to be an all-inclusive discussion of the changes in our cash flows for the periods presented below.

Comparison of Year Ended December 31, 2018 to Year Ended December 31, 2017 and Comparison of Year Ended December 31, 2017 to Year Ended December 31, 2016

	Year ended December 31,		
	2018	2017	2016
	(In thousands)		
Net cash provided by operating activities	$ 188,171	$ 163,327	$ 118,781
Net cash used in investing activities	(125,703)	(138,831)	(41,653)
Net cash provided by (used in) financing activities	84,942	(18,604)	(95,322)

Operating Activities

For the year ended December 31, 2018 , our net cash provided by operating activities was $188.2 million , an increase of $24.8 million , or 15.2% , compared to $163.3 million for the year ended December 31, 2017 . The increase was primarily attributable to operating income of $180.0 million for the year ended December 31, 2018 , an increase of $43.0 million , or 31.4% , from $137.0 million for the the year ended December 31, 2017 . Further contributing to the increase in our net cash provided by operating activities is a $21.0 million decrease in interest payments.

For the year ended December 31, 2017 , our net cash provided by operating activities was $163.3 million , an increase of $44.5 million , or 37.5% , compared to $118.8 million for the year ended December 31, 2016 . The increase was primarily attributable to operating income of $137.0 million for the year ended December 31, 2017 , an increase of $4.9 million, or 3.7%, from $132.1 million for the the year ended December 31, 2016 . Contributing to the increase in our net cash provided by operating activities are a $8.5 million decrease in interest payments and favorable changes in working capital primarily driven by better collections on accounts receivable from major customers in our domestic operations.

Investing Activities

Our net cash used by investing activities was $125.7 million for the year ended December 31, 2018 , a decrease of $13.1 million , or 9.5% , compared to $138.8 million for the year ended December 31, 2017 . Additions to property, plant, and equipment of $145.2 million during 2018 accounted for the use of cash in investing activities and included outlays mainly associated with the expansion of our warehouse facility in Rochelle, IL and the purchase of a portion of a facility that was previously operated in under a lease agreement. Net proceeds of $19.5 million were primarily from the sale of two warehouse facilities, which partially offset the additions to property, plant and equipment.

Our net cash used by investing activities was $138.8 million for the year ended December 31, 2017 , an increase of 97.1 million , or 232.9% , compared to $41.7 million for the year ended December 31, 2016 . Additions to property, plant, and equipment of $149.0 million during 2017 included, among others, the acquisition of a new warehouse facility in the United States of approximately $32.0 million, and construction in progress on three other warehouse facilities totalling $48.7 million. Total additions to property, plant, and equipment for the year ended December 31, 2017 were partially offset by net proceeds of $10.2 million associated primarily with the disposal of three domestic warehouse facilities.

Financing Activities

Our net cash provided by financing activities was $84.9 million for the year ended December 31, 2018 , an increase of $103.5 million , or 556.5%, compared to $18.6 million of cash used in financing activities for the year ended December 31, 2017 . Cash provided by financing activities for the current period primarily consisted of $600.0 million received from the debt private placement, $525.0 million received in connection with the issuance of our Senior Secured Term Loan A Facility, $493.6 million net proceeds from the IPO, $92.7 million in proceeds from the follow-on public offering, $14.8 million in proceeds from stock options exercised, $9.0 million of proceeds from reimbursements of underwriters' fees and $1.1 million of proceeds from construction loan. These cash inflows were partially offset by $900.0 million paid to extinguish term loans, mortgage notes, and construction loans, $622.4 million to complete the early retirement of the 2010 Mortgage Loans and ANZ Loans, $78.5 million of quarterly dividend distributions and stub period dividend distributions paid to both preferred and common shareholders of record as of the day prior to the IPO effective date, $16.6 million paid for debt issuance costs, $13.0 million of repayments on lease obligations, $12.7 million paid for tax withholdings remitted to authorities related to stock options exercised, and $8.2 million paid for underwriters' fees.

Our net cash used in financing activities was $18.6 million for the year ended December 31, 2017 , a decrease of $76.7 million , or 80.5% , compared to $95.3 million for the year ended December 31, 2016 . Net cash used in financing activities for the year ended December 31, 2017 primarily consisted of $56.9 million of recurring repayment on our term loans, mortgage notes and construction loans, $48.7 million of dividend distributions, $28.0 million of net repayments on the 2015 Senior Secured Revolving Credit Facility, $10.5 million of payments related to our lease obligations and $4.2 million in financing costs mostly incurred for the expansion and second repricing of our Senior Secured Term Loan B Facility. These cash uses were partially offset by $110.0 million of proceeds received in connection with the expansion of our Senior Secured Term Loan B Facility and $19.7 million in proceeds received as part of a new loan for the construction of a warehouse facility.

Net cash provided by financing activities for the Operating Partnership was $84.9 million for the year ended December 31, 2018 , an increase of $103.5 million , or 556.5%, compared to $18.6 million of cash used in financing activities for the year ended December 31, 2017 . Cash provided by financing activities for the current period primarily consisted of $600.0 million received from the debt private placement, $525.0 million received in connection with the issuance of our Senior Secured Term Loan A Facility, $597.4 million of cash contributed by the Parent related to equity issuances, and $1.1 million of proceeds from construction loan. These cash inflows were partially offset by $900.0 million paid to extinguish term loans, mortgage notes, and construction loans, $622.4 million to complete the early retirement of the 2010 CMBS and ANZ loans, $86.7 million of distributions to the Parent, $16.6 million paid for debt issuance costs, and $13.0 million of repayments on lease obligations.

Net cash used in financing activities by the Operating Partnership was $18.6 million for the year ended December 31, 2017 , a decrease of $76.7 million , or 80.5% , compared to $95.3 million for the year ended December 31, 2016 . Net cash used in financing activities for the year ended December 31, 2017 primarily consisted of $56.9 million of recurring repayment on our term loans, mortgage notes and construction loans, $48.7 million of distributions to Parent, $28.0 million of net repayments on the 2015 Senior Secured Revolving Credit Facility, $10.5 million of payments related to our lease obligations and $4.2 million in financing costs mostly incurred for the expansion and second repricing of our Senior Secured Term Loan B Facility. These cash uses were partially offset by $110.0 million of proceeds received in connection with the expansion of our Senior Secured Term Loan B Facility and $19.7 million in proceeds received as part of a new loan for the construction of a warehouse facility.

Withdrawal Liability from Multi-employer Plans

As of December 31, 2018 , we participated in seven multiemployer pension plans administered by labor unions representing approximately half of our employees. We make periodic contributions to these plans pursuant to the terms of our collective bargaining agreements to allow the plans to meet their pension benefit obligations.

In the event that we withdraw from participation in any of the multiemployer pension plans in which we participate, the documents governing the applicable plan and applicable law could require us to make an additional contribution to the applicable plan in the amount of the unfunded vested benefits allocable to our participation in the plan, and we would have to reflect that as an expense on our consolidated statement of income and as a liability on our consolidated balance sheet. Our withdrawal liability for any multiemployer pension plan would depend on the extent of the plan's funding of vested benefits as of the year in which the withdrawal occurs, and may vary depending on the funded status of the applicable multiemployer pension plan, whether there is a mass withdrawal of all participating employers and whether any other participating employer in the applicable plan withdraws from the plan due to insolvency and is not able to contribute an amount sufficient to fund the unfunded liabilities associated with its participants in the plan. The present value of all benefits vested under each of the multiemployer plans that we participated in as of December 31, 2018 (based on the labor union's assumptions used to fund such plan) did not, as of the last annual valuation date applicable thereto, exceed the value of the assets of such plan allocable to such vested benefits. Based on the latest information available from plan administrators, we estimate our share of the aggregate withdrawal liability for the multiemployer pension plans in which we participate could have been as much as $511.7 million as of December 31, 2018 , of which we estimate that certain of our customers are contractually obligated to make indemnification payments to us for approximately $455.8 million . However, there is no guarantee that, to the extent we incurred any such withdrawal liability, we would be successful in obtaining any indemnification payments therefor.

In the ordinary course of our renegotiation of collective bargaining agreements with labor unions that maintain these plans, we could agree to discontinue participation in one or more plans, and in that event we could face a withdrawal liability. Additionally, we could be treated as withdrawing from a plan if the number of our employees participating in the plan is reduced to a certain degree over certain periods of time.

During the third quarter of 2017, we recorded a one-time charge of $9.2 million representing the present value of a liability associated with our withdrawal obligation under the New England Teamsters and Trucking Industry Pension Plan, or the New England Fund, for hourly, unionized associates at four of our domestic warehouse facilities. The New England Fund is grossly underfunded in accordance with ERISA funding standards and, therefore, the terms of ERISA required the development of a rehabilitation plan, creating a new fund that minimizes the pension withdrawal liability. As a result, current employers participating in the New England Fund were given the opportunity to exit the New England Fund and convert to a new fund. We are obligated to pay our portion of the unfunded liability in respect thereof, estimated at $13.7 million, in equal monthly installments of approximately $38,000 over 30 years, interest free. Under the relevant U.S. GAAP standard, a participating employer withdrawing from a multiemployer pension plan should account for a loss contingency equal to the present value of the withdrawal liability, and amortize the difference between such present value and the estimated unfunded liability through interest expense over the repayment period.

Inflation

Our business could be impacted due to inflation. We believe, however, that we are well positioned to be able to manage our business in an inflationary environment. Certain of our expenses are subject to normal inflationary pressures and this could lead to increases in the operating costs of our properties, such as wages and benefits, insurance, real estate taxes, utility expenses, equipment repair and replacement and other operating expenses. Although to date we have been able to offset inflationary cost increases with increased operating efficiencies and the ability to increase prices in our customer contracts (many of which contain provisions for inflationary price escalators), we can give no assurance that we will be able to offset any future inflationary cost increases through similar efficiencies or increased storage or service charges.

Off-Balance Sheet Arrangements

As of December 31, 2018 , we had no material off-balance sheet arrangements that have or are reasonably likely to have a current or future material effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources.

Critical Accounting Policies

Our discussion and analysis of our historical financial condition and results of operations for the periods described is based on our audited consolidated financial statements and our unaudited interim condensed consolidated financial statements, each of which has been prepared in accordance with U.S. GAAP. The preparation of these historical financial statements in conformity with U.S. GAAP requires management to make estimates, assumptions and judgments in certain circumstances that affect the reported amounts of assets, liabilities and contingencies as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. We evaluate our assumptions and estimates on an ongoing basis. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. For more information on our significant accounting policies, see Note 2 to our consolidated financial statements included in this Annual Report on Form 10-K. The following critical accounting discussion pertains to accounting policies management believes are most critical to the portrayal of our historical financial condition and results of operations and that require significant, difficult, subjective or complex judgments. Other companies in similar businesses may use different estimation policies and methodologies, which may impact the comparability of our financial condition, results of operations and cash flows to those of other companies.

Revenue Recognition

Our primary revenue source consists of rent, storage and warehouse services revenues. Additionally, we charge transportation fees to those customers who use our transportation services, where we act as the principal in the arrangement of the services. We also receive a reimbursement of substantially all expenses for warehouses that we manage on behalf of third-party owners, with all reimbursements recognized as revenues under the relevant accounting guidance. We also earn management fees, incentive fees upon achieving negotiated performance and cost-savings results, or an applicable mark-up on costs. Revenues from storage and handling are recognized over the period consistent with the transfer of the service to the customer. Multiple contracts with a single counterparty are accounted for as separate arrangements. We recognize transportation fees and expenses on a gross basis upon delivery of products on behalf of our customers. We also recognize management fees and related expense reimbursements as revenues as we perform management services and incur the expense.

Impairment of Long-Lived Assets

Long-lived assets held and used are carried at cost and evaluated for impairment annually or when events or changes in circumstances indicate such an evaluation is warranted. A substantial amount of our assets consist of long-lived assets, including real estate and other intangible assets. The evaluation of our long-lived assets for impairment is a subjective process that includes determining whether indicators of impairment exist, such as significant declines in a warehouse's revenues or cash flows, significant increases in estimated future maintenance costs, occupancy forecasts or other marketplace events that would lead us to believe that there is a decline in market value, which might indicate that the carrying value of our long-lived assets might not be recoverable. When any indicators of impairment exist, the evaluation of such long-lived assets then entails projections of future operating cash flows, which also involves significant judgment. Future events, or facts and circumstances that currently exist, that we have not yet identified, could cause us to conclude in the future that our long-lived assets are impaired. Any resulting impairment loss could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects, and on our ability to service our debt and make distributions to our shareholders.

During the year ended December 31, 2018 , we recorded an impairment charge of $0.7 million associated with an idle facility with a net book value in excess of its estimated fair value based on a purchase offer. This amount is presented in the "Impairment of long-lived assets" line of the consolidated statements of operations for the year ended December 31, 2018 included in this Annual Report on Form 10-K.

Goodwill Impairment Evaluation

We perform impairment testing of goodwill as of October 1 of each year, and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. Our reporting units are comprised of the following operations: U.S. warehouse, U.S. transportation, North America third-party managed, international warehouse, international third-party managed, and international transportation. The goodwill impairment test involves a two-step process. First, a comparison is performed of the fair value of each reporting unit with its aggregate carrying amount, including goodwill. If the carrying amount of a reporting unit exceeds the reporting unit’s fair value, we perform the second step of the goodwill impairment test to determine the amount of impairment loss. The second step includes comparing the implied fair value of the affected reporting unit’s goodwill with the carrying amount of the goodwill. The results of our 2018 impairment test indicated that the estimated fair value of each of our reporting units was substantially in excess of the corresponding carrying amount as of October 1, and no impairment of goodwill existed. Our most valuable reporting unit, U.S. warehouse, had an estimated fair value approximately 137% greater than its carrying amount as of October 1, 2018.

We estimate the fair values of reporting units based upon the net present value of future cash flows based upon varying economic assumptions, including significant assumptions such as revenue growth rates, operating costs, maintenance costs and terminal value. These assumptions are based on risk-adjusted growth rates and discount factors accommodating conservative viewpoints that consider the full range of variability contemplated in the current and potential future economic situations. We also assess market-based multiples of other market-participant companies, further corroborating that our discounted cash flow models reflect fair value assumptions that are appropriately aligned with market-participant valuation multiples. If future changes to the fair value of our reporting units were to occur, we would be required to perform the second step of the goodwill impairment test to determine the ultimate amount of the impairment loss to record.

Income Taxes and REIT Election

As a REIT, we generally will not be subject to corporate-level U.S. federal income taxes if we meet minimum distribution requirements, and certain income, asset and share ownership tests. However, some of our subsidiaries are subject to U.S. federal, state and local taxes. In addition, foreign entities may also be subject to the taxes of the host country. An allocation is required to be estimated on our taxable income arising from our TRSs and international entities. A deferred tax component could arise based upon the differences in U.S. GAAP versus tax income for items such as depreciation and gain recognition.

We believe that we have been organized and operated, and intend to continue to operate, in a manner intended to qualify as a REIT under the Code and applicable state laws. A REIT generally does not pay corporate-level U.S. federal income taxes on its REIT taxable income that it distributes to its shareholders, and accordingly we do not pay U.S. federal income tax on the share of REIT taxable income that is distributed to our shareholders. We therefore do not estimate or accrue any U.S. federal income tax expense for income earned and distributed from REIT operations. This estimate could be incorrect, because, due to the complex nature of REIT qualification requirements, the ongoing importance of factual determinations and the possibility of future changes in our circumstances, we cannot be assured that we actually have satisfied or will satisfy the requirements for taxation as a REIT for any particular taxable year. For any taxable year that we fail or have failed to qualify as a REIT and for which applicable relief provisions do not or did not apply, we would be taxed at regular corporate rates on all of our taxable income, whether or not we made or make any distributions to our shareholders. Any resulting requirement to pay corporate income tax, including any applicable penalties or interest, could have a material adverse effect on our business, financial condition, liquidity, results of operations and prospects, and on our ability to service our debt and make distributions to our shareholders. Unless entitled to relief under specific statutory provisions, we also would be disqualified from taxation as a REIT for the four taxable years following the year for which qualification was lost. There can be no assurance that we would be entitled to any statutory relief.

Our operating partnership conducts various business activities in the United States, Australia, New Zealand, Argentina and Canada through several wholly-owned TRSs. A TRS is subject to income tax at regular corporate tax rates. Thus, income taxes for our TRSs are accounted for using the asset and liability method, under which deferred income taxes are recognized for (i) temporary differences between the financial reporting and tax bases of assets and liabilities and (ii) operating loss and tax credit carry-forwards based on enacted tax rates expected to be in effect when such amounts are realized or settled. Deferred tax assets are recognized only to the extent that it is more likely than not they will be realized based on consideration of available evidence, including tax planning strategies.

Share-Based Compensation

We recognize compensation expense related to share-based awards. We amortize this compensation expense over the vesting period of the award. The calculation of the fair value of share-based awards is subjective and requires several assumptions over such items as expected stock volatility, dividend payments and future company results. These assumptions have a direct impact on our net income (loss) because a higher share-based awards amount would result in lower net income for a particular period.

See Note 2 to our consolidated financial statements included in this Annual Report on Form 10-K for further information regarding accounting policies. See Note 17 to our consolidated financial statements included in this Annual Report on Form 10-K for further information regarding share-based compensation.

New Accounting Pronouncements

See Note 2 to our consolidated financial statements included in this Annual Report on Form 10-K.

ITEM 7A. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Our future income and cash flows relevant to financial instruments are dependent upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates.

As of December 31, 2018 , we had $475.0 million of outstanding variable-rate debt. This consisted of our Senior Unsecured Term Loan A Facility bearing interest at one-month LIBOR plus a margin up to 1.45% . At December 31, 2018 , one-month LIBOR was at approximately 2.35%, therefore a 100 basis point increase in market interest rates would result in an increase in interest expense to service our variable-rate debt of approximately $4.8 million. A 100 basis point decrease in market interest rates would result in only a $4.8 million decrease in interest expense to service our variable-rate debt.

Foreign Currency Risk

Our international revenues and expenses are generated in the currencies of the countries in which we operate, such as Australia, New Zealand, Argentina and Canada. We are exposed to foreign currency exchange variability related to investments in and earnings from our foreign investments. Foreign currency market risk is the possibility that our results of operations or financial position could be better or worse than planned because of changes in foreign currency exchange rates. The Company entered into cross-currency swaps to hedge the cash flow variability from the impact of changes in foreign currency on the interest payments on the intercompany loan as well as the final principal payment. Since the critical terms of the derivatives match the critical terms of the intercompany loans, the hedge is considered perfectly effective. All changes in fair value will be recorded to Accumulated other comprehensive loss . When the local currencies in these countries decline relative to our reporting currency, the U.S. dollar, our consolidated revenues, contribution (NOI) margins and net investment in properties and operations outside the United States decrease.

During the second quarter of 2018, the International Practices Task Force declared Argentina a hyperinflationary economy. A hyperinflationary economy has cumulative inflation of approximately 100% or more over a 3-year period. Reporting entities with operations in Argentina are required to account for highly inflationary operations no later than July 1, 2018. Under highly inflationary accounting, Argentina's functional currency became the Australian dollar, the reporting and functional currency of the immediate parent company of the Argentina entity, and its income statement and balance sheet have been measured in Australian dollars using both current and historical rates of exchange prior to translation into U.S. dollars in consolidation. The impact of the change in functional currency to Australian dollars resulted in a remeasurement of historical earnings reflected in retained earnings, which was previously measured at the average Argentine peso to USD exchange rates applicable to the period, and a related decrease to Accumulated Other Comprehensive Loss. This activity is reflected within 'Other' on the Statement of Shareholders' Equity for the year ended December 31, 2018 . After the initial measurement process described previously, the effect of changes in exchange rates on peso-denominated monetary assets and liabilities has been reflected in earnings in Foreign currency exchange gain (loss), net and was not material. As of December 31, 2018 , the net monetary assets of the Argentina subsidiary were immaterial. Additionally, the operating income of the Argentina subsidiary was less than 3.5 percent of our consolidated operating income for the year ended December 31, 2018 , 2017, and 2016.

We attempt to mitigate a portion of the risk of currency fluctuation by financing our foreign investments in local currency denominations, effectively providing a natural hedge. However, given the volatility of currency exchange rates, there can be no assurance that this strategy will be effective. As a result, changes in the relation of the currency of our international operations to U.S. dollars may also affect the book value of our assets and the amount of shareholders' equity. A 10% reduction in the functional currencies of our international operations, relative to the U.S. dollar, would have resulted in a reduction in our shareholders' equity of approximately $7.0 million as of December 31, 2018 .

In order to raise funds to pay the remaining balance of our syndicated facility agreement with Goldman Sachs of AUD$203 million and NZD$44 million, we entered into an intercompany loan with our subsidiaries. We initiated intercompany loans to Australia and New Zealand using the remaining proceeds from the debt private placement (See Note 9 for further detail), in combination with the repayment of a pre-existing intercompany loan payable to Australia totaling AUD$49.5 million, and a capital contribution of NZD$7.8 million from the US to New Zealand. The intercompany loan principal is AUD$153.5 million and NZD$37.5 million. The interest rate is 4.68%, and interest is due on January 8 and July 8 until maturity of both instruments. The Australian principal is due January 8, 2026 and the New Zealand principal is due December 13, 2023.

We are exposed to foreign currency exchange variability related to investments in and earnings from our foreign investments. Foreign currency market risk is the possibility that our results of operations or financial position could be better or worse than planned because of changes in foreign currency exchange rates. The Company entered into cross-currency swaps to hedge the cash flow variability from the impact of changes in foreign currency on the interest payments on the intercompany loan as well as the final principal payment. Since the critical terms of the derivatives match the critical terms of the intercompany loans, the hedge is considered perfectly effective. All changes in fair value will go through Accumulated other comprehensive loss .

For the years ended December 31, 2018 , 2017 and 2016 , revenues from our international operations were $289.8 million , $289.7 million and $277.2 million , respectively, which represented 18.1% , 18.8% and 18.6% of our consolidated revenues, respectively.

Net assets in international operations were approximately $69.7 million, $79.4 million and $78.4 million as of December 31, 2018 , 2017 and 2016 , respectively.

The effect of a change in foreign exchange rates on our net investment in foreign subsidiaries is reflected in the Accumulated other comprehensive loss component of equity of our consolidated financial statements included in this Annual Report on Form 10-K.

ITEM 8. Financial Statements and Supplementary Data

The independent registered public accounting firm's reports, consolidated financial statements and schedule listed in the "Index to Financial Statements" on page F-1 of this Annual Report are filed as part of this report and incorporated herein by reference.

ITEM 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

ITEM 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures (Americold Realty Trust)

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to its management, including its chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, the Company's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and its management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Also, the Company has investments in certain unconsolidated entities, which are accounted for using the equity method of accounting. As the Company does not control or manage these entities, its disclosure controls and procedures with respect to such entities may be substantially more limited than those it maintains with respect to its consolidated subsidiaries.

As required by Rule 13a-15(b) or Rule 15d-15(b) of the Securities Exchange Act of 1934, as amended, management of the Company carried out an evaluation, under the supervision and with participation of its chief executive officer and chief financial officer, of the effectiveness of the design and operation of its disclosure controls and procedures that were in effect as of December 31, 2018 . In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control-Integrated Framework (2013)* . Based on the foregoing, the Company's management concluded that its disclosure controls and procedures were effective at the reasonable assurance level.

We will be required to obtain an audit report from our independent registered public accounting firm beginning in 2019 regarding the effectiveness of our internal control over financial reporting.

Changes in Internal Control over Financial Reporting

None.

Evaluation of Disclosure Controls and Procedures (Americold Realty Operating Partnership, L.P.)

The Operating Partnership maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in its reports filed under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the U.S. Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to its management, including the chief executive officer and chief financial officer of its general partner, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, the Operating Partnership's management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and its management is required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures. Also, the Operating Partnership has investments in certain unconsolidated entities, which are accounted for using the equity method of accounting. As the Operating Partnership does not control or manage these entities, its disclosure controls and procedures with respect to such entities may be substantially more limited than those it maintains with respect to its consolidated subsidiaries.

This Annual Report on Form 10-K does not include a report of management's assessment regarding internal control over financial reporting or an attestation report of the Company's independent registered public accounting firm due to a transition period established by rules of the Securities and Exchange Commission for new registrants.

Changes in Internal Control over Financial Reporting

None.

ITEM 9B. Other Information

None.

PART III

ITEM 10. Directors, Executive Officers and Corporate Governance

The information required by Item 10 will be included in the definitive proxy statement relating to the 2019 Annual Meeting of Stockholders of Americold Realty Trust to be held on May 22, 2019 and is incorporated herein by reference. Americold Realty Trust will file such definitive proxy statement with the SEC pursuant to Regulation 14A not later than 120 days after the end of the Company's 2018 fiscal year covered by this Annual Report on Form 10-K.

ITEM 11. Executive Compensation

The information required by Item 11 will be included in the definitive proxy statement relating to the 2019 Annual Meeting of Stockholders of Americold Realty Trust to be held on May 22, 2019 and is incorporated herein by reference. Americold Realty Trust will file such definitive proxy statement with the SEC pursuant to Regulation 14A not later than 120 days after the end of the Company's 2018 fiscal year covered by this Annual Report on Form 10-K.

ITEM 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 will be included in the definitive proxy statement relating to the 2019 Annual Meeting of Stockholders of Americold Realty Trust to be held on May 22, 2019 and is incorporated herein by reference. Americold Realty Trust will file such definitive proxy statement with the SEC pursuant to Regulation 14A not later than 120 days after the end of the Company's 2018 fiscal year covered by this Annual Report on Form 10-K.

ITEM 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 will be included in the definitive proxy statement relating to the 2019 Annual Meeting of Stockholders of Americold Realty Trust to be held on May 22, 2019 and is incorporated herein by reference. Americold Realty Trust will file such definitive proxy statement with the SEC pursuant to Regulation 14A not later than 120 days after the end of the Company's 2018 fiscal year covered by this Annual Report on Form 10-K.

ITEM 14. Principal Accounting Fees and Services

The information required by Item 14 will be included in the definitive proxy statement relating to the 2019 Annual Meeting of Stockholders of Americold Realty Trust to be held on May 22, 2019 and is incorporated herein by reference. Americold Realty Trust will file such definitive proxy statement with the SEC pursuant to Regulation 14A not later than 120 days after the end of the Company's 2018 fiscal year covered by this Annual Report on Form 10-K.

PART IV

ITEM 15. Exhibits, Financial Statements and Schedules

Americold Realty Trust and Subsidiaries
Americold Realty Operating Partnership, L.P. and Subsidiaries

The following documents are filed as a part of this Annual Report on Form 10-K:

a. Financial Statements and Schedules

b. Exhibits

EXHIBIT INDEX

Exhibit No.	Description
3.1	Amended and Restated Declaration of Trust of Americold Realty Trust, dated as of January 22, 2018 (incorporated by reference to Exhibit 3.1 to Americold Realty Trust’s Current Report on Form 8-K filed on January 23, 2018 (File No. 001-34723))
3.2	Amended and Restated Bylaws of Americold Realty Trust (incorporated by reference to Exhibit 3.1 to Americold Realty Trust's Current Report on Form 8-K filed on December 7, 2018 (File No. 001-34723))
3.3	Certificate of Limited Partnership of Americold Realty Operating Partnership, L.P.
3.4	Limited Partnership Agreement of Americold Realty Operating Partnership, L.P. (incorporated by reference to Exhibit 10.19 to Americold Realty Trust’s Registration Statement on Form S-11/A, filed on November 14, 2017 (Registration No. 333-221560))
3.5	First Amendment to the Limited Partnership Agreement of Americold Realty Operating Partnership, L.P.
10.1	Credit Agreement, dated as of December 4, 2018, by and among the Operating Partnership, the Company, the Several Lenders and Letter of Credit Issuers from Time to Time Parties Thereto and Bank of America, National Association, as Administrative Agent (incorporated by reference to Exhibit 10.1 to Americold Realty Trust's Current Report on Form 8-K filed on December 5, 2018 (File No. 001-34723))
10.2	Note and Guaranty Agreement, dated as of December 4, 2018, by and among the Operating Partnership, the Company and the purchasers named therein (incorporated by reference to Exhibit 10.2 to Americold Realty Trust's Current Report on Form 8-K filed on December 5, 2018 (File No. 001-34723))
10.3#	Employment Agreement, dated as of January 23, 2018, by and between AmeriCold Logistics, LLC and Fred Boehler (incorporated by reference to Exhibit 10.3 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.4#	Employment Agreement, dated as of January 23, 2018, by and between AmeriCold Logistics, LLC and Marc Smernoff (incorporated by reference to Exhibit 10.4 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.5#	Employment Agreement, dated as of January 23, 2018, by and between AmeriCold Logistics, LLC and Thomas Novosel (incorporated by reference to Exhibit 10.5 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.6#	Letter Agreement, dated May 11, 2018, by and between Americold Realty Trust and Marc Smernoff (incorporated by reference to Exhibit 10.5 to Americold Realty Trust’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 15, 2018 (File No. 001-34723))
10.7#	Employment Agreement, dated as of January 23, 2018, by and between AmeriCold Logistics, LLC and Thomas Musgrave (incorporated by reference to Exhibit 10.6 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.8#	Employment Agreement, dated as of January 23, 2018, by and between AmeriCold Logistics, LLC and Andrea Darweesh (incorporated by reference to Exhibit 10.7 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.9#	Employment Agreement, dated as of September 11, 2018, by and between AmeriCold Logistics, LLC and Carlos Rodriguez (incorporated by reference to Exhibit 10.1 to Americold Realty Trust’s Current Report on Form 8-K/A filed on September 11, 2018 (File No. 001-34723)
10.10#	Employment Agreement, dated as of March 26, 2018, by and between AmeriCold Logistics, LLC and James Snyder
10.11#	Employment Agreement, dated as of September 25, 2018, by and between AmeriCold Logistics, LLC and James Harron
10.12#	Employment Agreement, dated as of September 13, 2018, by and between AmeriCold Logistics, LLC and David Stuver
10.13	Amended and Restated Shareholders Agreement, dated January 18, 2018, by and among the Company and the shareholders of the Company signatories thereto (incorporated by reference to Exhibit 10.9 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.14	First Amendment to Shareholders Agreement, dated March 8, 2018, by and among the Company and the shareholders of the Company signatories thereto (incorporated by reference to Exhibit 10.1 to Americold Realty Trust’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 15, 2018 (File No. 001-34723))
10.15	Registration Rights Agreement, dated January 18, 2018, by and among the Company and the shareholders of the Company signatories thereto (incorporated by reference to Exhibit 10.10 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.16	Form of Indemnification Agreement (incorporated by reference to Exhibit 10.16 to Americold Realty Trust’s Registration Statement on Form S-11/A, filed on December 19, 2017 (Registration No. 333-221560))
10.17	Americold Realty Trust 2008 Equity Incentive Plan (incorporated by reference to Exhibit 10.21 to Americold Realty Trust’s Registration Statement on Form S-11/A, filed on January 12, 2018 (Registration No. 333-221560))
10.18	Americold Realty Trust 2010 Equity Incentive Plan (incorporated by reference to Exhibit 10.14 to Americold Realty Trust’s Registration Statement on Form S-11/A, filed on December 20, 2017 (Registration No. 333-221560))

10.19	Americold Realty Trust 2017 Equity Incentive Plan, effective as of January 23, 2018 (incorporated by reference to Exhibit 10.8 to Americold Realty Trust's Current Report on Form 8-K filed on January 23, 2018 (Registration No. 333-221560))
10.20	Form of Annual Trustee Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.2 to Americold Realty Trust's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 15, 2018 (File No. 001-34723))
10.21	Form of Retention Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.3 to Americold Realty Trust's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 15, 2018 (File No. 001-34723))
10.22	Form of Performance Restricted Stock Unit Agreement (incorporated by reference to Exhibit 10.4 to Americold Realty Trust's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, filed on May 15, 2018 (File No. 001-34723))
21.1	List of Subsidiaries
23.1	Consent of Ernst & Young LLP
31.1	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
31.2	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
31.3	Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Americold Realty Operating Partnership, L.P.
31.4	Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 - Americold Realty Operating Partnership, L.P.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Americold Realty Trust
32.3	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Americold Realty Operating Partnership, L.P.
32.4	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - Americold Realty Operating Partnership, L.P.
95.1	Information concerning mine safety violations or other regulatory matters required by Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
101	The following financial statements from Americold Realty Trust's and Americold Realty Operating Partnership, L.P.'s Form 10-K for the year ended December 31, 2018, formatted in XBRL interactive data files: (i) Consolidated Balance Sheets as of December 31, 2018 and December 31, 2017; (ii) Consolidated Statements of Operations for each of the years in the three-year period ended December 31, 2018; (iii) Consolidated Statements of Equity and Comprehensive Income (Loss)/Statements of Partners' Capital and Comprehensive Income for each of the years in the three-year period ended December 31, 2018; (iv) Consolidated Statements of Cash Flows for each of the years in the three-year period ended December 31, 2018; and (v) Notes to Consolidated Financial Statements.

This document has been identified as a management contract or compensatory plan or arrangement.

Certain agreements and other documents filed as exhibits to this Annual Report on Form 10-K contain representations and warranties that the parties thereto made to each other. These representations and warranties have been made solely for the benefit of the other parties to such agreements and may have been qualified by certain information that has been disclosed to the other parties to such agreements and other documents and that may not be reflected in such agreements and other documents. In addition, these representations and warranties may be intended as a way of allocating risks among parties if the statements contained therein prove to be incorrect, rather than as actual statements of fact. Accordingly, there can be no reliance on any such representations and warranties as characterizations of the actual state of facts. Moreover, information concerning the subject matter of any such representations and warranties may have changed since the date of such agreements and other documents.

ITEM 16. Form 10-K Summary

Not Applicable.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Trustees
Americold Realty Trust and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Americold Realty Trust and subsidiaries (the Company) as of December 31, 2018 and 2017, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity (deficit) and cash flows for each of the three years in the period ended December 31, 2018, and the related notes and financial statement schedule listed in the index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

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

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

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2010.

Atlanta, Georgia
February 26, 2019

Report of Independent Registered Public Accounting Firm

To the Partners
Americold Realty Operating Partnership, L.P. and Subsidiaries

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Americold Realty Operating Partnership, L.P. and subsidiaries (the Partnership) as of December 31, 2018 and 2017, the related consolidated statements of operations, comprehensive income (loss), Partners' capital, and cash flows for each of the three years in the period ended December 31, 2018, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Partnership at December 31, 2018 and 2017, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2018, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

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

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

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

/s/ Ernst & Young LLP

We have served as the Partnership's auditor since 2010.

Atlanta, Georgia
February 26, 2019

Americold Realty Trust and Subsidiaries

Consolidated Balance Sheets

(In thousands, except shares and per share amounts)

	December 31, 2018	December 31, 2017
Assets		
Property, plant, and equipment:		
Land	$ 385,232	$ 389,443
Buildings and improvements	1,849,749	1,819,635
Machinery and equipment	577,175	552,677
Assets under construction	85,983	48,868
	2,898,139	2,810,623
Accumulated depreciation and depletion	(1,097,624)	(1,010,903)
Property, plant, and equipment – net	1,800,515	1,799,720
Capitalized leases:		
Buildings and improvements	11,227	16,827
Machinery and equipment	49,276	59,389
	60,503	76,216
Accumulated depreciation	(21,317)	(41,051)
Capitalized leases – net	39,186	35,165
Cash and cash equivalents	208,078	48,873
Restricted cash	6,019	21,090
Accounts receivable – net of allowance of $5,706 and $5,309 at December 31, 2018 and 2017, respectively	194,279	200,006
Identifiable intangible assets – net	25,056	26,645
Goodwill	186,095	188,169
Investments in partially owned entities	14,541	15,942
Other assets	58,659	59,287
Total assets	$ 2,532,428	$ 2,394,897
Liabilities, Series B Preferred Shares and shareholders' equity (deficit)		
Liabilities:		
Borrowings under revolving line of credit	$ —	$ —
Accounts payable and accrued expenses	253,080	241,259
Construction loan - net of deferred financing costs of zero and $179 at December 31, 2018 and 2017, respectively	—	19,492
Mortgage notes, senior unsecured notes and term loans - net of discount and deferred financing costs of $13,943 and $31,996 in the aggregate, at December 31, 2018 and 2017, respectively	1,351,014	1,721,958
Sale-leaseback financing obligations	118,920	121,516
Capitalized lease obligations	40,787	38,124
Unearned revenue	18,625	18,848
Pension and postretirement benefits	16,317	16,756
Deferred tax liability - net	17,992	21,940
Multiemployer pension plan withdrawal liability	8,938	9,134
Total liabilities	1,825,673	2,209,027
Commitments and Contingencies (Note 20)		
Preferred shares of beneficial interest, $0.01 par value – authorized 375,000 Series B Cumulative Convertible Voting and Participating Preferred Shares; aggregate liquidation preference of $375,000; zero and 375,000 shares issued and outstanding at December 31, 2018 and 2017, respectively	—	372,794
Shareholders' equity (deficit):		
Preferred shares of beneficial interest, $0.01 par value – authorized 1,000 Series A Cumulative Non-Voting Preferred Shares; aggregate liquidation preference of $125; zero and 125 issued and outstanding at December 31, 2018 and 2017, respectively	—	—
Common shares of beneficial interest, $0.01 par value – authorized 250,000,000 shares; 148,234,959 and 69,370,609 issued and outstanding at December 31, 2018 and 2017, respectively	1,482	694
Paid-in capital	1,356,133	394,082
Accumulated deficit	(638,345)	(581,470)
Accumulated other comprehensive loss	(12,515)	(230)
Total shareholders' equity (deficit)	706,755	(186,924)
Total liabilities, Series B Preferred Shares and shareholders' equity (deficit)	$ 2,532,428	$ 2,394,897

See accompanying notes to consolidated financial statements.

Americold Realty Trust and Subsidiaries
Consolidated Statements of Operations
(In thousands, except per share amounts)

	Years Ended December 31, 2018	2017	2016
Revenues:			
Rent, storage, and warehouse services revenues	$ 1,176,912	$ 1,145,662	$ 1,080,867
Third-party managed services	259,034	242,189	252,411
Transportation services	158,790	146,070	147,004
Other revenues	8,899	9,666	9,717
Total revenues	1,603,635	1,543,587	1,489,999
Operating expenses:			
Rent, storage, and warehouse services cost of operations	802,378	797,334	766,822
Third-party managed services cost of operations	244,274	229,364	237,597
Transportation services cost of operations	143,055	133,120	132,586
Cost of operations related to other revenues	8,279	9,664	7,349
Depreciation, depletion, and amortization	117,653	116,741	118,571
Selling, general and administrative	114,760	110,945	96,728
Impairment of long-lived assets	747	9,473	9,820
Gain from sale of real estate, net	(7,471)	(43)	(11,598)
Total operating expenses	1,423,675	1,406,598	1,357,875
Operating income	179,960	136,989	132,124
Other (expense) income:			
Loss from partially owned entities	(1,069)	(1,363)	(128)
Impairment of partially owned entities	—	(6,496)	—
Interest expense	(93,312)	(114,898)	(119,552)
Interest income	3,996	1,074	708
Loss on debt extinguishment, modifications and termination of derivative instruments	(47,559)	(986)	(1,437)
Foreign currency exchange gain (loss), net	2,882	(3,591)	464
Other expense, net	(532)	(1,944)	(1,368)
Income before income tax benefit (expense)	44,366	8,785	10,811
Income tax benefit (expense):			
Current	467	(13,051)	(6,465)
Deferred	3,152	3,658	586
Total income tax benefit (expense)	3,619	(9,393)	(5,879)
Net income (loss) attributable to Americold Realty Trust	$ 47,985	$ (608)	$ 4,932
Less distributions on preferred shares of beneficial interest - Series A	(1)	(16)	(16)
Less distributions on preferred shares of beneficial interest - Series B	(1,817)	(28,436)	(28,436)
Less accretion on preferred shares of beneficial interest – Series B	—	(867)	(936)
Net income (loss) attributable to common shares of beneficial interest	$ 46,167	$ (29,927)	$ (24,456)
Weighted average common shares outstanding – basic	141,415	70,022	69,890
Weighted average common shares outstanding – diluted	144,338	70,022	69,890
Net income (loss) per common share of beneficial interest - basic	$ 0.31	$ (0.43)	$ (0.35)
Net income (loss) per common share of beneficial interest - diluted	$ 0.31	$ (0.43)	$ (0.35)
Distributions declared per common share of beneficial interest	$ 0.74	$ 0.29	$ 0.29

See accompanying notes to consolidated financial statements.

Americold Realty Trust and Subsidiaries

Consolidated Statements of Comprehensive Income (Loss)

(In thousands)

	Years Ended December 31,		
	2018	**2017**	**2016**
Net income (loss) attributable to Americold Realty Trust	$ 47,985	$ (608)	$ 4,932
Other comprehensive (loss) income loss - net of tax:			
Adjustment to accrued pension liability	(901)	5,754	1,972
Change in unrealized net (loss) gain on foreign currency	(11,640)	4,444	(3,144)
Unrealized gain (loss) on cash flow hedge	256	116	(70)
Other comprehensive (loss) income attributable to Americold Realty Trust	(12,285)	10,314	(1,242)
Total comprehensive income	$ 35,700	$ 9,706	$ 3,690

See accompanying notes to consolidated financial statements.

Americold Realty Trust and Subsidiaries

Consolidated Statements of Shareholders' Equity (Deficit)

(In thousands, except shares)

	Preferred Shares of Beneficial Interest Series A		Common Shares of Beneficial Interest					
	Number of Shares	**Par Value**	**Number of Shares**	**Par Value**	**Paid-in Capital**	**Accumulated Deficit and Distributions in Excess of Net Earnings**	**Accumulated Other Comprehensive (Loss) Income**	**Total**
Balance - December 31, 2015	125	—	69,370,609	$ 694	$ 387,091	$ (488,462)	$ (9,302)	$ (109,979)
Net income	—	—	—	—	—	4,932	—	4,932
Other comprehensive loss	—	—	—	—	—	—	(1,242)	(1,242)
Distribution on preferred shares of beneficial interest - Series A	—	—	—	—	—	(16)	—	(16)
Distributions on preferred shares of beneficial interest - Series B	—	—	—	—	—	(28,436)	—	(28,436)
Distributions on common shares	—	—	—	—	—	(20,214)	—	(20,214)
Accretion on preferred shares of beneficial interest - Series B	—	—	—	—	(936)	—	—	(936)
Stock-based compensation expense (warrants)	—	—	—	—	3,900	—	—	3,900
Stock-based compensation expense (Stock Options and Restricted Stock Units)	—	—	—	—	2,536	–	—	2,536
Balance - December 31, 2016	125	$ —	69,370,609	$ 694	$ 392,591	$ (532,196)	$ (10,544)	$ (149,455)
Net loss	—	—	—	—	—	(608)	—	(608)
Other comprehensive income	—	—	—	—	—	—	10,314	10,314
Distribution on preferred shares of beneficial interest - Series A	—	—	—	—	—	(16)	—	(16)
Distributions on preferred shares of beneficial interest - Series B	—	—	—	—	—	(28,436)	—	(28,436)
Distributions on common shares	—	—	—	—	—	(20,214)	—	(20,214)
Accretion on preferred shares of beneficial interest - Series B	—	—	—	—	(867)	—	—	(867)
Stock-based compensation expense (Stock Options and Restricted Stock Units)	—	—	—	—	2,358	—	—	2,358
Balance - December 31, 2017	125	$ —	69,370,609	$ 694	$ 394,082	$ (581,470)	$ (230)	$ (186,924)
Net income	—	—	—	—	—	47,985	—	47,985
Other comprehensive loss	—	—	—	—	—	—	(9,492)	(9,492)
Redemption and distributions on preferred share of beneficial interest - Series A	(125)	—	—	—	(133)	(1)	—	(134)
Distributions on preferred shares of beneficial interest - Series B	—	—	—	—	—	(1,817)	—	(1,817)
Distributions on common shares	—	—	—	—	—	(104,976)	—	(104,976)
Stock-based compensation expense (Stock Options and Restricted Stock Units)	—	—	—	—	8,556	—	—	8,556
Stock-based compensation expense (modification of Restricted Stock Units)	—	—	—	—	2,042	—	—	2,042
Common stock issuance related to share-based payment plans, net of shares withheld for employee taxes	—	—	1,847,274	18	2,649	—	—	2,667

Other	—	—	—	—	(422)	1,934	(2,793)	(1,281)
Warrants exercise	—	—	6,426,818	64	(64)	—	—	—
Issuance of common stock	—	—	37,350,000	374	576,964	—	—	577,338
Conversion of mezzanine Series B Preferred shares	—	—	33,240,258	332	372,459	—	—	372,791
Balance - December 31, 2018	—	—	148,234,959	$ 1,482	$1,356,133	$ (638,345)	$ (12,515)	$ 706,755

See accompanying notes to consolidated financial statements.

Americold Realty Trust and Subsidiaries

Consolidated Statements of Cash Flows

(In thousands)

	Years Ended December 31,		
	2018	**2017**	**2016**
Operating activities:			
Net income (loss) attributable to Americold Realty Trust	$ 47,985	$ (608)	4,932
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation, depletion, and amortization	117,653	116,741	118,571
Amortization of deferred financing costs and debt discount	5,917	8,604	7,193
Amortization of below market leases	151	151	196
Loss on debt extinguishment, modifications and termination of derivative instruments	28,446	400	871
Foreign currency exchange (gain) loss, net	(2,882)	3,591	(464)
Loss from and impairment of partially owned entities	1,069	7,859	128
Stock-based compensation expense (Stock Options and Restricted Stock Units)	8,639	2,358	2,536
Stock-based compensation expense (Warrants)	—	—	3,900
Stock-based compensation expense (Modification of Restricted Stock Units)	2,042	—	—
Deferred tax benefit	(3,152)	(3,658)	(586)
Gain from sale of real estate, net	(7,471)	(43)	(11,598)
(Gain) loss on sale of other assets	(152)	(107)	1,008
Impairment of inventory and long-lived assets	747	11,581	9,820
Multi-Employer pension plan withdrawal expense and amortization	260	9,134	—
Provision for doubtful accounts receivable	2,324	1,229	1,135
Changes in operating assets and liabilities:			
Accounts receivable	(1,940)	1,597	(19,123)
Accounts payable and accrued expenses	(5,219)	18,202	(4,570)
Other	(6,246)	(13,704)	4,832
Net cash provided by operating activities	188,171	163,327	118,781
Investing activities:			
Proceeds from the sale of property, plant, and equipment	19,513	10,163	33,215
Additions to property, plant, and equipment and intangible assets	(145,216)	(148,994)	(74,868)
Net cash used in investing activities	(125,703)	(138,831)	(41,653)
Financing activities:			
Distributions paid on beneficial interest shares – preferred – Series A	(134)	(16)	(16)
Distributions paid on beneficial interest shares – preferred – Series B	(1,817)	(28,436)	(28,436)
Distributions paid on common shares	(76,523)	(20,214)	(20,214)
Proceeds from revolving line of credit	—	34,000	147,000
Repayment of revolving line of credit	—	(62,000)	(119,000)
Proceeds from stock options exercised	14,842	—	—
Tax withholdings related to net share settlements of certain stock awards	(12,680)	—	—
Payment of underwriters' costs	(8,205)	—	—
Reimbursement of underwriters' costs	8,952	—	—
Repayment of sale-leaseback financing obligations	(2,595)	(2,100)	(5,337)
Repayment of capitalized lease obligations	(10,360)	(8,429)	(36,203)
Payment of debt issuance costs	(16,563)	(4,212)	(10,834)
Repayment of term loans, mortgage notes and construction loan	(1,522,347)	(56,868)	(405,360)
Proceeds from issuance of senior unsecured notes	600,000	—	—
Proceeds from term loans and mortgage notes	525,000	110,000	383,078
Proceeds from construction loan	1,097	19,671	—
Net proceeds from follow-on public offering	92,718	—	—
Net proceeds from initial public offering	493,557	—	—
Net cash provided by (used in) financing activities	84,942	(18,604)	(95,322)
Net increase (decrease) in cash, cash equivalents and restricted cash	147,410	5,892	(18,194)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	(3,276)	1,141	(284)
Cash, cash equivalents and restricted cash:			
Beginning of period	69,963	62,930	81,408

End of period	$	214,097	$	69,963	$	62,930
Supplemental disclosures of cash flows information:						
Acquisition of fixed assets under capitalized lease obligations	$	13,290	$	18,614	$	10,899
Interest paid – net of amounts capitalized and defeasance costs	$	85,595	$	106,557	$	115,056
Income taxes paid – net of refunds	$	5,509	$	11,854	$	10,898
Acquisition of property, plant, and equipment on accrual	$	18,799	$	20,942	$	5,595

Americold Realty Trust and Subsidiaries
Consolidated Statements of Cash Flows (Continued)
(In thousands)

Reconciliation of cash, cash equivalents and restricted cash reported in the consolidated balance sheets to the ending cash, cash equivalents and restricted cash balances above:

	As of December 31,		
	2018	**2017**	**2016**
Cash and cash equivalents	$ 208,078	$ 48,873	$ 22,834
Restricted cash	6,019	21,090	40,096
Total cash, cash equivalents and restricted cash	$ 214,097	$ 69,963	$ 62,930

See accompanying notes to consolidated financial statements.

Americold Realty Operating Partnership, L.P. and Subsidiaries
Consolidated Balance Sheets
(In thousands, except shares and per share amounts)

	December 31, 2018	December 31, 2017
Assets		
Property, plant, and equipment:		
Land	$ 385,232	$ 389,443
Buildings and improvements	1,849,749	1,819,635
Machinery and equipment	577,175	552,677
Assets under construction	85,983	48,868
	2,898,139	2,810,623
Accumulated depreciation and depletion	(1,097,624)	(1,010,903)
Property, plant, and equipment – net	1,800,515	1,799,720
Capitalized leases:		
Buildings and improvements	11,227	16,827
Machinery and equipment	49,276	59,389
	60,503	76,216
Accumulated depreciation and depletion	(21,317)	(41,051)
Property, plant, and equipment – net	39,186	35,165
Cash and cash equivalents	208,078	48,873
Restricted cash	6,019	21,090
Accounts receivable – net of allowance of $5,706 and $5,309 at December 31, 2018 and 2017, respectively	194,279	200,006
Identifiable intangible assets – net	25,056	26,645
Goodwill	186,095	188,169
Investments in partially owned entities	14,541	15,942
Other assets	58,659	59,287
Total assets	$ 2,532,428	$ 2,394,897
Liabilities and partners' capital		
Liabilities:		
Borrowings under revolving line of credit	$ —	$ —
Accounts payable and accrued expenses	253,080	241,259
Construction loan - net of deferred financing costs of zero and $179 at December 31, 2018 and 2017, respectively	—	19,492
Mortgage notes, senior unsecured notes and term loans - net of discount and deferred financing costs of $13,943 and $31,996 in the aggregate, at December 31, 2018 and 2017, respectively	1,351,014	1,721,958
Sale-leaseback financing obligations	118,920	121,516
Capitalized lease obligations	40,787	38,124
Unearned revenue	18,625	18,848
Pension and postretirement benefits	16,317	16,756
Deferred tax liability - net	17,992	21,940
Multiemployer pension plan withdrawal liability	8,938	9,134
Total liabilities	1,825,673	2,209,027
Commitments and Contingencies (Note 20)		
Partners' capital:		
General partner - 146,752,609 and 68,676,903 units issued and outstanding as of December 31, 2018 and 2017, respectively	712,078	184,240
Limited partner - 1,482,350 and 693,706 units issued and outstanding as of December 31, 2018 and 2017, respectively	7,192	1,860
Accumulated other comprehensive loss	(12,515)	(230)
Total partners' capital	706,755	185,870
Total liabilities and partners' capital	$ 2,532,428	$ 2,394,897

See accompanying notes to consolidated financial statements.

Americold Realty Operating Partnership, L.P. and Subsidiaries

Consolidated Statements of Operations

(In thousands, except per share amounts)

	Years Ended December 31,		
	2018	2017	2016
Revenues:			
Rent, storage, and warehouse services revenues	$ 1,176,912	$ 1,145,662	$ 1,080,867
Third-party managed services	259,034	242,189	252,411
Transportation services	158,790	146,070	147,004
Other revenues	8,899	9,666	9,717
Total revenues	1,603,635	1,543,587	1,489,999
Operating expenses:			
Rent, storage, and warehouse services cost of operations	802,378	797,334	766,822
Third-party managed services cost of operations	244,274	229,364	237,597
Transportation services cost of operations	143,055	133,120	132,586
Cost of operations related to other revenues	8,279	9,664	7,349
Depreciation, depletion, and amortization	117,653	116,741	118,571
Selling, general and administrative	114,760	110,945	96,728
Impairment of long-lived assets	747	9,473	9,820
Gain from sale of real estate, net	(7,471)	(43)	(11,598)
Total operating expenses	1,423,675	1,406,598	1,357,875
Operating income	179,960	136,989	132,124
Other (expense) income:			
Loss from partially owned entities	(1,069)	(1,363)	(128)
Impairment of partially owned entities	—	(6,496)	—
Interest expense	(93,312)	(114,898)	(119,552)
Interest income	3,996	1,074	708
Loss on debt extinguishment, modifications and termination of derivative instruments	(47,559)	(986)	(1,437)
Foreign currency exchange gain (loss), net	2,882	(3,591)	464
Other expense, net	(532)	(1,944)	(1,368)
Income before income tax benefit (expense)	44,366	8,785	10,811
Income tax benefit (expense):			
Current	467	(13,051)	(6,465)
Deferred	3,152	3,658	586
Total income tax benefit (expense)	3,619	(9,393)	(5,879)
Net income (loss) attributable to the Partnership	$ 47,985	$ (608)	$ 4,932
General partners' interest in net income (loss) attributable to unitholders	$ 47,505	$ (602)	$ 4,883
Limited partners' interest in net income (loss) attributable to unitholders	$ 480	$ (6)	$ 49
General partner weighted average units outstanding	139,394	68,677	68,677
Limited partner weighted average units outstanding	1,408	694	694
General partners' net income (loss) per unit	$ 0.34	$ (0.01)	$ 0.07
Limited partners' net income (loss) per unit	$ 0.34	$ (0.01)	$ 0.07
General partners' distributions declared per unit	$ 0.76	$ 0.70	$ 0.70
Limited partners' distributions declared per unit	$ 0.76	$ 0.70	$ 0.70

See accompanying notes to consolidated financial statements.

Americold Realty Operating Partnership, L.P. and Subsidiaries

Consolidated Statements of Comprehensive Income (Loss)

(In thousands)

	Years Ended December 31,		
	2018	**2017**	**2016**
Net income (loss) attributable to Americold Realty Operating Partnership, L.P.	$ 47,985	$ (608)	$ 4,932
Other comprehensive (loss) income loss - net of tax:			
Adjustment to accrued pension liability	(901)	5,754	1,972
Change in unrealized net (loss) gain on foreign currency	(11,640)	4,444	(3,144)
Unrealized gain (loss) on cash flow hedge	256	116	(70)
Other comprehensive (loss) income attributable to Americold Realty Operating Partnership. L.P.	(12,285)	10,314	(1,242)
Total comprehensive income	$ 35,700	$ 9,706	$ 3,690

See accompanying notes to consolidated financial statements.

Americold Realty Operating Partnership, L.P. and Subsidiaries

Consolidated Statements of Partners' Capital

(In thousands, except shares)

	Limited Partners' Units	Limited Partners' Capital	General Partners' Units	General Partners' Capital	Accumulated Other Comprehensive (Loss) Income	Total Capital
Balance - December 31, 2015	693,706	$ 2,703	68,676,903	$ 267,611	$ (9,302)	$ 261,012
Net income		49		4,883	—	4,932
Other comprehensive loss		—		—	(1,242)	(1,242)
Distributions to parent		(487)		(48,179)	—	(48,666)
Stock-based compensation expense		64		6,372	—	6,436
Balance - December 31, 2016	693,706	$ 2,329	68,676,903	$ 230,687	$ (10,544)	$ 222,472
Net loss		(6)		(602)	—	(608)
Other comprehensive income		—		—	10,314	10,314
Distributions to parent		(487)		(48,179)	—	(48,666)
Stock-based compensation expense		24		2,334	—	2,358
Balance - December 31, 2017	693,706	$ 1,860	68,676,903	$ 184,240	$ (230)	$ 185,870
Net income		480		47,505	—	47,985
Other comprehensive loss		—		—	(9,492)	(9,492)
Distributions to parent		(1,069)		(105,858)	—	(106,927)
Contributions to partners' capital	788,644	5,800	78,075,706	574,202	—	580,002
Other		15		1,497	(2,793)	(1,281)
Stock-based compensation expense		106		10,492	—	10,598
Balance - December 31, 2018	1,482,350	$ 7,192	146,752,609	$ 712,078	$ (12,515)	$ 706,755

See accompanying notes to consolidated financial statements.

Americold Realty Operating Partnership, L.P. and Subsidiaries

Consolidated Statements of Cash Flows

(In thousands)

	Years Ended December 31,		
	2018	**2017**	**2016**
Operating activities:			
Net income (loss) attributable to Americold Realty Operating Partnership, L.P.	$ 47,985	$ (608)	4,932
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation, depletion, and amortization	117,653	116,741	118,571
Amortization of deferred financing costs and debt discount	5,917	8,604	7,193
Amortization of below market leases	151	151	196
Loss on debt extinguishment, modifications and termination of derivative instruments	28,446	400	871
Foreign currency exchange (gain) loss, net	(2,882)	3,591	(464)
Loss from and impairment of partially owned entities	1,069	7,859	128
Stock-based compensation expense	10,681	2,358	6,436
Deferred tax benefit	(3,152)	(3,658)	(586)
Gain from sale of real estate, net	(7,471)	(43)	(11,598)
(Gain) loss on sale of other assets	(152)	(107)	1,008
Impairment of inventory and long-lived assets	747	11,581	9,820
Multi-Employer pension plan withdrawal expense and amortization	260	9,134	—
Provision for doubtful accounts receivable	2,324	1,229	1,135
Changes in operating assets and liabilities:			
Accounts receivable	(1,940)	1,597	(19,123)
Accounts payable and accrued expenses	(5,219)	18,202	(4,570)
Other	(6,246)	(13,704)	4,832
Net cash provided by operating activities	188,171	163,327	118,781
Investing activities:			
Proceeds from the sale of property, plant, and equipment	19,513	10,163	33,215
Additions to property, plant, and equipment and intangible assets	(145,216)	(148,994)	(74,868)
Net cash used in investing activities	(125,703)	(138,831)	(41,653)
Financing activities:			
Distributions to parent	(86,679)	(48,666)	(48,666)
Proceeds from revolving line of credit	—	34,000	147,000
Repayment of revolving line of credit	—	(62,000)	(119,000)
Repayment of sale-leaseback financing obligations	(2,595)	(2,100)	(5,337)
Repayment of capitalized lease obligations	(10,360)	(8,429)	(36,203)
Payment of debt issuance costs	(16,563)	(4,212)	(10,834)
Repayment of term loans, mortgage notes and construction loan	(1,522,347)	(56,868)	(405,360)
Proceeds from issuance of senior unsecured notes	600,000	—	—
Proceeds from term loans and mortgage notes	525,000	110,000	383,078
Proceeds from construction loan	1,097	19,671	—
General partner contributions	597,389	—	—
Net cash provided by (used in) financing activities	84,942	(18,604)	(95,322)
Net increase (decrease) in cash, cash equivalents and restricted cash	147,410	5,892	(18,194)
Effect of foreign currency translation on cash, cash equivalents and restricted cash	(3,276)	1,141	(284)
Cash, cash equivalents and restricted cash:			
Beginning of period	69,963	62,930	81,408
End of period	$ 214,097	$ 69,963	$ 62,930
Supplemental disclosures of cash flows information:			
Acquisition of fixed assets under capitalized lease obligations	$ 13,290	$ 18,614	$ 10,899
Interest paid – net of amounts capitalized and defeasance costs	$ 85,595	$ 106,557	$ 115,056
Income taxes paid – net of refunds	$ 5,509	$ 11,854	$ 10,898

Acquisition of property, plant, and equipment on accrual	$ 18,799	$ 20,942	$ 5,595

Americold Realty Operating Partnership, L.P. and Subsidiaries

Consolidated Statements of Cash Flows (Continued)

(In thousands)

Reconciliation of cash, cash equivalents and restricted cash reported in the consolidated balance sheets to the ending cash, cash equivalents and restricted cash balances above:

	As of December 31,		
	2018	2017	2016
Cash and cash equivalents	$ 208,078	$ 48,873	$ 22,834
Restricted cash	6,019	21,090	40,096
Total cash, cash equivalents and restricted cash	$ 214,097	$ 69,963	$ 62,930

See accompanying notes to consolidated financial statements.

1 . Description of the Business

The Company

Americold Realty Trust and subsidiaries (ART, the Company, or we) is a real estate investment trust (REIT) organized under Maryland law.

During 2010, the Company formed a Delaware limited partnership, Americold Realty Operating Partnership, L.P. (the operating partnership), and transferred substantially all of its interests in entities and associated assets and liabilities to the operating partnership. This structure is commonly referred to as an umbrella partnership REIT or an UPREIT structure. The REIT is the sole general partner of the operating partnership, owning 99% of the common general partnership interests as of December 31, 2018 . Americold Realty Operations, Inc., a wholly-owned subsidiary of the REIT, is the sole limited partner of the operating partnership, owning 1% of the common general partnership interests as of December 31, 2018 . As the sole general partner of the operating partnership, the REIT has full, exclusive and complete responsibility and discretion in the day-to-day management and control of the operating partnership.

No limited partner shall be liable for any debts, liabilities, contracts or obligations of the operating partnership. A limited partner shall be liable to the operating partnership only to make payments of capital contribution, if any, as and when due. After a capital contribution is fully paid, no limited partner shall, except as otherwise may be legally required under Delaware law, be required to make any further contribution or other payments or lend any funds to the operating partnership.

The operating partnership includes numerous qualified REIT subsidiaries (QRSs). Additionally, the operating partnership conducts various business activities in the United States (U.S.), Australia, New Zealand, Argentina, and Canada through several wholly owned taxable REIT subsidiaries (TRSs).

Ownership

Pre-Initial Public Offering

Prior to the IPO on January 23, 2018, YF ART Holdings, a partnership among investment funds affiliated with The Yucaipa Companies (Yucaipa) and Fortress Investment Group, LLC (Fortress), owned approximately 100% of the Company's common shares of beneficial interest. In addition, affiliates of The Goldman Sachs Group, Inc. (Goldman) owned 325,000 Series B Preferred Shares, which were converted to 28,808,224 common shares in connection with the IPO.

In addition, in connection with the IPO, China Merchants Holds International Company (CMHI), as defined in Note 7, converted their Series B Preferred Shares into 4,432,034 common shares of the Company. After giving effect to the full exercise of the underwriters' option to purchase additional common shares during the IPO, CMHI owned approximately 3.1% of the Company's common shares.

Initial Public Offering

On January 23, 2018, we completed an initial public offering of our common shares, or IPO, in which we issued and sold 33,350,000 of our common shares, including 4,350,000 common shares pursuant to the exercise in full of the underwriters' option to purchase additional common shares. The common shares sold in the offering were registered under the Securities Act pursuant to our Registration Statement on Form S-11 (File No. 333-221560), as amended, which was declared effective by the SEC on January 18, 2018. The common shares were sold at an initial offering price of $16.00 per share, which generated net proceeds of approximately $493.6 million to us, after deducting underwriting fees and other offering costs of approximately $40.0 million . We primarily used the net proceeds from the IPO to repay (i) $285.1 million of indebtedness outstanding under our Senior Secured Term Loan B Facility, including $3.0 million of accrued and unpaid interest and closing expense of $0.2 million (ii) $20.9 million of indebtedness outstanding under our Clearfield, Utah and Middleboro, Massachusetts construction loans, including a nominal amount of accrued and unpaid interest; and (iii) to pay a stub period dividend totaling $3.1 million to the holders of record of our common shares, Series A Preferred Shares and Series B Preferred Shares as of January 22, 2018. Holders of the Series A Preferred Shares also received a redemption payment from the offering proceeds of $0.1 million . The remaining $184.4 million net proceeds from the IPO were used for general corporate purposes.

The following is a list of other significant events that occurred in connection with the IPO:

- All outstanding Series A Preferred Shares were redeemed resulting in a cash payment of approximately $0.1 million , including accrued and unpaid dividends;

- All outstanding Series B Preferred Shares were converted into an aggregate of 33,240,258 common shares resulting in a cash payment of approximately $1.2 million of accrued and unpaid dividends. The redeemed and converted preferred shares are described in Note 7 ;

- The cashless exercise by YF ART Holdings GP, LLC, an affiliate of Yucaipa (YF ART Holdings), of all outstanding warrants to purchase 18,574,619 common shares, exercisable at a price of $9.81 per share, into an aggregate of 6,426,818 common shares based on a deemed valuation of $15.00 per share pursuant to the terms of the warrants;

- The issuance of new senior secured credit facilities (2018 Senior Secured Credit Facilities), consisting of a five -year, $525.0 million senior secured term loan A facility (Senior Secured Term Loan A Facility), with net proceeds of $517.0 million , and a three -year, $400.0 million senior secured revolving credit facility (2018 Senior Secured Revolving Credit Facility). The 2018 Senior Secured Credit Facility also had an additional $400.0 million accordion option. Upon the completion of the IPO, $525.0 million was outstanding under the Company's Senior Secured Term Loan A Facility and no borrowings were outstanding under the Company's 2018 Senior Secured Revolving Credit Facility. During the month following the IPO, the Company paid $50 million of principal on the Senior Secured Term Loan A Facility, resulting in an outstanding balance of $475.0 million . Borrowings under the Company's 2018 Senior Secured Credit Facilities bore interest, at the Company's election, at the then-applicable margin plus an applicable LIBOR or base rate interest rate. The base rate was the greatest of the bank prime rate, the one-month LIBOR rate plus one percent or the federal funds rate plus one-half of one percent. The applicable margin as of the IPO varied between (i) in the case of LIBOR-based loans, 2.35% and 3.00% and (ii) in the case of base rate loans, 1.35% and 2.00% , in each case, based on changes in the Company's total leverage. As of January 23, 2018, borrowings under our 2018 Senior Secured Credit Facilities bore interest at a floating rate of one-month LIBOR plus 2.50% . The Company paid a total of $8.7 million of issuance costs related to the 2018 Senior Secured Credit Facilities, of which $8.2 million were prepaid in escrow as of December 2017.

On February 6, 2018 , we amended the Credit Agreement with the lenders of our 2018 Senior Revolving Credit Facility to increase the aggregate revolving credit commitments on this facility by $50.0 million to $450.0 million . Concurrently, we utilized cash on hand to repay $50.0 million on our Senior Secured Term Loan A facility. As a result of these modifications, our total aggregate commitments under our 2018 Senior Credit Facilities remained unchanged at $925.0 million .

On December 4, 2018, the Company recast its 2018 Senior Credit Facilities (2018 Recast Credit Facility) to, among other things, (i) increase the revolver borrowing capacity from $450 million to $800 million , (ii) convert the credit facility (term loan and revolver) from a secured credit facility to an unsecured credit facility, and (iii) decrease the applicable interest rate margins from 2.35% to 1.45% and decrease the fee on unused borrowing capacity by 5 basis points. Refer to Note 9 for further details.

Follow-On Public Offering

On September 18, 2018, the Company completed a follow-on public offering of 4,000,000 of its common shares at a public offering price of $24.50 per share, which generated net proceeds of approximately $92.5 million to the Company after deducting the underwriting discount and estimated offering expenses payable by the Company, and an additional 6,000,000 common shares that are subject to a forward sale agreement to be settled within one year. The Company did not initially receive any proceeds from the sale of the common shares subject to the forward sale agreement that were sold by the forward purchaser or its affiliate. The Company accounts for the forward contract as equity and therefore is exempt from derivative and fair value accounting. Before the issuance of the Company's common shares, if any, upon physical or net share settlement of the forward sale agreement, the Company expects that the common shares issuable upon settlement of the forward sale agreement will be reflected in its diluted earnings per share calculations using the treasury stock method. Under this method, the number of the Company's common shares used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of common shares that would be issued upon full physical settlement of the forward sale agreement over the number of common shares that could be purchased by the Company in the market (based on the average market price during the period) using the proceeds receivable upon full physical settlement (based on the adjusted forward sale price at the end of the reporting period). If and when the Company physically or net share settles the forward sale agreement, the delivery of the Company's common shares would result in an increase in the number of common shares outstanding and dilution to our earnings per share. As of December 31, 2018 , the Company has not settled any portion of the forward sale agreement. In connection with the the follow-on public offering, YF ART Holdings GP, LLC (YF ART Holdings), a partnership among investment funds affiliated with Yucaipa, sold 16.5 million common shares, affiliates of Goldman sold approximately 9.1 million common shares, and affiliates of Fortress sold approximately 7.2 million common shares.

On March 8, 2018, YF ART Holdings used the proceeds from a margin loan to pay in full the outstanding preferred investment, including the preferred return thereon, of Fortress, which ceased to be a limited partner in YF ART Holdings and no longer has any economic interest therein. As of December 31, 2018 , YF ART Holdings owned approximately 25.9% of the Company's common shares.

Business and Industry Information

The Company has a large global presence of temperature-controlled warehouses, with the largest network in the U.S. The Company is organized as a self-administered and self-managed REIT with significant operating, acquisition and development experience. As of December 31, 2018 , the Company operated a global network of 155 temperature-controlled warehouses, with 137 warehouses in the United States, six warehouses in Australia, seven warehouses in New Zealand, two warehouses in Argentina and three warehouses in Canada. In addition, the Company holds a minority interest in the China JV, as described in Note 3 , which owns or operates 12 temperature-controlled warehouses located in China. The Company also owns and operates a limestone quarry.

The Company provides its customers with technological tools to review real-time detailed inventory information via the Internet. In addition, the Company manages customer-owned warehouses for which it earns fixed and incentive fees.

2 . Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (GAAP) and include all of the accounts of Americold Realty Trust and Subsidiaries and the operating partnership and the subsidiaries of the operating partnership. Intercompany balances and transactions have been eliminated. Investments in which the Company does not have control and is not considered to be the primary beneficiary of a Variable Interest Entity (VIE), but where the Company exercises significant influence over the operating and financial policies of the investee, are accounted for using the equity method of accounting.

The notes to the consolidated financial statements of Americold Realty Trust and the operating partnership have been combined to provide the following benefits:

- enhancing investors' understanding of the Company and the operating partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation since a substantial portion of the disclosure applies to both the Company and the operating partnership; and
- creating time and cost efficiencies through the preparation of one set of notes instead of two separate sets of notes.

There are few differences between the Company and the operating partnership, which are reflected in these consolidated financial statements and the accompanying notes. We believe it is important to understand the differences between the Company and the operating partnership in the context of how we operate as an interrelated consolidated company. Americold Realty Trust's only material asset is its ownership of partnership interests of the operating partnership. As a result, Americold Realty Trust generally does not conduct business itself, other than acting as the sole general partner of the operating partnership, issuing public securities from time to time and guaranteeing certain unsecured debt of the operating partnership and certain of its subsidiaries and affiliates. Americold Realty Trust itself has not issued any indebtedness but guarantees the unsecured debt of the operating partnership and certain of its subsidiaries and affiliates, as disclosed in these notes.

The operating partnership holds substantially all the assets of the Company and holds the ownership interests in the Company's joint ventures. The operating partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for net proceeds from public equity issuances by Americold Realty Trust, which are generally contributed to the operating partnership in exchange for partnership units, the operating partnership generally generates the capital required by the Company's business primarily through the operating partnership's operations, by the operating partnership's or its affiliates' direct or indirect incurrence of indebtedness or through the issuance of partnership units.

The presentation of stockholders' equity and partners' capital are the main areas of difference between the consolidated financial statements of Americold Realty Trust and those of the operating partnership. As of December 31, 2018 and for each of the years ended December 31, 2018, 2017 and 2016, the general partner, Americold Realty Trust held a 99% interest in partnership units, and the limited partner, Americold Realty Operations, Inc. held a 1% interest in partnership units. The general partnership interests held by Americold Realty Trust in the operating partnership are presented as general partner's capital within partners' capital in the operating partnership's consolidated financial statements and as common stock, additional paid-in capital and accumulated dividends in excess of earnings within stockholders' equity in Americold Realty Trust's consolidated financial statements. The limited partnership interests held by Americold Realty Operations, Inc., a wholly owned subsidiary of ART, in the operating partnership are presented as limited partners' capital within partners' capital in the operating partnership's consolidated financial statements and within equity in Americold Realty Trust's consolidated financial statements. The differences in the presentations between stockholders' equity and partners' capital result from the differences in the equity presented at the Americold Realty Trust and the operating partnership levels.

To help investors understand the significant differences between the Company and the operating partnership, these consolidated financial statements present the following notes to the consolidated financial statements for each of the Company and the operating partnership:

- Debt of the Company and Debt of the operating partnership
- Partners' Capital
- Selected Quarterly Financial Information

In the sections that combine disclosure of Americold Realty Trust and the operating partnership, these notes refer to actions or holdings as being actions or holdings of the Company. Although the operating partnership is generally the entity that enters into contracts and joint ventures and holds assets and debt, reference to the Company is appropriate because the business is one enterprise and the Company generally operates the business through the operating partnership.

Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses and the disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

Property, Plant and Equipment

Property, plant and equipment is stated at cost, less accumulated depreciation. Depreciation is computed on a straight-line basis over the estimated useful lives of the respective assets or, if less, the term of the underlying lease. Depreciation begins in the month an asset is placed into service. Useful lives range from 5 to 40 years for buildings and building improvements and 3 to 20 years for machinery and equipment. Depletion on the limestone quarry is computed by the units-of-production method based on estimated recoverable units. The Company periodically reviews the appropriateness of the estimated useful lives of its long-lived assets.

Costs of normal maintenance and repairs and minor replacements are charged to expense as incurred. When non-real estate assets are sold or otherwise disposed of, the cost and related accumulated depreciation are removed, and any resulting gain or loss is included in the other expense, net line on the accompanying consolidated statements of operations. Gains or losses from the sale of real estate assets are reported in the consolidated statement of operations as an operating expense.

Costs incurred to develop software for internal use and purchased software are capitalized and included in the machinery and equipment line on the consolidated balance sheet. Capitalized software is amortized over the estimated life of the software which ranges from 3 to 10 years. Amortization of previously capitalized amounts was $5.2 million , $5.0 million and $4.6 million for 2018 , 2017 and 2016 , respectively, and is included in the depreciation, depletion, and amortization expense line on the accompanying consolidated statements of operations.

Activity in real estate facilities during the years ended December 31, 2018 and 2017 is as follows:

	2018	2017
	(In thousands)	
Operating facilities, at cost:		
Beginning balance	$ 2,506,656	$ 2,382,343
Capital expenditures	50,680	52,555
Acquisitions	—	27,958
Newly developed warehouse facilities	62,353	60,598
Disposition	(30,199)	(20,780)
Impairment	(747)	(9,473)
Conversion of leased assets to owned	8,405	—
Impact of foreign exchange rate changes	(21,781)	13,455
Ending balance	2,575,367	2,506,656
Accumulated depreciation:		
Beginning balance	(770,006)	(692,390)
Depreciation expense	(87,355)	(86,169)
Dispositions	24,672	11,143
Impact of foreign exchange rate changes	4,797	(2,590)
Ending balance	(827,892)	(770,006)
Total real estate facilities	$ 1,747,475	$ 1,736,650
Non-real estate assets	92,226	98,235
Total property, plant and equipment and capital leases, net	$ 1,839,701	$ 1,834,885

The total real estate facilities amounts in the table above include $80.3 million and $90.5 million of assets under sale-leaseback agreements accounted for as a financing lease as of December 31, 2018 and 2017 , respectively. The Company does not hold title in these assets under sale-leaseback agreements. During the second quarter of 2018 , the Company sold a facility resulting in an $8.4 million gain on sale of real estate. In preparation of the warehouse disposal, the Company transferred most of its customers inventory to other owned warehouses within the same region. During the fourth quarter of 2018, the Company disposed of an idle facility resulting in a $0.9 million loss on sale of real estate, and purchased a portion of a facility that was previously operated under a lease agreement for $13.8 million .

In addition to purchasing and selling facilities, the Company also supported construction development projects throughout 2018. During the third quarter of 2018, the Company commenced operations in a production-advantaged facility in Middleboro, MA which cost approximately $23.4 million to construct. As of December 31, 2018, the Company is also investing in an expansion opportunity at the Rochelle, IL facility. The expansion is expected to be completed during the first quarter of 2019, with an approximate total cost of $73.4 million incurred as of December 31, 2018. Refer to Note 20 for the remaining construction commitment on this project.

In 2017 , the Company acquired a new facility for a total cost of $31.9 million , which included $3.9 million of intangible assets associated with an in-place lease. In addition, the Company disposed of two idle warehouse facilities and one operating warehouse facility with a net book value of $9.2 million for an aggregate amount of $9.2 million . As of December 31, 2017 , the Company held for sale an idle facility of the Warehouse segment with a carrying amount of $2.6 million , which is included in "Property, plant, and equipment – net" in the accompanying consolidated balance sheet. This warehouse was sold in 2018 for a $0.9 million loss, as previously mentioned.

Impairment of Long-Lived Assets

The Company reviews its long-lived assets for impairment when events or changes in circumstances (such as decreases in operating income and declines in occupancy) indicate that the carrying amounts may not be recoverable. A comparison is made of the expected future operating cash flows of the long-lived assets on an undiscounted basis to their carrying amounts.

If the carrying amounts of the long-lived assets exceed the sum of the expected future undiscounted cash flows, an impairment charge is recognized in an amount equal to the excess of the carrying amount over the estimated fair value of the long-lived assets, which the Company calculates based on projections of future cash flows and appraisals with significant unobservable inputs classified as Level 3 of the fair value hierarchy. The Company determined that individual warehouse properties constitute the lowest level of independent cash flows for purposes of considering possible impairment.

For the years ended December 31, 2018 , 2017 and 2016 , the Company recorded impairment charges of $0.7 million , $9.5 million and $9.8 million , respectively, in the "Impairment of long-lived assets" line item of the accompanying consolidated statements of operations. These charges were associated with the planned disposal of certain facilities, and other idle facilities of the Company, with a net book value in excess of their estimated fair value based on third-party appraisals or purchase offers. These impaired assets related to the Warehouse segment.

Impairment of Other Assets

In 2017 , the Company evaluated the limestone inventory held at its Quarry operations, and determined that approximately $2.1 million of that inventory was not of saleable quality. As a result, the Company recognized an impairment charge for that amount, which is included in the "Cost of operations related to other revenues" line item of the accompanying consolidated statement of operations for the year ended December 31, 2017 .

Also during 2017, the Company recognized an impairment charge totaling $6.5 million related to its investments in two joint ventures in China accounted for under the equity method. It was determined that the recorded investments were no longer recoverable from the projected future cash flows expected to be received from the ventures. The estimated fair value of each investment was determined based on an assessment of the proceeds expected to be received from the potential sale, of the Company's investment interests to the joint venture partner. The impairment charge is included in the "Impairment of partially owned entities" line item in the accompanying consolidated statement of operations for the year ended December 31, 2017 .

There were no other asset impairment charges recorded during the year ended December 31, 2018 .

Capitalized Leases

Capitalized leases are recorded at the lower of the present value of future minimum lease payments or the fair market value of the property. Capital lease assets are depreciated on a straight-line basis over the estimated asset life if ownership of the leased assets is transferred by the end of the lease term or there is a bargain purchase option. If the lease does not transfer ownership at the end of the lease term or there is no bargain purchase option, then the capital lease assets are depreciated on a straight-line basis using the lesser of the asset’s useful life or the lease term. Depreciation expense on assets acquired under capitalized leases is included in the "Depreciation, depletion, and amortization" expense line on the accompanying consolidated statements of operations.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash on hand, demand deposits, and short-term liquid investments purchased with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of change in value. As of December 31, 2018 and 2017 , the Company held $37.3 million and $26.8 million , respectively, of cash and cash equivalents in bank accounts of its foreign subsidiaries.

Restricted Cash

Restricted cash relates to cash on deposit and cash restricted for the payment of certain property repairs or obligations related to warehouse properties collateralized by mortgage notes, cash on deposit for certain workers’ compensation programs and cash collateralization of certain outstanding letters of credit.

Restricted cash balances as of December 31, 2018 and 2017 are as follows:

	2018	2017
	(In thousands)	
2010 mortgage notes’ escrow accounts	$ —	$ 15,149
2013 mortgage notes’ escrow accounts	974	795
2013 mortgage notes’ cash managed accounts	2,410	2,612
Cash on deposit for workers’ compensation program in Australia	2,635	2,130
Term deposit for New Zealand subsidiary office lease bond	—	404
Total restricted cash	$ 6,019	$ 21,090

Accounts Receivable

Accounts receivable are recorded at the invoiced amount. The Company periodically evaluates the collectability of amounts due from customers and maintains an allowance for doubtful accounts for estimated amounts uncollectable from customers. Management exercises judgment in establishing these allowances and considers the balance outstanding, payment history, and current credit status in developing these estimates. Specific accounts are written off against the allowance when management determines the account is uncollectable.

The following table provides a summary of activity of the allowance for doubtful accounts:

	Balance at beginning of year	Provision for doubtful accounts	Amounts written off, net of recoveries	Balance at end of year
Allowance for doubtful accounts:		**(In thousands)**		
Year ended December 31, 2016	$ 2,363	1,135	574	$ 4,072
Year ended December 31, 2017	$ 4,072	1,229	8	$ 5,309
Year ended December 31, 2018	$ 5,309	2,324	(1,927)	$ 5,706

The Company records interest on delinquent billings within "Interest income" in the consolidated statements of operations, offset by a bad debt provision equal to the amount of interest charged until collected.

Identifiable Intangibles Assets

Identifiable intangibles consist of a trade name and customer relationships.

Indefinite-Lived Asset

The trade name asset, with a carrying amount of $15.1 million as of December 31, 2018 and 2017 , relates to "Americold" and has an indefinite life; thus, it is not amortized. The Company evaluates the carrying value of its trade name each year as of October 1, and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of the trade name below its carrying amount. There were no impairments to the Company’s trade name for the years ended December 31, 2018 , 2017 and 2016 .

Finite-Lived Assets

Customer relationship assets are the Company’s largest finite-lived assets amortized over 6 to 20 years using a straight-line or accelerated amortization method dependent on the estimated benefits, which reflects the pattern in which economic benefits of intangible assets are expected to be realized by the Company. Customer relationship amortization expense for the years ended December 31, 2018 , 2017 and 2016 was $0.8 million , $0.9 million and $1.8 million , respectively. The weighted-average remaining life of the customer relationship assets is 9.1 years as of December 31, 2018 . The Company reviews these intangible assets for impairment when circumstances indicate the carrying amount may not be recoverable. There were no impairments to customer relationship assets for the years ended December 31, 2018 , 2017 and 2016 .

Leasehold Interests - Below Market Leases, Above Market Leases and In-place Lease

In reference to certain temperature-controlled warehouses where the Company is the lessee in an acquired business, below-market and above-market leases are amortized on a straight-line basis over the remaining lease terms in a manner that adjusts lease expense to the market rate in effect as of the acquisition date. In reference to certain temperature-controlled warehouses where the Company has a tenant lease assigned through an acquisition, the resulting intangible asset is amortized over the remaining term of the tenant lease and recorded to amortization expense. There were no impairments to leasehold interests for the years ended December 31, 2018 , 2017 or 2016 .

Deferred Financing Costs

Direct financing costs are deferred and amortized over the terms of the related agreements as a component of interest expense. The Company amortizes such costs based on the effective interest rate or on a straight-line basis. The Company uses the latter approach when the periodic amortization approximates the amounts calculated under the effective-interest rate method. Deferred financing costs related to revolving line of credits are classified as other assets, whereas deferred financing costs related to long-term debt are offset against "Mortgages notes, senior unsecured notes and term loans", as applicable in the consolidated balance sheets.

Goodwill

The Company evaluates the carrying value of goodwill each year as of October 1 and between annual evaluations if events occur or circumstances change that would more likely than not reduce the fair value of a reporting unit below its carrying amount. When evaluating whether goodwill is impaired, the Company compares the fair value of its reporting units to its carrying amounts, including goodwill. The Company estimates the fair value of its reporting units based upon a combination of the net present value of future cash flows and a market-based approach. Future cash flows are estimated based upon certain economic assumptions. Significant assumptions are revenue growth rates, operating costs, maintenance costs, and a terminal value calculation. The assumptions are based on risk-adjusted growth rates and discount factors accommodating multiple viewpoints that consider the full range of variability contemplated in the current and potential future economic situations. The market-based multiples approach assesses the financial performance and market values of other market-participant companies. If the estimated fair value of each of the reporting units exceeds the corresponding carrying value, no impairment of goodwill exists. If a reporting unit's carrying amount exceeds its fair value, an impairment loss would be calculated by comparing the implied fair value of goodwill to the reporting unit's carrying amount. The excess of the fair value of the reporting unit over the amount assigned for fair value to its other assets and liabilities is the implied fair value of goodwill. There were no goodwill impairment charges for the years ended December 31, 2018 , 2017 and 2016 .

Revenue Recognition

Revenues for the Company include rent, storage and warehouse services (collectively, Warehouse Revenue), third-party managed services for locations or logistics services managed on behalf of customers (Third-Party Managed Revenue), transportation services (Transportation Revenue), and revenue from the sale of quarry products (Other Revenue).

Warehouse Revenue

The Company's customer arrangements generally include rent, storage and service elements that are priced separately. Revenues from storage and handling are recognized over the period consistent with the transfer of the service to the customer. Multiple contracts with a single counterparty are accounted for as separate arrangements.

Third-Party Managed Revenue

The Company provides management services for which the contract compensation arrangement includes: reimbursement of operating costs, fixed management fee, and contingent performance-based fees (Managed Services). Managed Services fixed fees are recognized as revenue as the management services are performed ratably over the service period. Managed Services performance-based fees are recognized ratably over the service period based on the likelihood of achieving performance targets.

Cost reimbursements related to Managed Services arrangements are recognized as revenue as the services are performed and costs are incurred. Managed Services fees and related cost reimbursements are presented on a gross basis as the Company is the principal in the arrangement. Multiple contracts with a single counterparty are accounted for as separate arrangements.

Transportation Revenue

The Company records transportation revenue and expenses upon delivery of the product. Since the Company is the principal in the arrangement of transportation services for its customers, revenues and expenses are presented on a gross basis.

Other Revenue

Other Revenue primarily includes the sale of limestone produced by the Company’s quarry business. Revenues from the sale of limestone are recognized upon delivery to customers.

Contracts with Multiple Service Lines

When considering contracts containing more than one service to a customer, a contract’s transaction price is pre-defined or allocated to each distinct performance obligation and recognized as revenue when, or as the performance obligation is satisfied, either over time as work progresses, or at a point in time. For contracts with multiple service lines or distinct performance obligations, the Company evaluates and allocates the contract’s transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected cost plus a margin approach, under which the Company forecasts expected costs of satisfying a performance obligation and then adds an appropriate margin for that distinct good or service.

Income Taxes

The Company operates in a manner intended to enable it to continue to qualify as a REIT under Sections 856-860 of the Code. Under those sections, a REIT that distributes at least 100% of its REIT taxable income, as defined in the Code, as a dividend to its shareholders each year and that meets certain other conditions will not be taxed on that portion of its taxable income that is distributed to its shareholders for U.S. federal income tax purposes. Through cash dividends, the Company, for tax purposes, has distributed an amount equal to or greater than its REIT taxable income for the years ended December 31, 2018 , 2017 and 2016 . As of December 31, 2018 and 2017 , the Company has met all the requirements to qualify as a REIT. Thus, no provision for federal income taxes was made for the years ended December 31, 2018 , 2017 and 2016 , except as needed for the Company's U.S. Taxable REIT Subsidiaries (TRSs), for the Company's foreign entities, and a REIT excise tax payment in 2017 disclosed in Note 18 of these financial statements. To qualify as a REIT, an entity cannot have at the end of any taxable year any undistributed earnings and profits that are attributable to a non-REIT taxable year (undistributed E&P). The Company believes that it has no undistributed E&P as of December 31, 2018. However, to the extent there is a determination (within the meaning of Section 852(e)(1)) of the Code that the Company has undistributed earnings and profits (as determined for U.S. federal income tax purposes) accumulated (or acquired from another entity) from any taxable year in which the Company (or any other entity that converts to a Qualified REIT Subsidiary (QRS) that was acquired during the year) was not a REIT or a QRS, the Company will take all necessary steps to permit the Company to avoid the loss of its REIT status, including, but not limited to: 1) within the 90-day period beginning on the date of the determination, making one or more qualified designated distributions (within the meaning of the Section 852(e)(2)) of the Code in an amount not less than such undistributed earnings and profits over the interest payable under section 852(e)(3) of the Code; and 2) timely paying to the IRS the interest payable under Section 852(e)(3) of the Code resulting from such a determination.

If the Company fails to qualify as a REIT in any taxable year, it will be subject to U.S. federal income taxes at regular corporate rates and may not be able to qualify as a REIT for the four subsequent taxable years. Even as a REIT, it may be subject to certain state and local income and franchise taxes, and to U.S. federal income and excise taxes on undistributed taxable income and on certain built-in gains.

The Company has elected TRS status for certain wholly-owned subsidiaries. This allows the Company to provide services at those consolidated subsidiaries that would otherwise be considered impermissible for REITs. Many of the foreign countries in which we have operations do not recognize REITs or do not accord REIT status under their respective tax laws to our entities that operate in their jurisdiction. Accordingly, the Company recognizes income tax expense for the U.S. federal and state income taxes incurred by the TRSs, taxes incurred in certain U.S. states and foreign jurisdictions, and interest and penalties associated with unrecognized tax benefit liabilities, as applicable.

Taxable REIT Subsidiary

The Company has elected to treat certain of its wholly owned subsidiaries as TRSs. A TRS is subject to U.S. federal and state income taxes at regular corporate tax rates. Thus, income taxes for the Company's TRSs are accounted for using the asset and liability method, under which deferred income taxes are recognized for (i) temporary differences between the financial reporting and tax bases of assets and liabilities and (ii) operating loss and tax credit carryforwards based on enacted tax rates expected to be in effect when such amounts are realized or settled.

The Company records a valuation allowance for deferred tax assets when it estimates that it is more likely than not that future taxable income will be insufficient to fully use a deduction or credit in a specific jurisdiction. In assessing the need for the recognition of a valuation allowance for deferred tax assets, we consider whether it is more likely than not that some portion, or all, of the deferred tax assets will not be realized and adjust the valuation allowance accordingly. We evaluate all significant available positive and negative evidence as part of our analysis. Negative evidence includes the existence of losses in recent years. Positive evidence includes the forecast of future taxable income by jurisdiction, tax-planning strategies that would result in the realization of deferred tax assets, reversal of existing deferred tax liabilities, and the presence of taxable income in prior carryback years. The underlying assumptions we use in forecasting future taxable income require significant judgment and take into account our recent performance. The ultimate realization of deferred tax assets depends on the generation of future taxable income during the periods in which temporary differences are deductible or creditable.

The Company accrues liabilities when it believes that it is more likely than not that it will not realize the benefits of tax positions that it has taken in its tax returns or for the amount of any tax benefit that exceeds the cumulative probability threshold in accordance with ASC 740-10, Uncertain Tax Positions. The Company recognizes interest and penalties related to unrecognized tax benefits within income tax (expense) benefit in the accompanying consolidated statements of operations.

The earnings of certain foreign subsidiaries, including any other components of the outside basis difference, are considered to be indefinitely reinvested except for Canada which the Company elected to repatriate a portion of the unremitted earnings in the form of dividends 2018. If our plans change in the future for any other foreign subsidiary or if we elect to repatriate the unremitted earnings of our other foreign subsidiaries in the form of dividends or otherwise, we would be subject to additional income taxes which would result in a higher effective tax rate. As disclosed in Note 18 of these financial statements, the U.S. government enacted comprehensive tax legislation on December 22, 2017 which imposed a one-time inclusion for our REIT or tax for our TRS on the deemed repatriation of unremitted foreign earnings and profits.

With respect to the foreign subsidiaries owned directly by the REIT, any unremitted earnings would not be subject to additional U.S. level taxes because the REIT would distribute 100% of such earnings or would be subject to a participation exemption beginning in 2018.

Pension and Post-Retirement Benefits

The Company has defined benefit pension plans that cover certain union and nonunion employees. The Company also participates in multi-employer union defined benefit pension plans under collective bargaining agreements for certain union employees. The Company also has a post-retirement benefit plan to provide life insurance coverage to eligible retired employees. The Company also offers defined contribution plans to all of its eligible employees. Contributions to multi-employer union defined benefit pension plans are expensed as incurred, as are the Company’s contributions to the defined contribution plans. For the defined benefit pension plans and the post-retirement benefit plan, an asset or a liability is recorded in the consolidated balance sheet equal to the funded status of the plan, which represents the difference between the fair value of the plan assets and the projected benefit obligation at the consolidated balance sheet date. The Company utilizes the services of a third-party actuary to assist in the assessment of the fair value of the plan assets and the projected benefit obligation at each measurement date. Certain changes in the value of plan assets and the projected benefit obligation are not recognized immediately in earnings but instead are deferred as a component of accumulated other comprehensive income (loss) and amortized to earnings in future periods.

Foreign Currency Gains and Losses

The local currency is the functional currency for the Company's operations in Australia, New Zealand and Canada. For these operations, assets and liabilities are translated at the rates of exchange on the consolidated balance sheet date, while income and expense items are translated at average rates of exchange during the period. The resulting gains or losses arising from the translation of accounts from the functional currency into U.S. dollars are included as a separate component of shareholders' equity in accumulated other comprehensive income (loss) until a partial or complete liquidation of the Company's net investment in the foreign operation.

From time to time, the Company's foreign operations may enter into transactions that are denominated in a currency other than their functional currency. These transactions are initially recorded in the functional currency of the subsidiary based on the applicable exchange rate in effect on the date of the transaction. On a monthly basis, these transactions are remeasured to an equivalent amount of the functional currency based on the applicable exchange rate in effect on the remeasurement date. Any adjustment required to remeasure a transaction to the equivalent amount of functional currency is recorded in the consolidated statements of operations of the foreign subsidiary as a component of foreign exchange gain or loss.

During the fourth quarter of 2018, the Company entered into two intercompany loan agreements, whereby the Australia and New Zealand entities borrowed from the U.S. entity. These intercompany loan agreements were denominated in the functional currency of the respective entities. The intercompany loan receivable balances as of December 31, 2018 are AUD $153.5 million and NZD $37.5 million , and are remeasured at the end of each month to the United States Dollar (USD) with any required adjustment recorded in " Foreign currency exchange gain (loss), net " in the consolidated statements of operations. Foreign currency transaction gains and losses on the remeasurement of short-term intercompany loans denominated in currencies other than a subsidiary's functional currency are recognized as a component of foreign currency gain or loss, except to the extent that the transaction is effectively hedged. For loans that are effectively hedged, the transaction gains and losses on remeasurement are recorded to accumulated other comprehensive income (loss). Foreign currency transaction gains and losses resulting from the remeasurement of long-term intercompany loans denominated in currencies other than a subsidiary's functional currency are recognized as a component of accumulated other comprehensive income (loss) if a repayment of these loans is not anticipated.

Recently Adopted Accounting Standards

Intangibles - Goodwill and Other - Internal-Use Software

In August 2018, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2018-15, *Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40): Customer's Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract (a consensus of the FASB Emerging Issues Task Force)* . The ASU requires entities that are customers in cloud computing arrangements to defer implementation costs if they would be capitalized by the entity in software licensing arrangements under the internal-use software guidance. ASU 2018-15 is effective for all entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2019. Early adoption is permitted and can be applied retrospectively or in the period of adoption. The Company early adopted ASU 2018-15 in the third quarter of 2018 on a prospective basis and it did not have a material effect on our consolidated financial statements.

Income Statement—Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income

In February 2018, the FASB issued ASU 2018-02, *Income Statement - Reporting Comprehensive Income (Topic 220): Reclassification of Certain Tax Effects from Accumulated Other Comprehensive Income (AOCI)* . The ASU permits entities to reclassify tax effects stranded in AOCI as a result of tax reform to retained earnings. The guidance is effective for the Company in interim and annual periods beginning in 2019. Early adoption is permitted and can be applied retrospectively or in the period of adoption. The Company early adopted the ASU during the first quarter of 2018. Because the deferred tax asset in OCI is currently subject to a full valuation allowance, there is no net reclassification amount from AOCI to retained earnings during the year. However, our adoption of the principle will enable us to apply a 21% rate to the deferred tax asset when the valuation allowance no longer applies.

Compensation—Stock Compensation (Topic 718)

In May 2017, the FASB issued ASU 2017-09, *Compensation—Stock Compensation (Topic 718): Scope of Modification Accounting* . This update provides guidance on determining which changes to the terms and conditions of share-based payment awards require an entity to apply modification accounting under Topic 718. ASU 2017-09 was effective for all entities for annual periods, including interim periods within those annual periods, beginning after December 15, 2017. The Company adopted ASU 2017-09 in the first quarter of 2018 and it did not have a material effect on our consolidated financial statements.

Compensation - Retirement Benefits

In March 2017, the FASB issued ASU 2017-07, *Compensation - Retirement Benefits (Topic 715), Improving the Presentation of Net Periodic Pension Cost and Net Periodic Postretirement Benefit Cost (ASU 2017-07)* . This update requires that the service cost component of net periodic pension and other postretirement benefits (OPEB) (income) expense be presented in the same income statement line item as other employee compensation costs, while the remaining components of net periodic pension and OPEB (income) expense are to be presented outside operating income. Retrospective application of the change in income statement presentation is required, while the change in capitalized benefit cost is to be applied prospectively. ASU 2017-01 was effective for public business entities for fiscal years beginning after December 15, 2017. The Company's adoption of this guidance in the first quarter of 2018 resulted in the reclassification of non-service cost components in the amount of $2.8 million and $3.5 million for the years ended December 31, 2017 and 2016, respectively, from "Selling, general and administrative" expense to "Other expense, net". The Company adopted this guidance using a practical expedient which permitted the Company to use the amounts disclosed in its pension and other postretirement benefit plan note for the prior comparative periods as the estimation basis for applying the retrospective presentation requirements. The adoption and resulting reclassification had no impact on the Company's net income (loss), earnings per common share, earnings per unit or cash flows.

Statement of Cash Flows, Restricted Cash

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash* . Under this new guidance, entities will be required to show the changes in the total of cash, cash equivalents, restricted cash and restricted cash equivalents in the statement of cash flows. As a result, entities will no longer present transfers between cash and cash equivalents and restricted cash and restricted cash equivalents in the statement of cash flows. When cash, cash equivalents, restricted cash and restricted cash equivalents are presented in more than one line item on the balance sheet, a reconciliation of the totals in the statement of cash flows to the related captions in the balance sheet is required. For public business entities, the guidance was effective for fiscal years beginning after December

15, 2017, and interim periods within those years. The Company adopted ASU 2016-18 in the first quarter of 2018 and disclosure revisions have been made retrospectively for the periods presented on the consolidated statements of cash flows.

Recognition and Measurement of Financial Assets and Financial Liabilities

In January 2016, the FASB issued ASU 2016-01, *Financial Instruments-Overall (Subtopic 825-10): Recognition and Measurement of Financial Assets and Financial Liabilities* . The update primarily affects the accounting for equity investments, financial liabilities under the fair value option, and the presentation and disclosure requirements for financial instruments. In addition, the FASB clarified guidance related to the valuation allowance assessment when recognizing deferred tax assets resulting from unrealized losses on available-for-sale debt securities. For public companies, the amendments in this update were effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Company adopted ASU 2016-01 prospectively in the first quarter of 2018 and it did not have a material effect on our consolidated financial statements.

Revenue Recognition

In May 2014, the FASB issued ASU 2014-09 (Topic 606), *Revenue from Contracts with Customers* , to clarify the principles used to recognize revenue for all entities. ASU 2014-09 provides new guidance related to the core principle that an entity recognizes revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new guidance results in enhanced disclosures about revenue, provides guidance for transactions that were not previously addressed comprehensively, and improves guidance for multiple element arrangements. During 2016, the FASB issued additional ASUs to clarify certain aspects of ASU 2014-09, including ASU 2016-08, Principal versus Agent Considerations (Reporting Revenue Gross versus Net), in March 2016, and ASU 2016-10, Identifying Performance Obligations and Licensing, in April 2016.

The Company adopted this standard effective January 1, 2018, applying the modified retrospective method, and determined that the standard did not have a material impact to the amount or timing of revenue recognized for its revenue arrangements. Additionally, the Company did not record any cumulative effect adjustment as of the date of adoption. The most significant impact of the standard relates to the addition of disclosures relating to contracts that contain performance obligations extending beyond the end of the reporting period, and quantifying and disclosing methods of transferring services as it pertains to satisfying performance obligations. See Note 26 .

Adoption of the standards related to revenue recognition had no impact to cash from or used in operating, financing, or investing activities on the consolidated statements of cash flows, and had no material impact on the Company's processes and controls.

Future Adoption of Accounting Standards

Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities

In August 2017, the FASB issued ASU 2017-12, *Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities* . This ASU refines and expands hedge accounting for both financial (e.g., interest rate) and commodity risks. Its provisions create more transparency around how economic results are presented, both on the face of the financial statements and in the footnotes. It also makes certain targeted improvements to simplify the application of hedge accounting guidance. ASU 2017-12 is effective for public business entities for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Early adoption, including adoption in an interim period, is permitted. The Company will adopt this standard effective January 1, 2019, and believes the adoption of ASU 2017-12 will not have a material effect on our consolidated financial statements.

Simplifying the Test for Goodwill Impairment

In January 2017, the FASB issued ASU 2017-04, *Intangibles-Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment.* This update eliminates step two of the goodwill impairment test, and specifies that goodwill impairment should be measured by comparing the fair value of a reporting unit with its carrying amount. Additionally, the amount of goodwill allocated to each reporting unit with a zero or negative carrying amount of net assets should be disclosed. For public business entities that are SEC filers, this ASU is effective for annual and any interim impairment tests for periods beginning after December 15, 2019. Early adoption is allowed for all entities as of January 1, 2017, for annual and any interim impairment tests occurring after January 1, 2017. The Company believes the adoption of ASU 2017-04 will not have a material effect on our consolidated financial statements.

Improvements to Nonemployee Share-Based Payment Accounting

In June 2018, the FASB issued ASU 2018-07, *Improvements to Nonemployee Share-Based Payment Accounting* , which more closely aligns the accounting for employee and nonemployee share-based payments. The standard will be effective for interim and annual reporting periods beginning after December 15, 2018. Early adoption is permitted, but no earlier than an entity's adoption date of Topic 606. The Company will adopt this standard on January 1, 2019, and does not expect the provisions of ASU 2018-07 to have a material impact on our consolidated financial statements.

Fair Value Measurement - Disclosure Framework

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic* 820 *): Disclosure Framework – Changes to the Disclosure Requirements for Fair Value Measurement.* This ASU modifies the disclosure requirements on fair value measurements. The ASU removes the requirement to disclose: the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy; the policy for timing of transfers between levels; and the valuation processes for Level 3 fair value measurements. The ASU requires disclosure of changes in unrealized gains and losses for the period included in other comprehensive income (loss) for recurring Level 3 fair value measurements held at the end of the reporting period and the range and weighted average of significant unobservable inputs used to develop Level 3 fair value measurements. For public business entities, this guidance is effective for fiscal years beginning after December 15, 2019 with early adoption permitted. The Company is currently evaluating the effect that this guidance will have on our consolidated financial statements.

Collaborative Arrangements

In November 2018, the FASB issued ASU 2018-18, *Collaborative Arrangements (Topic 808): Clarifying the interaction between Topic 808 and Topic 606* . ASU 2018-18 clarifies that certain transactions between participants in a collaborative arrangement should be accounted for under ASC 606 when the counterparty is a customer and precludes an entity from presenting consideration from a transaction in a collaborative arrangement as revenue from contracts with customers if the counterparty is not a customer for that transaction. For public business entities, these amendments are effective for fiscal years beginning after December 15, 2019, and interim periods therein. The Company believes the adoption of ASU 2018-18 will not have a material effect on our consolidated financial statements.

Lease Accounting

In February 2016, the FASB issued ASU 2016-02, *Leases (Topic 842)* , which requires lessees to recognize leases on-balance sheet and disclose key information about leasing arrangements. Topic 842 was subsequently amended by ASU 2018-01, *Land Easement Practical Expedient for Transition to Topic 842* ; ASU 2018-10, *Codification Improvements to Topic 842, Leases* ; and ASU 2018-11, *Targeted Improvements.* The new standard establishes a right-of-use model (ROU) that requires a lessee to recognize a ROU asset and lease liability on the balance sheet for all leases with a term longer than 12 months. Leases will be classified as finance or operating, with classification affecting the pattern and classification of expense recognition in the consolidated statements of operations.

The new standard is effective on January 1, 2019 with early adoption permitted. We will adopt the new standard on its effective date. A modified retrospective transition approach is required, applying the new standard to all leases existing at the date of initial application. An entity may choose to use either (1) its effective date or (2) the beginning of the earliest comparative period presented in the financial statements as its date of initial application. If an entity chooses the second option, the transition requirements for existing leases also apply to leases entered into between the date of initial application and the effective date. The entity must also recast its comparative period financial statements and provide the disclosures required by the new standard for the comparative periods. We will use the effective date as our date of initial application. Consequently, financial information will not be updated and the disclosures required under the new standard will not be provided for dates and periods before January 1, 2019.

The new standard provides a number of optional practical expedients in transition to both lessors and lessees. We will elect the “package of practical expedients” which permits us not to reassess our prior conclusions about lease identification, lease classification and initial direct costs. We will elect the practical expedient to continue to apply current accounting for all land easements that exist or expire before the effective date of the standard. We will not elect the use-of-hindsight practical expedient. We will elect the short-term lease recognition exemption for all leases that qualify. This means, for those leases that qualify, we will not recognize ROU assets or lease liabilities for existing short-term leases of those assets in transition. We also will make an accounting policy election to not separate lease and non-lease components for all of our leases.

While we continue to assess all of the effects of adoption, we currently believe the most significant effects on leasing arrangements where we are the lessee relate to (1) the recognition of new ROU assets and lease liabilities on our balance sheet for equipment and warehouses and (2) providing new disclosures about our leasing activities. We do not expect this standard to have an impact on our existing sale leaseback or capital lease arrangements.

On adoption, the Company's estimate for finance lease obligations is $40.8 million , with corresponding ROU assets of $39.2 million based on the present value of the remaining minimum rental payments under current leasing arrangements for existing finance leases. Additionally, we expect to recognize an additional operating lease obligation ranging from $77.6 million to $80.6 million , with corresponding ROU assets ranging from $74.3 million to $77.3 million based on the present value of the remaining minimum rental payments under current leasing arrangements for existing operating leases.

ASU 2016-02, *Leases* , also requires lessors to classify leases as a sales-type, direct financing, or operating lease. A lease is a sales-type lease if any one of five criteria are met, each of which indicate the lease, in effect, transfers control of the underlying asset to the lessee. If none of those five criteria are met, but two additional criteria are both met, indicating that the lessor has transferred substantially all the risks and benefits of the underlying asset to the lessee and a third party, the lease is a direct financing lease. All leases that are not sales-type or direct financing leases are operating leases.

For leasing arrangements where the Company is the lessor we will elect the practical expedient to present all funds collected from lessees for sales and other similar taxes net of the related sales tax expense. Also, while the the new standard identifies common area maintenance as a non-lease component of our real estate lease contracts, we will apply the practical expedient to account for our real estate leases and associated common area maintenance service components as a single, combined operating lease component. Consequently, we do not expect the new standard's changed guidance on contract components to significantly affect our financial reporting.

While we continue to evaluate certain aspects of the new standard, we do not expect the new standard will have a material effect on our accounting for leasing arrangements where the Company is the lessor.

Other Presentation Matters

Securities and Exchange Commission's (SEC) Disclosure Update and Simplification Project (DUSTR)

As part of the SEC's Disclosure Update and Simplification Project, the SEC issued a final rule that eliminates or amends disclosure requirements that are redundant or outdated in light of changes in SEC requirements, US GAAP, IFRS or changes in technology or the business environment. As a result, certain amounts previously reported in the consolidated financial statements have been reclassified in the accompanying consolidated financial statements to conform to the current period's presentation, primarily to change the presentation of Gain from sale of real estate, net on the Consolidated Statement of Operations for years ended December 31, 2018 , 2017 and 2016. The Company has included Gain from sale of real estate, net as a component of Operating Income to present gain and losses on sales of properties in accordance with Accounting Standards Codification ("ASC") 360-10-45-5. The change was made for the prior periods as the Securities and Exchange Commission has eliminated Rule 3-15(a) of Regulation S-X as part of Release No. 33-10532; 34-83875; IC-33203, which had required REITs to present gain and losses on sale of properties outside of continuing operations in the income statement.

Reclassifications

Certain prior period amounts have been reclassified to conform to the current period presentation. In addition, an immaterial adjustment was made to reclassify certain prior period amounts from unearned revenue to the allowance for doubtful accounts. Finally, the Company reclassified certain assets for which ownership and title transferred at lease expiration from the classification of Capitalized leases into the respective asset classification on the Consolidated Balance Sheet as of December 31, 2018 . This included reclassification of the gross cost and related accumulated depreciation.

Adoption of Highly Inflationary Accounting in Argentina

GAAP guidance requires the use of highly inflationary accounting for countries whose projected cumulative three-year inflation rate exceeds 100 percent. In the second quarter of 2018, published inflation indices indicated that the projected three-year cumulative inflation rate in Argentina exceeded 100 percent, and as of July 1, 2018, we adopted highly inflationary accounting for our subsidiary in Argentina. Under highly inflationary accounting, Argentina's functional currency became the Australian dollar, the reporting and functional currency of the immediate parent company of the Argentina entity, and its income statement and balance sheet have been measured in Australian dollars using both current and historical exchange rates prior to translation into U.S. dollars in consolidation. The impact of the change in functional currency to Australian dollars resulted in a remeasurement of historical earnings reflected in retained earnings, which was previously measured at the average Argentine peso to USD exchange rates applicable to the period, and a related decrease to Accumulated other comprehensive loss. This activity is reflected within 'Other' on the Statement of Shareholders' Equity for the year ended December 31, 2018 . After the initial measurement process described previously, the effect of changes in exchange rates on peso-denominated monetary assets and liabilities has been reflected in earnings in Foreign currency exchange gain (loss), net and was not material. As of December 31, 2018 , the net monetary assets of the Argentina subsidiary were immaterial. Additionally, the operating income of the Argentina subsidiary was less than 3.5 percent of our consolidated operating income for years ended December 31, 2018 , 2017 and 2016.

3 . Equity-Method Investments

During 2010, the Company, through its wholly owned subsidiaries, made total cash investments of $46.2 million in two newly-formed Hong Kong entities, China Merchants Americold Holdings Logistics Company Limited (CMAL) and China Merchants Americold Holdings Company Limited (CMAH, together with CMAL, the Joint Venture). Through these subsidiaries, the Company acquired a 49% interest in the Joint Venture, while China Merchants Holdings International Company (CMHI) acquired the remaining 51% interest in the Joint Venture. CMHI is a Hong Kong based entity that is part of the China Merchants Group. Other affiliates of CMHI subsequently purchased 50,000 shares of the Company's Series B Preferred Shares. As such, CMHI is considered a related party of the Company. The Joint Venture was formed with the purpose of acquiring, owning, and operating temperature-controlled warehouses, primarily in the People's Republic of China. During 2015, the Company made an additional capital contribution of $1.3 million to the Joint Venture for general corporate purposes. As of December 31, 2018 , the Joint Venture operated 12 warehouses in the People's Republic of China.

The Company translates amounts in Chinese yuan to U.S. dollars when accounting for its interest in the Joint Venture. As a result, the Company must also adjust the carrying value of its investment in the Joint Venture for its proportionate share of the cumulative unrealized foreign currency translation gains and losses each period. The Company accounts for its investment in the Joint Venture as an equity-method investment, as the Company has a 49% equity interest, but cannot control it. In accounting for its interest in the Joint Venture as an equity-method investment, the Company includes its proportionate share of the Joint Venture's net income or loss as an increase or decrease in the carrying value of the equity-method investment. In addition, the Company routinely monitors its investment in the Joint Venture to determine whether an other-than-temporary decline in the investment value has occurred.

In 2017, the Company recognized an impairment charge totaling $6.5 million related to our investment in the Joint Venture as we determined that the recorded investment was no longer recoverable from the projected future cash flows expected to be received from the Joint Venture. The estimated fair value of this investment was determined based on an assessment of the proceeds expected to be received from the potential sale of our investment interests to the joint venture partner based on current negotiations.

The condensed summary financial information for the Company's Joint Venture is as follows:

	2018		
Condensed results of operations	**CMAL**	**CMAH**	**Total**
	(In thousands)		
Revenues	$ 37,458	$ 13,621	$ 51,079
Operating (loss) income	(1,748)	2,432	684
Net (loss) income	(1,960)	1,651	(309)
Company's (loss) income from partially owned entities	(1,419)	350	(1,069)

	2017		
Condensed results of operations	**CMAL**	**CMAH**	**Total**
	(In thousands)		
Revenues	$ 38,662	$ 12,294	$ 50,956
Operating (loss) income	(2,052)	314	(1,738)
Net loss	(2,479)	(296)	(2,775)
Company's loss from partially owned entities	(1,143)	(220)	(1,363)

	2016		
Condensed results of operations	**CMAL**	**CMAH**	**Total**
	(In thousands)		
Revenues	$ 34,945	$ 9,389	$ 44,334
Operating (loss) income	(2,184)	4,281	2,097
Net (loss) income	(2,645)	2,791	146
Company's (loss) income from partially owned entities	(1,396)	1,268	(128)

Condensed balance sheet information	2018 CMAL	2018 CMAH	2018 Total
	(In thousands)		
Property, plant and equipment, net	$ 10,812	$ 19,760	$ 30,572
Cash and cash equivalent	9,237	179	9,416
Accounts receivable	5,357	2,316	7,673
Goodwill and other intangible assets	15,043	325	15,368
Due from related parties	—	19,974	19,974
Other assets	9,662	5,727	15,389
Total assets	$ 50,111	$ 48,281	$ 98,392
Debt	$ 6,199	$ 9,540	$ 15,739
Accounts payable	5,007	969	5,976
Due to related parties	—	—	—
Other liabilities	23,094	11,825	34,919
Total liabilities	$ 34,300	$ 22,334	$ 56,634
Equity including non-controlling interest	$ 15,811	$ 25,947	$ 41,758

Condensed balance sheet information	2017 CMAL	2017 CMAH	2017 Total
	(In thousands)		
Property, plant and equipment, net	$ 13,108	$ 24,559	$ 37,667
Cash and cash equivalent	7,935	915	8,850
Accounts receivable	6,416	1,805	8,221
Goodwill and other intangible assets	15,905	344	16,249
Due from related parties	5,900	14,414	20,314
Other assets	6,206	3,745	9,951
Total assets	$ 55,470	$ 45,782	$ 101,252
Debt	$ 9,611	$ 6,350	$ 15,961
Accounts payable	4,651	611	5,262
Due to related parties	17,824	11,384	29,208
Other liabilities	4,483	2,183	6,666
Total liabilities	$ 36,569	$ 20,528	$ 57,097
Equity including non-controlling interest	$ 18,901	$ 25,254	$ 44,155
Company’s equity investment before impairment	$ 9,379	$ 11,059	$ 20,438
Less: Company’s impairment in equity investment	(4,060)	(2,436)	(6,496)
Company’s equity investment	$ 5,319	$ 8,623	$ 13,942

The Company has an investment in another joint venture that is also accounted for as an equity-method investment since the Company can exert significant influence over the operations, but cannot control the joint venture. The carrying amount of this other investment was $2.0 million as of December 31, 2018 and 2017 , respectively.

4 . Goodwill and Intangible Assets

The changes in the carrying amount of the Company's goodwill by reportable segment for the years ended December 31, 2018 , 2017 and 2016 are as follows:

	Warehouse	Third-party managed	Transportation	Total
		(In thousands)		
December 31, 2015	$ 171,498	$ 3,179	$ 12,248	$ 186,925
Impact of foreign currency translation	196	(123)	(57)	16
Write-offs	(112)	—	(24)	(136)
December 31, 2016	171,582	3,056	12,167	186,805
Impact of foreign currency translation	972	8	384	1,364
December 31, 2017	172,554	3,064	12,551	188,169
Impact of foreign currency translation	(1,658)	(174)	(242)	(2,074)
December 31, 2018	$ 170,896	$ 2,890	$ 12,309	$ 186,095

The write-offs in the table above relates to the residual goodwill allocated to the Company's operations in Argentina.

Intangible assets subject to amortization as of December 31, 2018 and 2017 are as follows:

	Customer relationships	Above-market leases	In-place lease	Below-market leases	Total
	(In thousands, except years)				
Gross	$ 33,788	$ 143	$ 3,778	$ 9,126	$ 46,835
Additions	—	—	—	—	—
Accumulated amortization	(30,169)	(38)	(1,004)	(5,644)	(36,855)
Net definite lived intangible assets	$ 3,619	$ 105	$ 2,774	$ 3,482	9,980
Indefinite lived intangible asset (Trade name)					15,076
Identifiable intangible assets – net, December 31, 2018					$ 25,056
Weighted-average remaining useful life at December 31, 2018	9.1	4.8	4.8	33.2	
Gross	$ 33,788	$ —	$ —	$ 9,126	$ 42,914
Additions	—	143	3,778	—	3,921
Accumulated amortization	(29,328)	(16)	(430)	(5,492)	(35,266)
Net definite lived intangible assets	$ 4,460	$ 127	$ 3,348	$ 3,634	11,569
Indefinite lived intangible asset (Trade name)					15,076
Identifiable intangible assets – net, December 31, 2017					$ 26,645
Weighted-average remaining useful life at December 31, 2017	10.0	5.8	5.8	33.8	

During 2017, as part of an addition to the Company’s domestic cold storage operations in the Warehouse segment, the Company was assigned a tenant lease. This transaction resulted in the recognition of above-market and in-place lease intangible assets that will be amortized over the remaining term of the tenant lease.

Amortization of the above market lease asset is recorded as a reduction to lease revenue, while amortization of the in-place lease is recorded as amortization expense.

The following table describes the estimated amortization of intangible assets for the next five years and thereafter. In addition, the table describes the net impact on rent expense due to the amortization of below-market leases for the next five years and thereafter:

	Estimated Amortization of Customer Relationships and In-Place Lease Intangible Assets	Estimated Net Decrease to Lease Revenue Related to Amortization of Above-Market Leases	Estimated Net Increase to Lease Expense Related to Amortization of Below-Market Leases
		(In thousands)	
Years Ending December 31:			
2019	$ 1,329	$ 22	$ 151
2020	1,240	22	151
2021	1,151	22	151
2022	1,062	22	151
2023	878	17	106
Thereafter	733	—	2,772
Total	$ 6,393	$ 105	$ 3,482

5 . Other Assets

Other assets as of December 31, 2018 and 2017 are as follows:

	2018	2017
	(In thousands)	
Prepaid accounts	$ 12,532	$ 16,891
Various insurance and workers' compensation receivables	9,595	12,040
Inventory and supplies	7,875	10,396
Income taxes receivable	6,978	950
Other receivables	6,287	2,338
Deferred financing costs	5,437	1,374
Marketable securities - (Deferred compensation plan)	3,072	2,483
Straight-line rent	2,483	2,194
Fair value of derivatives	2,283	—
Utility, workers' compensation escrow and lease deposits	1,726	1,851
Deferred tax assets	391	553
Deferred IPO costs	—	8,217
	$ 58,659	$ 59,287

6 . Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses as of December 31, 2018 and 2017 are as follows:

	2018	2017
	(In thousands)	
Trade payables	$ 85,038	$ 93,501
Accrued workers' compensation liabilities	30,585	32,041
Accrued payroll	12,238	11,727
Accrued bonus	17,335	16,382
Accrued vacation and long service leave	14,988	15,718
Accrued health benefits	10,987	9,332
Accrued property taxes	14,376	15,067
Accrued utilities	6,274	6,004
Taxes payable	290	785
Dividends payable	28,540	—
Other accrued expenses	32,429	40,702
	$ 253,080	$ 241,259

7 . Redeemable Preferred Shares

Series A Cumulative Non-Voting Preferred Shares

In January 2009, the Company issued 125 Series A Cumulative Non-Voting Preferred Shares of beneficial interest, par value $0.01 per share (Series A Preferred Shares) for proceeds of $0.1 million . The Series A Preferred Shares may be redeemed by the Company at any time by notice for a price, payable in cash, equal to 100% of each share's liquidation value of $1,000 , plus all accrued and unpaid dividends, plus, if applicable, a redemption premium. The Company may redeem the Series A Preferred Shares without payment of a redemption premium. Holders of the Series A Preferred Shares are entitled to receive dividends semiannually at a per annum rate equal to 12.5% of the liquidation value.

In 2018, in connection with the IPO, all outstanding Series A Preferred Shares were redeemed resulting in a cash payment of approximately $0.1 million , including accrued and unpaid dividends.

Series B Cumulative Convertible Voting Preferred Shares

During 2010, the Company's Board of Trustees approved a series of agreements and documents that effected the conversion of 375,000 authorized and unissued preferred shares of the Company into 375,000 Series B Cumulative Convertible Voting Preferred Shares of beneficial interest, par value $0.01 per share (Series B Preferred Shares), and simultaneously authorized the sale and issuance of the 375,000 Series B Preferred Shares. On December 15, 2010, the Company issued 375,000 of the Series B Preferred Shares for proceeds of $368.5 million . Of this amount, 325,000 Series B Preferred Shares were issued to affiliates of the Goldman Sachs Group (Goldman) and 50,000 Series B Preferred Shares were issued to an affiliate of CMHI. As discussed in Note 3, affiliates of CHMI are also the majority partner in the Company's Joint Venture.

The Series B Preferred Shares contain certain conversion features, the terms of which are dependent upon the nature of the conversion event. At each holder's option, the Series B Preferred Shares may be converted into a number of the Company's common shares of beneficial interest (common shares), the conversion rate being based upon a variable price index, as defined. As of December 31, 2017 , each Series B Preferred Share was convertible at the holder's option into approximately 88 of the Company's common shares. If all holders of the Series B Preferred Shares had elected to convert all of their shares in this manner on December 31, 2017 , approximately 33,240,000 common shares of the Company would have been issued for the 375,000 Series B Preferred Shares. The Series B Preferred Shares contain certain preemptive rights, anti-dilution provisions, and protections in the event of a recapitalization. The Series B Preferred Shares have the equivalent voting rights as the common shares. The Series B Preferred Shares are senior to any junior securities, and upon a qualifying liquidation event, as defined, each holder of the Series B Preferred Shares would receive the greater of $1,000 cash per share, plus all accrued and unpaid dividends, or the payment that would be paid in connection with such liquidation event in respect of the number of common shares into which such Series B Preferred Shares could be converted.

Holders of the Series B Preferred Shares were entitled to a 5.0% annual fixed cash dividend (Fixed Dividend) based on the liquidation preference of $1,000 per share plus all accrued and unpaid dividends. Additionally, the holders of the Series B Preferred Shares are entitled to participate in dividends paid to holders of the Company's common shares by receiving a dividend in an amount and in a kind equal to and equivalent to what the holder would have received had such holder held the number of common shares for such common share dividend into which the Series B Preferred Share could be converted on the record date (Participating Dividend). Beginning in 2011, and each year thereafter, if Participating Dividends paid annually to the holders of the Series B Preferred Share do not equal or exceed 2.5% of the $1,000 per share liquidation preference, then holders are entitled to a dividend for the shortfall. Dividends are only payable when declared by the Company's Board of Trustees, but accrued and unpaid dividends are cumulative and payable upon any conversion or redemption event, as defined, for the Series B Preferred Shares. There were no accrued or unpaid Fixed Dividends to the holders of the Series B Preferred Shares as of December 31, 2017.

In connection with the IPO, Goldman and CMHI converted their Series B Preferred Shares into 28,808,224 and 4,432,034 common shares of the Company, respectively, after taking into account a cash payment of approximately $1.8 million of accrued and unpaid dividends. Goldman sold 5,163,716 common shares of the Company soon after the conversion of the Series B Preferred Shares.

Series C Convertible Voting Preferred Shares

Contemporaneously with the authorization of the conversion and issuance of the Series B Preferred Shares by the Board of Trustees discussed above, the Board of Trustees also authorized the conversion of an additional 375,000 authorized and unissued preferred shares into 375,000 Series C Convertible Voting Preferred Shares (Series C Preferred Shares). As discussed above, the Series C Preferred Shares are potentially issuable to the holders of the Series B Preferred Shares upon conversion in connection with a non-qualifying IPO. As of December 31, 2017, no Series C Preferred Shares were issued or outstanding. The IPO met the definition of a qualifying IPO and, therefore, the Series C Preferred Shares are no longer issuable after December 31, 2017.

8 . Debt of the Company

In this Note 8 , the "Company" refers only to Americold Realty Trust and not to any of its subsidiaries.

The Company itself does not have any indebtedness. All debt is held directly or indirectly by the operating partnership.

The Company guarantees the operating partnership's obligations with respect to its outstanding debt as of December 31, 2018 and 2017 , as detailed in Note 9 , with the exception of the 2013 Mortgage Loans which are guaranteed solely by Americold Realty Operating Partnership, L.P.

9 . Debt of the Operating Partnership

A summary of outstanding indebtedness of the operating partnership as of December 31, 2018 and 2017 is as follows (in thousands):

Indebtedness	Stated maturity date	Contractual Interest Rate	Effective Interest Rate as of December 31, 2018	2018 Carrying Value	2018 Estimated Fair Value	2017 Carrying Amount	2017 Estimated Fair Value
2010 Mortgage Loans							
Component A-1	1/2021	3.86%	4.40%	$ —	$ —	$ 56,941	$ 58,151
Component A-2-FX	1/2021	4.96%	5.38%	—	—	150,334	159,918
Component A-2-FL (1)	1/2021	L+1.51%	2.94%	—	—	48,654	49,019
Component B	1/2021	6.04%	6.48%	—	—	60,000	64,875
Component C	1/2021	6.82%	7.28%	—	—	62,400	68,718
Component D	1/2021	7.45%	7.92%	—	—	82,600	91,686
Total 2010 Mortgage Loans				—	—	460,929	492,367
2013 Mortgage Loans							
Senior note	5/2023	3.81%	4.14%	187,957	184,667	194,223	195,194
Mezzanine A	5/2023	7.38%	7.55%	70,000	67,900	70,000	68,950
Mezzanine B	5/2023	11.50%	11.75%	32,000	31,120	32,000	31,840
Total 2013 Mortgage Loans				289,957	283,687	296,223	295,984
Senior Unsecured Notes							
Series A 4.68% notes due 2026	1/2026	4.68%	4.77%	200,000	202,500	—	—
Series B 4.86% notes due 2029	1/2029	4.86%	4.92%	400,000	407,000	—	—
Total Senior Unsecured Notes				600,000	609,500	—	—
ANZ Term Loans							
Australia Term Loan (1)	6/2020	BBSY+1.40%	4.62%	—	—	158,645	160,628
New Zealand Term Loan (1)	6/2020	BKBM+1.40%	5.21%	—	—	31,240	31,631
2018 Senior Unsecured Term Loan A Facility (1)	1/2023	L+1.45%	4.23%	475,000	472,625	—	—
2015 Senior Secured Term Loan B Facility (1)	12/2022	L+3.75%	5.79%	—	—	806,918	806,918
Total principal amount of mortgage notes, unsecured senior notes and term loans				1,364,957	1,365,812	1,753,955	1,787,528
Less deferred financing costs				(13,666)	n/a	(25,712)	n/a
Less debt discount				(277)	n/a	(6,285)	n/a
Total mortgage notes, unsecured senior notes and term loans, net of deferred financing costs and debt discount				$ 1,351,014	$ 1,365,812	$ 1,721,958	$ 1,787,528
2018 Senior Unsecured Revolving Credit Facility (1)	1/2021	L+1.45%	0.34%	$ —	$ —	$ —	$ —
2015 Senior Secured Revolving Credit Facility (1)	12/2018	L+3.00%	3.92%	$ —	$ —	$ —	$ —
Construction Loan:							
Warehouse Clearfield, UT (1)	2/2019	L+3.25%	5.18%	$ —	$ —	$ 19,671	$ 19,671
Less deferred financing costs				—	n/a	(179)	n/a
				$ —	$ —	$ 19,492	$ 19,671

(1) L = one-month LIBOR; BBSY= Bank Bill Swap Bid Rate (applicable in Australia); BKBM = Bank Bill Reference Rate (applicable in New Zealand).

Pre-IPO Senior Secured Credit Facilities

In December 2015, we entered into a credit agreement with various lenders providing senior secured credit facilities that consisted of a $325.0 million senior secured term loan, which we refer to as our Senior Secured Term Loan B Facility, and a $135.0 million senior secured revolving credit facility, which we refer to as our 2015 Senior Secured Revolving Credit Facility, and, collectively with our Senior Secured Term Loan B Facility, the pre-IPO Senior Secured Credit Facilities. The net proceeds from the Senior Secured Term Loan B Facility of $314.4 million were used to repay a portion of the 2006 Mortgage Notes - Pool 2 tranche. Borrowings under our Senior Secured Term Loan B Facility and 2015 Senior Secured Revolving Credit Facility bore interest, at inception, of 5.50% per year plus one-month LIBOR with a 1% floor, and 3.25% per year plus one-month LIBOR, respectively.

In April 2016, we upsized the commitments under our 2015 Senior Secured Revolving Credit Facility by $15.0 million to increase the aggregate borrowing capacity under that credit facility to $150.0 million .

In July 2016, we issued a $385.0 million incremental term loan under our Senior Secured Term Loan B Facility and used the net proceeds to repay, among other things, the balance of our 2006 Mortgage Loans. In connection with this refinancing, we lowered the credit spread on the initial tranche of our Senior Secured Term Loan B Facility from 5.50% to 4.75% per year plus one-month LIBOR with a 1% floor.

In January 2017, we lowered the credit spread on the outstanding tranches of the Senior Secured Term Loan B Facility from 4.75% to 3.75% per year plus one-month LIBOR with a 1% floor.

In February 2017, we obtained an increase in the size of our 2017 Senior Secured Revolving Credit Facility of $20.0 million , for a total commitment of $170.0 million .

In May 2017, we issued a $110.0 million incremental term loan under our Senior Secured Term Loan B Facility and used the net proceeds to release, among other things, three properties from the 2010 Mortgage Loans collateral pool (as described below), and repay $26.2 million of our 2010 Mortgage Loans. Two of these properties were added to the borrowing base supporting our 2015 Senior Secured Revolving Credit Facility.

Borrowings under our 2015 Senior Secured Revolving Credit Facility bore interest, at our election, at the then-applicable margin plus an applicable one-month LIBOR or base rate interest rate. Base rate was defined as the greatest of the bank prime rate, the one-month LIBOR rate plus one percent or the federal funds rate plus one-half of one percent. The applicable margin varied between (i) in the case of LIBOR-based loans, 3.00% and 3.50% and (ii) in the case of base rate loans, 2.00% and 2.50% , in each case, based on changes in our credit ratings. In addition, any unused portion of our 2015 Senior Secured Revolving Credit Facility was subject to an annual 0.40% commitment fee. As of December 31, 2017 , borrowings under our 2015 Senior Secured Revolving Credit Facility bore interest at 3.00% per year plus one-month LIBOR, or 4.57% per annum. As of that date, we had no amounts outstanding under the 2015 Senior Secured Revolving Credit Facility, but we applied approximately $ 33.8 million of that credit facility to backstop certain outstanding letters of credit. In connection with entering into the original agreement and subsequent amendments for the 2015 Senior Secured Revolving Credit Facility, we capitalized approximately $3.4 million of debt issuance costs, which we amortize as interest expense under the effective interest method. As of December 31, 2017, the $1.2 million unamortized balance of these debt issuance costs was included in "Other assets" in the accompanying consolidated balance sheet.

After giving effect to the May 2017 amendments described above, the outstanding tranches of term loans under our Senior Secured Term Loan B Facility bore interest, at our election, at (i) 3.75% per year plus one-month LIBOR with a 1.0% floor or (ii) 2.75% per year plus a base rate with a 2.0% floor. The principal amount of the term loans outstanding under our Senior Secured Term Loan B Facility was subject to principal amortization in quarterly installments of approximately $2.0 million until the maturity date thereof, with a final payment of the balance that was due on December 1, 2022. As of December 31, 2017, $806.9 million were outstanding under our Senior Secured Term Loan B Facility, which was prepayable without premium or penalty. In connection with entering into the agreement and subsequent amendments for the Senior Secured Term Loan B Facility, we capitalized a total Original Issue Discount (OID) of $8.4 million and incurred debt issuance costs of approximately $21.6 million , of which $18.8 million were capitalized. The OID and capitalized debt issuance costs are amortized as interest expense under the effective interest method. As of December 31, 2017 , approximately $21.0 million unamortized balance of OID and debt issuance costs related to the Senior Secured Term Loan B Facility, in the aggregate, was classified as a contra-liability to the "Mortgage notes, senior unsecured notes and term loans" line item of the accompanying consolidated balance sheet.

Our pre-IPO Senior Secured Credit Facilities were guaranteed by certain subsidiaries of our operating partnership and were secured by a pledge in the stock of certain subsidiaries of our operating partnership, and contained certain financial covenants relating to the maintenance of a specified borrowing base coverage ratio, a total leverage ratio and a fixed charge coverage ratio and other customary covenants.

Post-IPO Senior Secured Credit Facilities

In January 2018, simultaneous with the Company's IPO, we closed on a five -year, $525.0 million Senior Secured Term Loan A Facility and a three -year, $400.0 million Senior Secured Revolving Credit Facility, which we refer to as the 2018 Senior Secured Credit Facilities. Our 2018 Senior Secured Revolving Credit Facility had a one -year extension option subject to certain conditions. We used the net proceeds from the IPO, together with $517.0 million of net proceeds from our Senior Secured Term Loan A Facility, to repay the entire $806.9 million aggregate principal amount of indebtedness outstanding under our Senior Secured Term Loan B Facility, plus accrued and unpaid interest, to repay $20.9 million of indebtedness outstanding under our Clearfield, Utah and Middleboro, Massachusetts construction loans, and for working capital.

At the completion of the IPO, borrowings under our 2018 Senior Secured Credit Facilities bore interest at a floating rate of one-month LIBOR plus 2.50% . In addition, we applied approximately $33.6 million of our 2018 Senior Secured Revolving Credit Facility for certain outstanding letters of credit.

On February 6, 2018, we amended the credit agreement with the lenders of our 2018 Senior Revolving Credit Facility to increase the aggregate revolving credit commitments on this facility by $50.0 million to $450.0 million . Concurrently, we utilized cash on hand to repay $50.0 million on our Senior Secured Term Loan A facility. As a result of these modifications, our total aggregate commitments under the 2018 Senior Credit Facilities remained unchanged at $ 925.0 million .

Borrowings under our 2018 Senior Secured Credit Facilities bore interest, at our election, at the then-applicable margin plus an applicable LIBOR or base rate interest rate. The base rate was the greatest of the bank prime rate, the one-month LIBOR rate plus one percent or the federal funds rate plus one-half of one percent . The applicable margin varied between (i) in the case of LIBOR-based loans, 2.35% and 3.00% and (ii) in the case of base rate loans, 1.35% and 2.00% , in each case, based on changes in our total leverage. In addition, any unused portion of our 2018 Senior Secured Revolving Credit Facility was subject to an annual 0.30% commitment fee at times that we were utilizing at least 50% of our outstanding revolving credit commitments or an annual 0.040% commitment fee at times that we were utilizing less than 50% of our revolving credit commitments, in each case, based upon the actual daily unused portion of our 2018 Senior Secured Revolving Credit Facility.

Prior to the December 2018 refinancing, borrowings under our 2018 Senior Secured Credit Facilities bore interest at a floating rate of one-month LIBOR plus 2.35% . In addition, we applied approximately $29.6 million of our 2018 Senior Secured Revolving Credit Facility for certain outstanding letters of credit.

2018 Recast Credit Facility

On December 4, 2018, the Company entered into a recast credit agreement to, among other things, (i) increase the revolver borrowing capacity from $450 million to $800 million , (ii) convert the credit facility (term loan and revolver) from a secured credit facility to an unsecured credit facility, and (iii) decrease the applicable interest rate margins from 2.35% to 1.45% and decrease the fee on unused borrowing capacity by 5 basis points. The terms of the revolver allow for the ability to draw proceeds in multiple currencies, up to $400 million . In connection with entering into the original agreement and subsequent amendments for the Term Loan A Credit Facility, we capitalized approximately $8.9 million of debt issuance costs, which we amortize as interest expense under the effective interest method.

As of December 31, 2018, $5.4 million of unamortized debt issuance costs related to the revolving credit facility are included in "Other assets" in the accompanying consolidated balance sheet.

Our 2018 Senior Unsecured Revolving Credit Facility is structured to include a borrowing base, which allows us to borrow against the lesser of our Senior Unsecured Term Loan A Facility balance outstanding and $800 million in revolving credit commitments, and the value of certain owned real estate assets, ground, capital and operating leased assets, with credit given for income from third-party managed warehouses. At December 31, 2018 , the gross value of our assets included in the calculations under our 2018 Recast Credit Facility, was in excess of $3.1 billion , and had an effective borrowing base collateral value (after concentration limits and advance rates as calculated under the terms of our 2018 Recast Credit Agreement) of approximately $1.9 billion .

Our 2018 Recast Credit Facility contains representations, covenants and other terms customary for a publicly traded REIT. In addition, our 2018 Recast Credit Facility contains certain financial covenants, as defined in the credit agreement, including:

- a maximum leverage ratio of less than or equal to 60% of our total asset value;
- a minimum borrowing base coverage ratio of greater than or equal to 1.00 to 1.00;
- a minimum pro forma fixed charge coverage ratio of greater than or equal to 1.40 to 1.00 which increased to 1.50 to 1.00 in the first quarter of 2018;
- a minimum borrowing base debt service coverage ratio of greater than or equal to 2.00 to 1.00;
- a minimum tangible net worth requirement of greater than or equal to $900 million plus 70% of any future net equity proceeds following the completion of the IPO transactions; and
- a maximum recourse secured debt ratio of less than or equal to 20% of our total asset value.

Our 2018 Recast Credit Facility is fully recourse to our operating partnership. As of December 31, 2018 , the Company was in compliance with all debt covenants.

$400 million Senior Unsecured 4.86% Notes due 2029 and $200 million Senior Unsecured 4.68% Notes due 2026

On November 6, 2018, the Company priced a debt private placement transaction consisting of (i) $200 million senior unsecured notes with a coupon of 4.68% due January 8, 2026 (“Series A”) and (ii) $400 million senior unsecured notes with a coupon of 4.86% due January 8, 2029 (“Series B”), (collectively referred to as the “Senior Unsecured Notes”). The transaction closed on December 4, 2018. Interest will be paid on January 8 and July 8 of each year until maturity, with the first payment occurring July 8, 2019. The initial July 8, 2019 payment will include interest accrued since December 4, 2018. The notes are general unsecured senior obligations of the Company and are guaranteed by the Company and the subsidiaries of the Company. The Company applied a portion of the proceeds of the private placement transaction to the $600 million Americold 2010 LLC Trust, Commercial Mortgage Pass-Through Certificates, Series 2010, ART (2010 Mortgage Loans). The Company also applied the remaining proceeds to the Australian term loan and the New Zealand term loan (ANZ Loans). See below for further detail regarding the early extinguishment of debt under 2010 Mortgage Loans and ANZ Loans.

The Series A and Series B senior notes and guarantee agreement includes a prepayment option executable at any time during the term of the loans. The prepayment can be either a partial payment or payment in full, as long as the partial payment is at least 5% of the outstanding principal. Any prepayment in full must include a make-whole amount, which is the discounted remaining scheduled payments due to the lender. The discount rate to be used is equal to 0.50% plus the yield to maturity reported for the most recently actively traded U.S. Treasury Securities with a maturity equal to the remaining average life of the prepaid principal. The Company must give each lender at least 10 day’s written notice whenever it intends to prepay any portion of the debt.

If a change in control occurs for the Company, the Company must issue an offer to prepay the remaining portion of the debt to the lenders. The prepayment amount will be 100% of the principal amount, as well as accrued and unpaid interest.

The Senior Unsecured Notes require compliance with leverage ratios, secured and unsecured indebtedness ratios, and unsecured indebtedness to qualified assets ratios. In addition, the Company is required to maintain at all times an investment grade debt rating for each series of notes from a nationally recognized statistical rating organization. In addition, the Senior Unsecured Notes contain certain financial covenants required on a quarterly or occurrence basis, as defined in the credit agreement, including:

- a maximum leverage ratio of less than or equal to 60% of our total asset value;
- a maximum unsecured indebtedness to qualified assets ratio of less than 0.60 to 1.00;
- a minimum fixed charge coverage ratio of greater than or equal to 1.50 to 1.00;
- a minimum unsecured debt service ratio of greater than or equal to 2.00 to 1.00;
- a maximum total secured indebtedness ratio of less than 0.40 to 1.00

As of December 31, 2018 , the Company was in compliance with all debt covenants.

ANZ Loans

In June 2015, we entered into syndicated facility agreements in each of Australia and New Zealand, which we refer to collectively as the ANZ Loans, and separately as the Australian term loan and the New Zealand term loan. The ANZ Loans were non-recourse to us and our domestic subsidiaries.

The Australian term loan was an AUD$203.0 million five -year syndicated facility. The $151.1 million net proceeds that we borrowed under this facility were used to repay the AUD$19.0 million mortgage loan on one of our facilities, return AUD$30.0 million of capital to our domestic subsidiary owning the equity of our Australian subsidiary, repay an intercompany loan totaling CAD$47.6 million , and return AUD$70.0 million to the United States in the form of a long-term intercompany loan and working capital. This facility was secured by our owned real property and equity of certain of our Australian subsidiaries and bore interest at a floating rate of Australian Bank Bill Swap Bid Rate plus 1.4% . The Australian term loan was fully prepayable without penalty.

The New Zealand term loan was a NZD$44.0 million five -year syndicated facility. The $29.3 million net proceeds that we borrowed under this facility were used to repay an intercompany loan plus interest totaling NZD$28.3 million , make a NZD$14.3 million dividend, and fund working capital. The facility was secured by our owned real property, leased assets and equity of certain of our New Zealand subsidiaries, and bore interest at a floating rate of New Zealand Bank Bill Swap Bid Rate plus 1.4% .

The New Zealand term loan was fully prepayable without penalty. In connection with entering into the agreement for the ANZ Loans, the Company capitalized direct transaction-related costs and expenses of approximately $6.3 million as debt issuance costs. As part of the ANZ Loans, we entered into interest rate swaps to effectively fix the interest rates on 75% of the notional balances.

The ANZ Loans were repaid in December 2018 using proceeds from the issuance of the Senior Unsecured Notes. In order to repay the ANZ Loans, Americold Realty Operating Partnership initiated intercompany loans to the Australia and New Zealand subsidiaries, in combination with the repayment of a pre-existing intercompany loan payable to Australia totaling AUD $49.5 million , and a capital contribution of NZD $7.8 million from the U.S. to New Zealand. The Company entered into cross-currency swaps to hedge the cash flow variability from the impact of changes in foreign currency on the periodic interest payments and the final principal repayments of the foreign-denominated intercompany loans. See Note 10 for more information on these derivative contracts.

In total, USD $176.0 million was paid to extinguish the remaining outstanding principal, and USD$ 1.8 million was paid to terminate the related interest rate swaps. As a result of terminating the interest rate swaps and related hedge accounting treatment, the remaining net fair value recorded in other comprehensive income (loss) was reclassified to Loss on debt extinguishment, modifications and termination of derivative instruments . Additionally, USD $0.1 million in legal fees and USD $2.2 million of unamortized deferred financing costs were recorded to Loss on debt extinguishment, modifications and termination of derivative instruments in conjunction with the loan prepayment.

Construction Loans

In February 2017, certain of our subsidiaries entered into a $24.1 million construction loan with the National Bank of Arizona to finance the development of an expansion to our Clearfield, Utah distribution facility. The facility was secured by a mortgage on the property and the repayment of the construction loan was guaranteed by us. The construction loan bore interest, at our election, at a floating rate of one-month LIBOR plus 3.25% or the bank defined prime rate (which may not be lower than LIBOR) and was scheduled to mature in February 2019.

In August 2017, certain of our subsidiaries entered into a $16.0 million construction loan with JPMorgan Chase Bank, N.A. to finance the development of a production advantaged facility in Middleboro, Massachusetts. The facility was secured by a mortgage on the property and the construction loan was supported by a limited repayment guaranty by us. The construction loan bore interest at a floating rate of one-month LIBOR plus 2.75% and was scheduled to mature in August 2020.

Both construction loans were repaid in January 2018 in connection with the IPO.

2013 Mortgage Loans

On May 1, 2013, we entered into a mortgage financing in an aggregate principal amount of $322.0 million , which we refer to as the 2013 Mortgage Loans. The debt consists of a senior debt note and two mezzanine notes. The components are cross-collateralized and cross-defaulted. The senior debt note requires monthly principal payments. The mezzanine notes require no principal payments until the stated maturity date in May 2023. The interest rates on the notes are fixed and range from 3.81% to 11.50% per annum. The senior debt note and the two mezzanine notes remain subject to yield maintenance provisions. We used the net proceeds of these loans to refinance certain of the 2006 Mortgage Loans, as described below, acquire two warehouses, and fund general corporate purposes.

The 2013 Mortgage Loans are collateralized by 15 warehouses. The terms governing the 2013 Mortgage Loans require us to maintain certain cash amounts in accounts that are restricted as to their use for the respective warehouses. As of December 31, 2018 , the amount of restricted cash associated with the 2013 Mortgage Loans was $3.4 million . Additionally, if we do not maintain certain financial thresholds, including a debt service coverage ratio of 1.10 x, the cash generated will further be temporarily restricted and limited to the use for scheduled debt service and operating costs. The debt service coverage ratio as of December 31, 2018 was 1.7 x. The 2013 Mortgage Loans are non-recourse to the Company, subject to customary non-recourse provisions as stipulated in the agreements.

The mortgage loan also requires compliance with other financial covenants, including a debt coverage ratio and cash flow calculation, as defined. As of December 31, 2018 , the Company was in compliance with all debt covenants.

2010 Mortgage Loans

On December 15, 2010, we entered into a mortgage financing in an aggregate principal amount of $600.0 million , which we refer to as the 2010 Mortgage Loans. The debt included six separate components, which were comprised of independent classes of certificates and seniority. The components were cross-collateralized and cross-defaulted. No principal payments were required on five of the six components until the stated maturity date in January 2021, and one component required monthly principal payments of $1.4 million . Interest was payable monthly in an amount equal to the aggregate interest accrued on each component. The interest rates on five of the six components were fixed, and ranged from 3.86% to 7.45% per annum. One component had a variable interest rate equal to one-month LIBOR plus 1.51% , with one-month-LIBOR subject to a floor of 1.00% per annum. In addition, we maintained an interest rate cap on the variable rate tranche that capped one-month LIBOR at 6.0% . We used the net proceeds of these loans to refinance existing term loans, fund the acquisition of the acquired Versacold entities, and for general corporate purposes.

The 2010 Mortgage Loans were extinguished in December 2018 using proceeds from the Senior Unsecured Notes. The Company paid $416.7 million in consideration to defease the fixed rate component of the 2010 Mortgage Loans, including principal of $394.8 million , a defeasance fee of $18.5 million and other fees of $0.1 million . The Company paid $48.8 million in consideration to repay the floating rate component of the 2010 Mortgage Loans. Upon extinguishment of the 2010 Mortgage Loans, the $15.5 million balance of restricted cash was released for operating purposes. In accordance with the defeasance agreement on the fixed rate component of the 2010 Mortgage Loans, a successor borrower assumed all responsibilities of the Company under the original loan agreement. The transaction was accounted for as an extinguishment of debt.

Debt Covenants

The Company's Senior Unsecured Credit Facilities, the Senior Unsecured Notes, and 2013 Mortgage Loans require financial statements reporting, periodic requirements to report compliance with established thresholds and performance measurements, and affirmative and negative covenants that govern allowable business practices of the Company. The affirmative and negative covenants include continuation of insurance, maintenance of collateral, the maintenance of REIT status, and the Company's ability to enter into certain types of transactions or exposures in the normal course of business. As of December 31, 2018 , the Company was in compliance with all debt covenants.

Loss on debt extinguishment, modifications and termination of derivative instruments

During 2018, the Company completed multiple refinancing and extinguishment of debt transactions resulting in amount recorded to Loss on debt extinguishment, modifications and termination of derivative instruments . During the first quarter of 2018, simultaneous with the IPO, the Company closed on a Senior Secured Term Loan A and repaid the Term Loan B. Shortly thereafter, the Company amended the facility by repaying a portion of the Term Loan A and increasing the capacity on the revolving credit facility. The total amount recorded to Loss on debt extinguishment, modifications and termination of derivative instruments as a result of these transactions totaled $21.4 million , representing the write-off of unamortized deferred financing costs and debt discount from Term Loan B. During the fourth quarter of 2018, the 2010 Mortgage Loans were extinguished. This resulted in an $18.5 million defeasance fee, as well as a $3.4 million write-off of unamortized deferred financing costs recorded to Loss on debt extinguishment, modifications and termination of derivative instruments . Additionally, during the fourth quarter of 2018, the ANZ Loans were fully prepaid, which resulted in a write-off of $2.2 million in unamortized deferred financing costs and $1.8 million charge for termination of the related interest rate swaps, both recorded to Loss on debt extinguishment, modifications and termination of derivative instruments .

The aggregate maturities of indebtedness as of December 31, 2018 , including amortization of principal amounts due under the Term Loan A, Senior Unsecured Notes and mortgage notes for each of the next five years and thereafter, are as follows:

Years Ending December 31:	**(In thousands)**
2019	$ 6,513
2020	6,750
2021	7,035
2022	7,312
2023	737,347
Thereafter	600,000
Aggregate principal amount of debt	1,364,957
Less unamortized discount and deferred financing costs	(13,943)
Total debt net of discount and deferred financing costs	$ 1,351,014

Special Purpose Entity (SPE) Separateness

Each of the Company's legal entities listed in the table below is a special purpose, bankruptcy remote entity, meaning that such entity's assets and credit are not available to satisfy the debt and other obligations of either the Company or any of its other affiliates.

Legal Entity/SPE	Related Obligation
ART Mortgage Borrower Propco 2010 - 4 LLC	2010 Mortgage Notes
ART Mortgage Borrower Propco 2010 - 5 LLC	
ART Mortgage Borrower Propco 2010 - 6 LLC	
ART Mortgage Borrower Opco 2010 - 4 LLC	
ART Mortgage Borrower Opco 2010 - 5 LLC	
ART Mortgage Borrower Opco 2010 - 6 LLC	
ART Mortgage Borrower Propco 2013 LLC	2013 Mortgage Notes
ART Mortgage Borrower Opco 2013 LLC	

For financial reporting purposes, the assets, liabilities, results of operations, and cash flows of each legal entity in the table above are included in the Company's consolidated financial statements. Because each legal entity is separate and distinct from the Company and its affiliates, the creditors of each legal entity have a claim on the assets of such legal entity prior to those assets becoming available to the legal entity's equity holders and, therefore, to the creditors of the Company or its other affiliates.

10 . Derivative Financial Instruments

Interest Rates

We are subject to interest rate volatility with regard to existing and future issuances of variable rate debt. From time to time, we enter into swap agreements to manage our exposure to interest rate fluctuations. To hedge the variability in cash flows due to changes in benchmark interest rates, we enter into interest rate swap agreements related to variable rate debt. Refer to Note 9 , Debt of the Operating Partnership, for details of the components of our debt.

The Company was party to interest rate swap agreements with financial institutions that fixed the variable benchmark component of its interest rate on a portion of its ANZ Loans beginning on June 25, 2015. On December 12, 2018, the Company terminated these swap agreements in conjunction with the extinguishment of its debt. The carrying amount of the Company's interest rate swap agreements were recorded at fair value and previously qualified for hedge accounting. As a result of the termination of the swap agreements and in conjunction with the extinguishment of the ANZ loans, $1.8 million in accumulated other comprehensive income was reclassified to " Loss on debt extinguishment, modifications and termination of derivative instruments " in the accompanying Statement of Operations. As of December 31, 2017 , the aggregate fair values of these cash flow hedges were $2.5 million , which was included in the "Accounts payable and accrued expenses" line of the accompanying Balance Sheets.

Foreign Currency

To reduce cash flow volatility from foreign currency fluctuations, we enter into swap contracts to hedge portions of cash flows of intercompany borrowing and lending activities, which are designated as cash flow hedges. The effective portion of the derivative's gain or loss is recorded in AOCI and is subsequently reclassified to foreign currency exchange and derivatives gain (loss), net when the hedged exposure affects net earnings. Gains and losses from these swaps offset the changes in value of interest and principal as a result of changes in foreign exchange rates.

On December 11, 2018, the Company entered into cross-currency swaps to hedge changes in the cash flows of interest and principal on the foreign-currency denominated intercompany loans between the Australia and U.S. entities and the New Zealand and U.S. entities. The critical terms of the cross-currency swap agreements correspond to the intercompany loans, including the semi-annual interest payments being hedged, and the cross-currency swap agreements mature at the same time as the intercompany loans. As the critical terms of the cross currency swaps match the underlying intercompany borrowings being hedged, no ineffectiveness is recognized on these swaps and, therefore, all unrealized changes in fair value are recorded in AOCI. The relevant terms are presented below:

Effective Date	Notional amount	Expiration Date
12/13/2018	AUD $153.5 million	1/8/2026
12/13/2018	NZD $37.5 million	12/13/2023

As of December 31, 2018, the aggregate fair values of these cash flow hedges were $2.3 million , and are included in the "Other assets" line of the accompanying balance sheet. The Company determines the fair value of these derivative instruments using a present value calculation with significant observable inputs classified as Level 2 of the fair value hierarchy. The actual amounts reclassified into earnings are dependent on future movements in the foreign exchange rates.

The Company classifies cash inflows and outflows from derivatives within operating activities on the statement of cash flows. Amounts reclassified from AOCI into earnings related to realized gains and losses on remeasurement of the intercompany loans are recognized at each remeasurement date. Prior to termination of the interest rate swaps, historical amounts reclassified from AOCI into earnings related to realized gains and losses on interest rate swaps were recognized when interest payments or receipts occurred related to the swap contracts, and corresponded to when interest payments were made on the Company’s hedged debt.

The following table summarizes the impact of the Company's interest rate swaps which were terminated in December 2018 and foreign currency cash flow hedges on the results of operations, comprehensive loss and AOCI for the years ended December 31, 2018, 2017 and 2016:

Interest Rate Swaps Designated as Cash Flow Hedges	Loss Recognized as AOCI on Derivatives, Net of Tax (Effective Portion)	Consolidated Statements of Operations Classification	Loss Reclassified from AOCI into Earnings, Net of Tax (Effective Portion)
	(In thousands)		(In thousands)
2018	$ (1,422)	Interest expense	$ 1,191
2017	$ 1,422	Interest expense	$ 1,547
2016	$ 1,538	Interest expense	$ 1,139

Cross-Currency Swaps Designated as Cash Flow Hedges	Gain Recognized as AOCI on Derivatives	Consolidated Statements of Operations Classification	Gain Reclassified from AOCI into Earnings
	(In thousands)		(In thousands)
2018	$ 2,283	Foreign currency exchange gain (loss), net	$ 3,449
2017	$ —	N/A	$ —
2016	$ —	N/A	$ —

11 . Sale-Leasebacks of Real Estate

The Company’s outstanding sale-leaseback financing obligations of real estate-related long-lived assets as of December 31, 2018 and 2017 are as follows:

	Maturity	Interest Rate as of December 31, 2018	2018	2017
			(In thousands)	
1 warehouse – 2010	7/2030	10.34%	$ 19,265	$ 19,457
11 warehouses – 2007	9/2027	7.00%-19.59%	99,655	102,059
Total sale-leaseback financing obligations			$ 118,920	$ 121,516

In September 2010, the Company entered into a transaction by which it assigned to an unrelated third party its fixed price “in the money” purchase option of $18.3 million on a warehouse it was leasing in Ontario, California. The purchase option was exercised in September 2010, and the Company simultaneously entered into a new 20 -year lease agreement with the new owner and received $1.0 million of consideration to use towards warehouse improvements. Under the terms of the new lease agreement, the Company will exercise control over the asset for more than 90% of the asset’s remaining useful life, and it has a purchase option within the last six months of the initial lease term at 95% of the fair market value as of the date such option is exercised. The transaction was accounted for as a financing whereby the Company recognized a long-lived asset equal to the purchase price of $18.2 million , a receivable of $1.0 million for the additional consideration, and a financing obligation of $19.2 million . During 2018 and 2017 , the principal balance was amortized by nominal amounts. The long-lived asset is being depreciated on a straight-line basis over its remaining economic useful life and a proportionate amount of each periodic rental payment is being charged to interest expense on the effective-interest-rate method.

In September 2007, the Company completed a sale-leaseback of 11 warehouses for gross proceeds of $170.7 million . Concurrent with the sale, the Company agreed to lease the properties for various initial terms of 10 to 20 years. The rent increases annually by 1.75% . The lease terms can be extended up to four times at the discretion of the Company, each for a five -year period. The leases are guaranteed by an unsecured indemnity from a related party and the Company had the ability to extend the lease through a period which exceeds 90.0% of the assets’ remaining useful lives. The transaction was accounted for as a financing with an amount of each periodic rental payment being charged to interest expense. The assets continue to be reflected as long-lived assets and depreciated over their remaining useful lives. In July 2013, the lease agreements for six of the 11 warehouses were amended. The amendments extended the expiration date on four of the warehouse leases to September 27, 2027, reduced the annual rent increases from 1.75% to 0.50% on five of the warehouse leases and released the guarantee by the unsecured indemnity from the related party. All of the 11 warehouses subject to the sale-leaseback transaction continue to be accounted for as a financing.

In February 1996, the Company entered into a sale-leaseback agreement for one warehouse, which was accounted for as a financing. During 2011, the Company elected to extend the lease term for an additional five -year period ending in February 2016, with the option to purchase the property for fair market value in August 2016. The Company exercised its option and purchased the property on September 15, 2016 for $3.5 million . As a result, the Company recorded interest expense of $0.3 million to account for the difference between the purchase price of the warehouse and the balance of the lease obligation extinguished.

As of December 31, 2018 , future minimum lease payments, inclusive of certain obligations to be settled with the residual value of related long-lived assets upon expiration of the lease agreement, of the sale-leaseback financing obligations are as follows:

Years Ending December 31:	**(In thousands)**
2019	$ 16,829
2020	17,087
2021	17,351
2022	17,619
2023	17,892
Thereafter	133,260
Total minimum payments	220,038
Interest portion	(101,118)
Present value of net minimum payments	$ 118,920

12 . Lease Commitments

The Company has entered into capital and operating lease agreements for equipment and warehouses. The lease terms generally range from five to 20 years, with renewal or purchase options.

As of December 31, 2018 , future minimum lease payments under capital leases are as follows:

Years Ending December 31:	**(In thousands)**
2019	$ 12,415
2020	11,788
2021	10,350
2022	5,025
2023	2,469
Thereafter	6,575
Total minimum lease payments	48,622
Interest portion	(7,835)
Present value of net minimum payments	$ 40,787

As of December 31, 2018 , future minimum lease payments under operating leases are as follows:

Years Ending December 31:	(In thousands)
2019	$ 25,453
2020	20,590
2021	11,051
2022	8,204
2023	7,894
Thereafter	20,757
Total minimum lease payments	$ 93,949

Rent expense, inclusive of month-to-month rental charges, for the years ended December 31, 2018 , 2017 and 2016 was $36.7 million , $42.3 million and $40.4 million , respectively.

13 . Fair Value Measurements

The Company categorizes assets and liabilities that are recorded at fair values into one of three tiers based upon fair value hierarchy. These tiers include: Level 1, defined as quoted market prices in active markets for identical assets or liabilities; Level 2, defined as inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, model-based valuation techniques for which all significant assumptions are observable in the market, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and Level 3, defined as unobservable inputs that are not corroborated by market data. The carrying amounts of cash and cash equivalents, restricted cash, accounts receivable, accounts payable, accrued expenses and revolving line of credit approximate their fair values due to the short-term maturities of the instruments.

The Company’s mortgage notes, senior unsecured notes, term loans, and construction loans are reported at their aggregate principal amount less unamortized original issue discount and deferred financing costs on the accompanying consolidated balance sheets. The fair value of these financial instruments is estimated based on the present value of the expected coupon and principal payments using a discount rate that reflects the projected performance as of each valuation date. The inputs used to estimate the fair value of the Company’s mortgage notes, senior unsecured notes, term loans and construction loans are comprised of Level 2 inputs, including senior industrial commercial real estate loan spreads, trading data on comparable unsecured industrial REIT debt, corporate industrial loan indexes, risk-free interest rates, and Level 3 inputs, such as future coupon and principal payments, and projected future cash flows.

The Company’s financial assets and liabilities recorded at fair value on a recurring basis include certain investments included in cash equivalent money market funds and restricted cash assets. The Company’s cash equivalent money market funds and restricted cash assets are valued at quoted market prices in active markets for identical assets (Level 1), which the Company receives from the financial institutions that hold such investments on its behalf. The fair value hierarchy discussed above is also applicable to the Company’s pension and other post-retirement plans. The Company uses the fair value hierarchy to measure the fair value of assets held by various plans. Refer to Note 19 for the fair value of the pension plan assets. The Company recognizes transfers between levels within the hierarchy as of the beginning of the reporting period. There were no transfers between levels within the hierarchy for the years ended December 31, 2018 , 2017 and 2016 .

The Company's assets and liabilities measured or disclosed at fair value are as follows:

	Fair Value Hierarchy	Fair Value December 31, 2018	Fair Value December 31, 2017
		(In thousands)	
Measured at fair value on a recurring basis:			
Cash and cash equivalents	Level 1	$ 208,078	$ 48,873
Restricted cash	Level 1	6,019	21,090
Interest rate swap liability	Level 2	—	2,463
Cross-currency swap asset	Level 2	2,283	—
Assets held by various pension plans:			
	Level 1	30,281	32,626
	Level 2	29,456	33,102
Measured at fair value on a non-recurring basis:			
Long-lived assets written down:			
Property, plant and equipment	Level 3	—	2,576
Disclosed at fair value:			
Mortgage notes, term loans and construction loan	Level 3	$ 1,365,812	$ 1,807,199

14 . Dividends and Distributions

In order to comply with the REIT requirements of the Internal Revenue Code, the Company is generally required to make common share distributions (other than capital gain distributions) to its shareholders at least equal to 90% of its REIT taxable income, as defined in the Code, computed without regard to the dividends paid deduction and net capital gains. The Company's common share dividend policy is to distribute a percentage of cash flow to ensure distribution requirements of the IRS are met while allowing the Company to retain cash to meet other needs, such as principal amortization, capital improvements and other investment activities.

Common share dividends are characterized for U.S. federal income tax purposes as ordinary income, qualified dividend, capital gains, non-taxable income return of capital, or a combination of the four. Common share dividends that exceed current and accumulated earnings and profits (calculated for tax purposes) constitute a return of capital rather than a dividend and generally reduce the shareholder's basis in the common share. To the extent that a dividend exceeds both current and accumulated earnings and profits and the shareholder's basis in the common share, it will generally be treated as a gain from the sale or exchange of that shareholder's common share. At the beginning of each year, we notify our shareholders of the taxability of the common share dividends paid during the preceding year. The payment of common share dividends is dependent upon our financial condition, operating results, and REIT distribution requirements and may be adjusted at the discretion of the Company's Board of Trustees.

The following tables summarize dividends declared and distributions paid to the holders of common shares and Series B Preferred Shares in 2018, 2017 and 2016:

2018						
Month Declared/Paid	**Dividend Per Share**	**Distributions Declared**		**Distributions Paid**		
		Common Shares	**Series B Preferred Shares**	**Common Shares**	**Series B Preferred Shares**	
		(In thousands, except per share amounts)				
January [(a)]	$ 0.0186	$ 1,291	$ 619	$ 1,291	$ 619	
March/April	0.1396	20,145	—	20,145		
March [(c)]				(79)	—	Dividend equivalents accrued on unvested restricted stock units to be paid when the awards vest.
March/April				20	—	Dividend equivalents paid on unvested restricted stock units that are not expected to vest (recognized as additional compensation).
June/July	0.1875	27,250	—	27,246	—	
June [(d)]				(114)	—	Dividend equivalents accrued on unvested restricted stock units to be paid when the awards vest.
June/July				28	—	Dividend equivalents paid on unvested restricted stock units that are not expected to vest (recognized as additional compensation).
September/October	0.1875	28,072	—	28,072		
October [(e)]			—	(114)	—	Dividend equivalents accrued on unvested restricted stock units to be paid when the awards vest.
September/October			—	28	—	Dividend equivalents paid on unvested restricted stock units that are not expected to vest (recognized as additional compensation).
December/January (2019)	$ 0.1875	28,218	—	—	—	
		$ 104,976		$ 76,523		
Series B Preferred Shares - Fixed Dividend						
January [(a)]			1,198		1,198	
Total distributions paid to holders of Series B Preferred Shares [(b)]			$ 1,817		$ 1,817	

(a) Stub period dividend paid to shareholders of record prior to the IPO.
(b) Last participating and fixed dividend paid to holders of Series B Preferred Shares in connection with the conversion to common shares on the IPO date.
(c) Declared in March and included in the $20.1 million declared.
(d) Declared in June and included in the $27.3 million declared.
(e) Declared in September and included in the $28.1 million declared.

2017

Month Declared	Dividend Per Share	Distributions Paid: Common Shares	Distributions Paid: Series B Preferred Shares	Month Paid
		(In thousands, except per share amounts)		
March	$ 0.073	$ 5,053	$ 2,421	April
June	0.073	5,054	2,422	July
September	0.073	5,053	2,421	October
December	$ 0.073	5,054	2,422	December
		$ 20,214	9,686 (a)	
Series B Preferred Shares - Fixed Dividend			18,750 (b)	
Total distributions paid to holders of Series B Preferred Shares			$ 28,436	

(a) Participating dividend.
(b) Paid in equal quarterly amounts along with the participating dividend.

2016

Month Declared	Dividend Per Share	Distributions Paid: Common Shares	Distributions Paid: Series B Preferred Shares	Month Paid
		(In thousands, except per share amounts)		
March	$ 0.073	$ 5,053	$ 2,421	April
June	0.073	5,054	2,422	July
September	0.073	5,053	2,421	October
December	$ 0.073	5,054	2,422	December
		$ 20,214	9,686 (a)	
Series B Preferred Shares - Fixed Dividend			18,750 (b)	
Total distributions paid to holders of Series B Preferred Shares			$ 28,436	

(a) Participating dividend.
(b) Paid in equal quarterly amounts along with the participating dividend.

The dividends declared and paid to holders of Series A Preferred Shares were $0.001 million , $0.016 million and $0.016 million for the years ended December 31, 2018, 2017 and 2016, respectively.

For income tax purposes, distributions to preferred and common shareholders are characterized as ordinary income, capital gains, or as a return of shareholder invested capital. The composition of the Company’s distributions per common share and per preferred share is as follows:

Common Shares	2018	2017	2016
Ordinary income	66%	85%	100%
Capital gains	0%	0%	0%
Return of capital	34%	15%	0%
	100%	100%	100%

Preferred Shares	2018	2017	2016
Ordinary income	100%	100%	100%
Capital gains	0%	0%	0%
Return of capital	0%	0%	0%
	100%	100%	100%

15 . Partners' Capital

Allocations of Net Income and Net Losses to Partners

The operating partnership's net income will generally be allocated to Americold Realty Trust (the general partner) and the operating partnership's limited partner, Americold Realty Operations Inc., in accordance with the respective percentage interests in the units issued by the operating partnership. Net loss will generally be allocated to the general partner and the operating partnership's limited partners in accordance with the respective common percentage interests in the operating partnership until the limited partner's capital is reduced to zero and any remaining net loss would be allocated to the general partner. However, in some cases, losses may be disproportionately allocated to partners who have guaranteed our debt. The allocations described above are subject to special allocations relating to depreciation deductions and to compliance with the provisions of Sections 704(b) and 704(c) of the Code, and the associated Treasury Regulations.

Distributions

All distributions on our units are at the discretion of Americold Realty Trusts' board of trustees. We have declared and paid the following distributions to the Parent for the years ended December 31, 2018, 2017 and 2016 (in thousands):

2018

Month Declared/Paid	Distributions Declared	Distributions Paid
	(In thousands)	
January [a]	$ 3,242	$ 3,242
January [e]	5,750	5,750
March/April	20,145	20,165
March [b]		(79)
June/July	27,250	27,274
June [c]		(114)
September [e]	2,455	2,455
September/October	28,072	28,100
October [d]		(114)
December/January	28,218	—
	$ 115,132	$ 86,679

(a) Stub period distribution paid to Parent immediately prior to the IPO.
(b) Distribution equivalents declared in March and included in the $20.1 million , accrued on unvested restricted stock units to be paid when the awards vest.
(c) Distribution equivalents declared in June and included in the $27.3 million , accrued on unvested restricted stock units to be paid when the awards vest.
(d) Distribution equivalents declared in September and included in the $28.1 million , accrued on unvested restricted stock units to be paid when the awards vest.
(e) Distribution was paid to Parent for payment of underwriters' costs in conjunction with the offering completed in the respective quarter, and for conversion of Series A Preferred shares in connection with the IPO.

2017

Month Declared/Paid	Distributions Paid
	(In thousands)
March/April	$ 12,161
June/July	12,171
September/October	12,162
December	12,172
	$ 48,666

2016

Month Declared/Paid	Distributions Paid
	(In thousands)
March/April	$ 12,161
June/July	12,171
September/October	12,162
December	12,172
	$ 48,666

16 . Warrants

On December 10, 2009, the Company issued to affiliates of Yucaipa warrants to purchase 18,574,619 additional common shares at an exercise price of $9.81 per share (Warrants), which were exercisable at any time at the option of Yucaipa through December 10, 2016. In 2015, Yucaipa contributed the Warrants to YF ART Holdings L.P.

On December 7, 2016, the Company amended the agreement granting the Warrants to YF ART Holdings L.P. to extend the expiration date from December 10, 2016 to March 10, 2017. As a result of this modification, the Company calculated the change in the estimated fair value of the Warrants before and after the extension date, and concluded that the change in the expiration date increased the estimated fair value of the Warrants by $3.9 million , which the Company recognized as a charge to stock-based compensation expense for the year ended December 31, 2016.

On March 10, 2017, YF ART Holdings L.P. did not exercise its option to purchase additional common shares under the Warrants, and the Company amended the Warrants agreement several times during 2017, and ultimately extended the Warrants expiration date to January 31, 2018. The Company calculated the change in the estimated fair value of the Warrants before and after each extension date in 2017, and concluded that the change in the expiration date, in each case, did not increase the estimated fair value of the Warrants. Therefore, the Company did not recognize any charges associated with the Warrants during the year ended December 31, 2017 .

As discussed in Note 1 , in connection with the IPO the Warrants were exercised in full on a cashless basis resulting in the issuance of 6,426,818 common shares.

17 . Share-Based Compensation

All share-based compensation cost is measured at the grant date, based on the estimated fair value of the award. The Company issues time-based, performance-based and market performance-based equity awards. Time-based and market performance-based awards are recognized on a straight-line basis over the employees' requisite service period, as adjusted for estimate of forfeitures. Performance-based awards are recognized ratably over the vesting period using a graded vesting attribution model upon the achievement of the performance target, as adjusted for estimate of forfeitures. The only performance-based awards issued by the Company were granted in 2016 and 2017.

Aggregate stock-based compensation charges related to stock options and restricted stock units were $10.7 million , $2.4 million and $2.5 million during the years ended December 31, 2018 , 2017 and 2016 , respectively, and were included as a component of "Selling, general and administrative" expense on the accompanying consolidated statements of operations. As of December 31, 2018 , there was $24.0 million of unrecognized stock-based compensation expense related to stock options and restricted stock units, which will be recognized over a weighted-average period of 2.5 years .

Americold Realty Trust 2008 and 2010 Equity Incentive Plans

During December 2008, the Company and the common shareholders approved the Americold Realty Trust 2008 Equity Incentive Plan (2008 Plan), whereby the Company may issue either stock options or stock appreciation rights based upon a reserved pool of 4,900,025 common shares. The Company awarded no options in 2018 , 2017 or 2016 under the 2008 Plan. The only active awards remaining under the 2008 Plan were exercised during 2018. The Company is no longer permitted to grant awards under this Plan as a result of replacing the 2008 Plan with the 2010 Plan. During December 2010, the Company and the common shareholders approved the Americold Realty Trust 2010 Equity Incentive Plan (2010 Plan), whereby the Company could issue stock options, stock appreciation rights, restricted stock, restricted stock units, stock bonus awards, and/or dividend equivalents with respect to the Company's common shares, cash bonus awards, and/or performance compensation awards to certain eligible participants, as defined, based upon a reserved pool of 3,849,976 of the Company's common shares.

Modification of Restricted Stock Units

On January 4, 2018, the Company's board of trustees approved the modification of awards to allow the grant of dividend equivalents to all participants in the 2010 Plan with respect to any and all vested restricted stock units of the Company that have not been settled pursuant to the 2010 Plan. On the same day, the Company's board of trustees resolved that no further awards may be granted under the 2010 Plan after the approval of the Americold Realty Trust 2017 Equity Incentive Plan (2017 Plan). As a result, the Company recognized share-based compensation expense of $2.0 million to reflect the change in fair value associated with the modification of the dividend equivalents rights of the outstanding equity awards under the 2010 Plan.

Americold Realty Trust 2017 Equity Incentive Plan

On January 4, 2018, the Company's board of trustees adopted the 2017 Plan, which permits the grant of various forms of equity- and cash-based awards from a reserved pool of 9,000,000 common shares of the Company. The maximum aggregate number of shares granted to any participant other than a non-employee trustees or consultant in any calendar year for which options or stock appreciation rights (SARs) shall be 1,000,000 shares, for awards other than options or SARs that are performance-based compensation, denominated in shares, shall be 1,500,000 shares.

On January 17, 2018, the Company's shareholders approved the 2017 Plan. Equity-based awards issued under the 2017 Plan have the rights to receive dividend equivalents on an accrual basis. Dividend equivalents accrued are paid upon the vesting of the awards, and for awards that are forfeited during the vesting period no dividend equivalents will be paid. Certain restricted stock units issued in connection with the IPO to retain key employees of the Company and time-based awards have the right to receive nonforfeitable dividend equivalent distributions on unvested units. As of December 31, 2018, 7,399,311 shares of common stock, including awards convertible into or exchangeable for shares of common stock remained available for future issuance under the 2017 Plan.

Restricted Stock Units

Restricted stock units are nontransferable until vested. Prior to the issuance of a common share, the grantees of restricted stock units are not entitled to vote the shares. Time-based restricted stock unit awards vest in equal annual increments over the vesting period. The grant date fair values for time-based restricted unit stock awards is equal to the closing market price of Americold Realty Trust common stock on the grant date. Performance-based and market performance-based restricted stock unit awards vest upon the achievement of the performance target, as well as completion of performance period.

The following table summarizes restricted stock unit grants by grantee type during the years ended December 31, 2018 , 2017 and 2016 :

Year Ended December 31	Grantee Type	Number of Restricted Stock Units Granted	Vesting Period		Grant Date Fair Value
2018	Director group	373,438	1-3 years	$	5,975,008
2018	Employee group	1,263,751	1-4 years	$	22,195,706
2017	Director group	18,348	2-3 years	$	198,892
2017	Employee group	141,288	5 years	$	1,897,498
2016	Director group	18,348	2-3 years	$	198,892

Of the restricted stock units granted for the year ended December 31, 2018 , (i) 331,250 were time-based restricted stock units with a three -year vesting period issued to non-employee trustees in connection with the IPO, (ii) 42,188 were time-based restricted stock units with a one -year vesting period issued to non-employee trustees as part of their annual compensation, (iii) 659,751 were time-based restricted stock units with various vesting periods ranging from one to four years issued to certain employees and (iv) 604,000 were market performance-based restricted stock units with a three -year vesting period issued to certain employees.

Of the restricted stock units granted for the year ended December 31, 2017, (i) 18,348 were time-based restricted stock units with a three -year vesting period issued to non-employee trustees as part of their annual compensation, (ii) 69,860 were time-based restricted stock units with a five -year vesting period issued to certain employees a (iii) 71,428 were performance-based restricted stock units with a five -year vesting period based upon achievement of annual Company EBITDA performance against target.

The restricted stock units granted for the year ended December 31, 2016 were time-based with a three -year vesting period, issued to non-employee trustees as part of their annual compensation.

The following table provides a summary of restricted stock awards activity under the 2010 and 2017 Plans as of December 31, 2018 :

	Year Ended December 31, 2018					
Restricted Stock	Number of Time-Based Restricted Stock Units	Aggregate Intrinsic Value (in millions)	Number of Performance-Based Restricted Stock Units	Aggregate Intrinsic Value (in millions)	Number of Market Performance-Based Restricted Stock Units	Aggregate Intrinsic Value (in millions)
Non-vested as of December 31, 2017	34,633	N/A	71,428	N/A	—	N/A
Granted	1,033,189		—		604,000	
Vested [(1)]	(19,566)		—		—	
Forfeited	(20,000)		—		(16,500)	
Non-vested as of December 31, 2018	1,028,256	$ 26.3	71,428	$ 1.8	587,500	$ 15.0

The weighted average grant-date fair value of restricted stock units granted during years 2018, 2017, and 2016 was $17.21 , $13.13 and $10.84 per unit, respectively. As of December 31, 2018 the weighted average grant date fair value of vested restricted stock units was $11.27 , for forfeited restricted stock units was $14.83 , and non-vested restricted stock units was $17.06 per unit.

(1) For certain vested restricted stock units, common shares shall not be issued until the first to occur of: (1) termination of service; (2) change in control; (3) death; or (4) disability, as defined in the 2010 Plan. For certain vested restricted stock units, common shares shall not be issued until the first to occur of: (1) change in control or (2) set cliff vesting dates, as defined in the 2010 Plan. Holders of these certain vested restricted stock units are entitled to receive dividends, but are not entitled to vote the shares until common shares are issued. The amount of vested restricted stock units was 613,605 as of December 31, 2018 and had a related aggregate intrinsic value of $15.7 million at $25.54 per unit.

Market Performance-Based Restricted Stock Units

Market performance-based restricted units, which were determined to contain a market condition, utilize absolute total shareholder return (TSR) over a three-year measurement period as the market performance metric. Awards will vest based on the Company's TSR relative to the percentage appreciation (rounded to the nearest tenth of a percent), in the value per share of stock during the performance period, over a three-year market performance period, commencing on January 18, 2018 and ending on December 31, 2020 (or, if earlier, ending on the date on which a change in control of the Company occurs), subject to continued services. In the event that the TSR upon completion of the market performance period is achieved at the "minimum," "target" or "maximum" level as set forth below, the awards will become vested as to the market condition with respect to the percentage RSUs, as applicable, set forth below:

Performance Level Thresholds	TSR	Market Performance Percentage
Minimum	8%	50% of Target Award
Target	10%	100% of Target Award
Maximum	12%	150% of Target Award

In the event TSR falls between 8% and 10% , TSR shall be determined using a straight line linear interpolation between 50% and 100% and in the event it falls between 10% and 12% , TSR shall be determined using a straight line linear interpolation between 100% and 150% .

In the event that the Company's TSR does not meet 50% of the Target Award (i.e., the minimum threshold listed above), the Restricted Stock Units shall be automatically forfeited and neither the Company nor any Subsidiary shall have any further obligations to the participant under the agreement. In no event will the number of RSUs that vest pursuant to the agreement exceed 150% of the Target Award.

The fair values of the awards were measured using a Monte Carlo simulation to estimate the probability of the market vesting condition being satisfied. The Company's achievement of the market vesting condition is contingent on its TSR over a three-year market performance period, relative to the total stock price. Monte Carlo simulation is well-accepted for pricing market based awards, where the number of shares that will vest depends on the future stock price movements. For each simulated path, the TSR is calculated at the end of the performance period and determines the vesting percentage based on achievement of the performance target. Upon achieving the minimum performance target, RSUs will vest on the date and their payout will be the stock price at the time of vesting multiplied by the vesting percentage, plus cumulative dividends paid; then discounted at the future payout of vested RSUs to the valuation date by the risk free rate. The fair value of the RSUs is the average discounted payout across all simulation paths. Assumptions used in the valuations are summarized as follows:

Award Date	Expected Stock Price Volatility	Risk-Free Interest Rate	Dividend Yield
2/26/2018	30%	2.35%	4.70%
4/2/2018	30%	2.34%	4.04%
7/1/2018	30%	2.58%	3.41%
10/1/2018	25%	2.85%	3.01%

Performance-Based Restricted Stock Units

The grant of performance-based restricted stock unit award in April 2017 resulted in a grant date fair value of $13.43 and was measured utilizing the Black-Scholes methodology. The Company's achievement of the performance vesting condition was contingent on the achievement of Core EBITDA. The key assumptions used in the valuation of the April 2017 award was as follows:

Award Date	Expected Stock Price Volatility	Risk-Free Interest Rate	Dividend Yield
4/10/2017	30%	1.63%	2%

Stock Options Activity

The Company did not grant any stock options during 2018 or 2017. The following table summarizes stock option grants under the 2010 Plan during the year ended December 31, 2016:

Year Ended December 31	Grantee Type	# of Options Granted	Vesting Period	Weighted-Average Exercise Price	Grant Date Fair Value
2016	Employee group	1,355,000	5 years	$9.81	$ 4,674,750

The Company's calculations of the fair value of stock options granted during the year ended December 31, 2016 were determined based on the Black-Scholes option-pricing model utilizing the following assumptions:

	2016
Weighted-average expected life	6.6 years
Risk-free interest rate	1.6%
Expected volatility	33%
Expected dividend yield	2.0%

The expected term is calculated using the assumption that the options will be exercised ratably from the date of vesting to the end of the contractual term for each vesting tranche of awards. Our history approximates the ratable exercise period. The risk-free interest rate is based on the U.S. Treasury yield curve for the period of the expected term of the stock option. Expected volatility is calculated using an index of publicly traded peer companies.

The following table provides a summary of option activity for the year ended December 31, 2018 :

	Number of Options	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Terms (Years)	Aggregate Intrinsic Value (in millions)
Outstanding as of December 31, 2017	5,477,617	$ 9.72	6.0	N/A
Granted	—	—		
Exercised	(2,993,709)	9.69		
Forfeited or expired	(128,121)	8.84		
Outstanding as of December 31, 2018	2,355,787	$ 9.81	5.4	$ 37.1
Exercisable as of December 31, 2018	1,167,789	$ 9.81	3.8	$ 18.4

The total fair value at grant date of stock option awards that vested during the years ended December 31, 2018 , 2017 and 2016 was approximately $1.5 million , $1.6 million and $1.3 million , respectively. The total intrinsic value of options exercised for the year ended December 31, 2018, was $38.8 million . There were no options exercised during the years ended December 31, 2017 and 2016.

18 . Income Taxes

As discussed in Note 2 , the Company operates in compliance with REIT requirements for federal income tax purposes. As a REIT, the Company must distribute at least 90 percent of its taxable income (including dividends paid to it by its TRSs). In addition, the Company must meet a number of other organizational and operational requirements. It is management's intention to adhere to these requirements and maintain the Company's REIT status. Most states where we operate conform to the federal rules recognizing REITs. As of December 31, 2018, the operating partnership is a disregarded entity for federal income tax purposes. In the future, if the Company issues partnership units to unrelated third parties, the operating partnership will become a regarded partnership under federal tax law. As such, no provision for federal income taxes has been included in the operating partnership's accompanying consolidated financial statements. Certain subsidiaries have made an election with the Company to be treated as TRSs in conjunction with the Company's REIT election; the TRS elections permit us to engage in certain business activities in which the REIT may not engage directly. A TRS is subject to federal and state income taxes on the income from these activities. A provision for taxes of the TRSs and of foreign branches of the REIT is included in our consolidated financial statements.

On December 22, 2017, the U.S. government enacted comprehensive tax legislation in the form of the Tax Cuts and Jobs Act (TCJA) that significantly revises the U.S. tax code effective January 1, 2018 by, among other things, lowering the corporate income tax rate from a top marginal rate of 35% to a flat 21%, imposing a mandatory one-time deemed repatriation of unremitted foreign earnings (commonly referred to as the "transition tax"), limiting deductibility of interest expense and certain executive compensation, and implementing a territorial tax system. The full impact of this change in tax law is final and the Company has completed its accounting for the tax effects of the TCJA as of December 31, 2018. As a result of adopting the TCJA, a $3.8 million tax benefit was recognized during the year.

The Company determined that no inclusion was required for the mandatory one-time deemed repatriation of unremitted foreign earnings (commonly referred to as the "transition tax"); the reduction was due to a refinement of the calculation of its share of earnings and profits of non-consolidated foreign subsidiaries at the TRS. Most foreign subsidiaries are owned by the REIT which does not record deferred taxes.

The Company continues to assert that the undistributed earnings of its Hong Kong and Argentine subsidiaries are permanently reinvested. The Company changed its assertion for the earnings of its Canadian subsidiaries in 2018, due to the Company's plans to remit cash in the future, and recognized an amount of deferred tax liability related to the outside basis difference of $0.4 million . No additional income taxes have been provided for any additional outside basis difference inherent in these entities, as these amounts continue to be indefinitely reinvested in foreign operations. Determining the amount of unrecognized deferred tax liability for any additional outside basis difference in these entities is not practicable due to the complexities of the hypothetical calculation in determining outside basis. Undistributed earnings of the Argentine subsidiary amounted to approximately $13.6 million at December 31, 2018.

The global intangible low-taxed income (GILTI) provisions of the TCJA impose a tax on the income of certain foreign subsidiaries in excess of a specified return on tangible assets used by the foreign companies. FASB Staff Q&A, Topic 740, No. 5, Accounting for Global Intangible Low-Taxed Income, states that an entity can make an accounting policy election to either recognize deferred taxes for temporary basis differences expected to reverse as GILTI in future years or provide for the tax expense related to GILTI in the year the tax is incurred. The Company accounts for the GILTI as a period cost and thus has not recorded any deferred tax liability associated with GILTI. The amount of taxable deemed dividend recorded for the Company for the 2018 year is $0.2 million . Also, as a result of IRS guidance issued during the third quarter of 2018, the Company now includes any GILTI as REIT qualified income.

Following is a summary of the income/(loss) before income taxes in the U.S. and foreign operations:

	2018	2017	2016
		(In thousands)	
U.S.	$ 37,060	$ (11,212)	$ (9,626)
Foreign	7,306	19,997	20,437
Pre-tax income	$ 44,366	$ 8,785	$ 10,811

The benefit (expense) for income taxes for the years ended December 31, 2018 , 2017 and 2016 is as follows:

	2018	2017	2016
		(In thousands)	
Current			
U.S. federal	$ 4,424	$ (4,848)	$ 430
State	(353)	(644)	381
Foreign	(3,604)	(7,559)	(7,276)
Total current portion	467	(13,051)	(6,465)
Deferred			
U.S. federal	2,094	2,277	(797)
State	494	(72)	(64)
Foreign	564	1,453	1,447
Total deferred portion	3,152	3,658	586
Income tax benefit (expense)	$ 3,619	$ (9,393)	$ (5,879)

Income tax benefit (expense) attributable to income (loss) before income taxes differs from the amounts computed by applying the U.S. statutory federal income tax rate of 21% to income (loss) before income taxes. The reconciliation between the statutory rate and reported amount is as follows:

	2018	2017	2016
		(In thousands)	
Income taxes at statutory rates	$ (9,317)	$ (2,987)	$ (3,676)
Earnings from REIT - not subject to tax	9,015	(425)	(672)
State income taxes, net of federal income tax benefit	(187)	(445)	615
Provision to return	360	(205)	(416)
Rate and permanent differences on non-U.S. earnings	(1,228)	668	1,739
Valuation allowance	(2,227)	2,950	(1,542)
Non-deductible expenses	4,021	(2,345)	(873)
Change in uncertain tax positions	347	94	564
Amended returns/refunds	—	—	360
Effect of Tax Cuts and Jobs Act	3,797	(3,113)	—
Quarry tax basis in land	—	—	(3,025)
Investment in foreign subsidiary	—	—	616
REIT excise tax	—	(4,772)	—
Other	(962)	1,187	431
Total	$ 3,619	$ (9,393)	$ (5,879)

The tax effects of temporary differences that give rise to deferred tax assets and deferred tax liabilities as of December 31, 2018 and 2017 are as follows:

	2018	2017
	(In thousands)	
Deferred tax assets:		
Net operating loss and credits carryforwards	$ 14,062	$ 6,592
Accrued expenses	25,889	26,263
Stock-based compensation	4,709	3,511
Other assets	241	356
Total gross deferred tax assets	44,901	36,722
Less: valuation allowance	(19,627)	(15,910)
Total net deferred tax assets	25,274	20,812
Deferred tax liabilities:		
Intangible assets and goodwill	(5,628)	(5,197)
Property, plant, and equipment	(35,672)	(34,758)
Other liabilities	(1,144)	(1,495)
Total gross deferred tax liabilities	(42,444)	(41,450)
Net deferred tax liability	$ (17,170)	$ (20,638)

As of December 31, 2018 , the Company has gross U.S. federal net operating loss carryforwards of approximately $41.2 million , of which $20.4 million was generated prior to 2018 and will expire between 2032 and 2036 . These losses may be subject to annual limitation under IRC section 382 as a result of our IPO. The remaining $20.8 million was generated after 2017 and is subject to new laws as set forth by the TCJA and has no expiration date, but can only be utilized to offset up to 80% of future taxable income annually. The Company has state net operating loss carryforwards of approximately $18.6 million from its TRSs, which will expire at various times between 2019 and 2037 . The Company has an Alternative Minimum Tax credit carryforward in the amount of $3.8 million that can be used to offset regular tax until 2021 or any unused credit will be refunded beginning in 2018 and fully refunded by 2021 . The Company has recorded a refund receivable for the $3.8 million . Additionally, the Company has a federal Research and Experimentation Credit of approximately $0.7 million that will expire between 2036 and 2038 .

The Company established a valuation allowance against the net deferred tax assets exclusive of a portion of indefinite-lived intangibles for one of its U.S. TRSs in 2014. In assessing the need for measuring and recording a valuation allowance existence or adjustment, the Company considers recent operating results, the expected scheduled reversal of deferred tax liabilities, projected future taxable benefits and tax planning strategies. As a result of this assessment, the Company increased the valuation allowance from $15.9 million in 2017 to $19.6 million in 2018.

The following table summarizes the activity related to our gross unrecognized tax benefits for the years ended December 31, 2018 , 2017 and 2016 :

	Tax	Interest	Penalties	Total
	(In thousands)			
Balance at December 31, 2015*	$ 1,514	$ 104	$ 27	$ 1,645
Increases related to current-year tax positions	—	21	—	21
Decreases due to lapse in statute of limitations	(657)	(106)	(19)	(782)
Balance at December 31, 2016*	857	19	8	884
Increases related to current-year tax positions	—	3	—	3
Decreases related to prior-year tax positions	—	(4)	(8)	(12)
Decreases due to lapse in statute of limitations	(73)	(12)	—	(85)
Balance at December 31, 2017*	784	6	—	790
Decreases due to lapse in statute of limitations	(353)	(6)	—	(359)
Balance at December 31, 2018*	$ 431	$ 0	$ —	$ 431

*Balance would favorably affect the Company's effective tax rate if recognized.

The Company's unrecognized tax benefits include exposures related to positions taken on U.S. federal, state, and foreign income tax returns as of December 31, 2018. There are no material unrecognized tax benefits related to positions taken in and after 2014. The Company believes that it is reasonably possible that approximately $0.4 million of its unrecognized tax benefits related U.S. federal and state exposures may be reduced by the end of 2019 as a result of a lapse of the statute of limitations and settlements with tax authorities.

In the normal course of business, the Company's tax returns are subject to examination by various taxing authorities. Such examinations may result in future tax and interest assessments by these taxing authorities and the Company has accrued a liability when it believes it is more likely than not that the tax position claimed on tax returns will not be sustained by the taxing authorities on the technical merits of the position. Changes in the recognition of the liability are reflected in the period in which the change in judgment occurs.

The Company accrues interest and penalties related to unrecognized tax benefits as a component of income tax expense.

Differences between the estimated and actual amounts determined upon ultimate resolution, individually or in the aggregate, are not expected to have a material adverse effect on the Company's consolidated financial position, but could possibly be material to the Company's consolidated results of operations or cash flow in a given quarter or annual period.

As of December 31, 2018, the Company is generally no longer subject to U.S. federal, state, local, or foreign examinations by tax authorities for years before 2015. However, for U.S. income tax purposes, the 2009 tax year was open as of December 31, 2018, to the extent that net operating losses were generated in those years that continue to be subject to adjustments from taxing authorities.

In the fourth quarter of 2016, the Company filed a ruling request with the IRS for confirmation of a tax position for which it believes qualifies (more likely than not) for the treatment historically applied by the Company. The Company settled the positions with the IRS in December 2017 and was required to make an excise tax payment in the amount of $4.3 million including interest to resolve the matter for years prior to 2017 and paid $0.6 million in 2018 to resolve the matter for 2017. The payments, excluding interest, are included in Current income tax benefit (expense) in the consolidated statement of operations for the year ended December 31, 2017.

19 . Employee Benefit Plans

Defined Benefit Pension and Post-Retirement Plans

The Company has defined benefit pension plans that cover certain union and nonunion employees in the U.S. Benefits under these plans are based either on years of credited service and compensation during the years preceding retirement or on years of credited service and established monthly benefit levels. The Company also has a post-retirement plan that provides life insurance coverage to eligible retired employees (collectively, with the defined benefit plans, the U.S. Plans). The Company froze benefit accruals for the U.S. Plans for nonunion employees effective April 1, 2005, and these employees no longer earn additional pension benefits. The Company also has a defined benefit plan that covers certain employees in Australia and is referenced as superannuation (the Offshore Plan). The Company uses a December 31 measurement date for the U.S. Plans and the Offshore Plan.

Actuarial information regarding these plans is as follows:

	December 31, 2018				
	Retirement Income Plan	National Service-Related Pension Plan	Other Post-Retirement Benefits	Superannuation	Total
Change in benefit obligation:	(In thousands)				
Benefit obligation – January 1, 2018	$ (45,386)	$ (33,405)	$ (691)	$ (3,002)	$ (82,484)
Service cost	(31)	(78)	—	(137)	(246)
Interest cost	(1,418)	(1,199)	(20)	(104)	(2,741)
Actuarial gain	753	3,125	33	179	4,090
Benefits paid	2,718	930	—	1,391	5,039
Other - plan change	—	—	—	—	—
Plan participants' contributions	—	—	—	(21)	(21)
Foreign currency translation loss	—	—	—	309	309
Benefit obligation – end of year	(43,364)	(30,627)	(678)	(1,385)	(76,054)
Change in plan assets:					
Fair value of plan assets – January 1, 2018	38,218	24,518	—	2,992	65,728
Actual return on plan assets	(2,042)	(1,446)	—	50	(3,438)
Employer contributions	1,499	1,135	—	125	2,759
Benefits paid	(2,717)	(930)	—	(1,391)	(5,038)
Other - plan change	—	—	—	—	—
Plan participants' contributions	—	—	—	21	21
Foreign currency translation loss	—	—	—	(295)	(295)
Fair value of plan assets – end of year	34,958	23,277	—	1,502	59,737
Funded status	$ (8,406)	$ (7,350)	$ (678)	$ 117	$ (16,317)
Amounts recognized on the consolidated balance sheet as of December 31, 2018:					

Pension and post-retirement liability	$ (8,406)	$ (7,350)	$ (678)	$ 117	$ (16,317)
Accumulated other comprehensive loss (income)	9,718	4,278	(92)	170	14,074
Amounts in accumulated other comprehensive loss consist of:					
Net loss (gain)	9,718	4,278	(92)	65	13,969
Prior service cost	—	—	—	105	105
Other changes in plan assets and benefit obligations recognized in other comprehensive income (loss):					
Net loss (gain)	3,337	(311)	(34)	(66)	2,926
Amortization of net loss (gain)	(1,244)	(715)	—	—	(1,959)
Amortization of prior service cost	—	—	—	(28)	(28)
Amount recognized due to special event	—	—	—	(64)	(64)
Foreign currency translation loss	—	—	—	26	26
Total recognized in other comprehensive loss (income)	$ 2,093	$ (1,026)	$ (34)	$ (132)	$ 901
Information for plans with accumulated benefit obligation in excess of plan assets:					
Projected benefit obligation	$ 43,364	$ 30,627	$ 678	$ 1,385	$ 76,054
Accumulated benefit obligation	$ 43,364	$ 30,627	$ 678	$ 1,186	$ 75,855
Fair value of plan assets	$ 34,958	$ 23,277	$ —	$ 1,502	$ 59,737

	December 31, 2017				
	Retirement Income Plan	National Service-Related Pension Plan	Other Post-Retirement Benefits	Superannuation	Total
Change in benefit obligation:	(In thousands)				
Benefit obligation – January 1, 2017	$ (45,249)	$ (30,801)	$ (703)	$ (2,769)	$ (79,522)
Service cost	(65)	(504)	—	(153)	(722)
Interest cost	(1,583)	(1,256)	(22)	(120)	(2,981)
Actuarial loss	(1,070)	(1,734)	(14)	(142)	(2,960)
Benefits paid	2,581	890	—	632	4,103
Other - plan change	—	—	48	(181)	(133)
Plan participants' contributions	—	—	—	(43)	(43)
Foreign currency translation gain	—	—	—	(226)	(226)
Benefit obligation – end of year	(45,386)	(33,405)	(691)	(3,002)	(82,484)
Change in plan assets:					
Fair value of plan assets – January 1, 2017	33,962	21,044	—	2,717	57,723
Actual return on plan assets	5,344	3,308	—	262	8,914
Employer contributions	1,493	1,056	48	379	2,976
Benefits paid	(2,581)	(890)	—	(632)	(4,103)
Other - plan change	—	—	(48)	0	(48)
Plan participants' contributions	—	—	—	43	43
Foreign currency translation gain	—	—	—	223	223
Fair value of plan assets – end of year	38,218	24,518	—	2,992	65,728
Funded status	$ (7,168)	$ (8,887)	$ (691)	$ (10)	$ (16,756)
Amounts recognized on the consolidated balance sheet as of December 31, 2017:					
Pension and post-retirement liability					

	$ (7,168)	$ (8,887)	$ (691)	$ (10)	$ (16,756)
Accumulated other comprehensive loss (income)	7,625	5,303	(58)	238	13,108
Amounts in accumulated other comprehensive loss consist of:					
Net loss (gain)	7,625	5,303	(58)	53	12,923
Prior service cost	—	—	—	184	184
Other changes in plan assets and benefit obligations recognized in other comprehensive income (loss):					
Net loss	(2,518)	(398)	14	2	(2,900)
Amortization of net loss (gain)	(1,889)	(814)	1	—	(2,702)
Amortization of prior service cost	—	(212)	—	(9)	(221)
Amount recognized due to special event	—	—	4	116	120
Foreign currency translation loss	—	—	—	(51)	(51)
Total recognized in other comprehensive loss (income)	$ (4,407)	$ (1,424)	$ 19	$ 58	$ (5,754)
Information for plans with accumulated benefit obligation in excess of plan assets:					
Projected benefit obligation	$ 45,386	$ 33,405	$ 691	$ 3,002	$ 82,484
Accumulated benefit obligation	$ 45,361	$ 33,406	$ 691	$ 2,100	$ 81,558
Fair value of plan assets	$ 38,218	$ 24,518	$ —	$ 2,992	$ 65,728

The components of net period benefit cost for the years ended December 31, 2018 , 2017 and 2016 are as follows:

	December 31, 2018				
	Retirement Income Plan	National Service-Related Pension Plan	Other Post-Retirement Benefits	Superannuation	Total
	(In thousands)				
Components of net periodic benefit cost:					
Service cost	$ 31	$ 78	$ —	$ 137	$ 246
Interest cost	1,418	1,199	20	104	2,741
Expected return on plan assets	(2,047)	(1,369)	—	(172)	(3,588)
Amortization of net loss	1,244	715	—	—	1,959
Amortization of prior service cost	—	—	—	30	30
Effect of settlement	—	—	—	68	68
Net pension benefit cost	$ 646	$ 623	$ 20	$ 167	$ 1,456

	December 31, 2017				
	Retirement Income Plan	National Service-Related Pension Plan	Other Post-Retirement Benefits	Superannuation	Total
	(In thousands)				
Components of net periodic benefit cost:					
Service cost	$ 65	$ 504	$ —	$ 153	$ 722
Interest cost	1,583	1,256	22	120	2,981
Expected return on plan assets	(1,757)	(1,175)	—	(174)	(3,106)
Amortization of net loss (gain)	1,889	815	(1)	—	2,703
Amortization of prior service cost	—	212	—	9	221
Effect of settlement	—	—	(4)	67	63
Net pension benefit cost	$ 1,780	$ 1,612	$ 17	$ 175	$ 3,584

	December 31, 2016				
	Retirement Income Plan	National Service-Related Pension Plan	Other Post-Retirement Benefits	Superannuation	Total
	(In thousands)				
Components of net periodic benefit cost:					
Service cost	$ 108	$ 516	$ —	$ 131	$ 755
Interest cost	1,767	1,288	25	104	3,184
Expected return on plan assets	(2,072)	(1,244)	—	(163)	(3,479)
Amortization of net loss (gain)	2,125	745	(3)	—	2,867
Amortization of prior service cost	—	212	—	—	212
Effect of settlement	737	—	(11)	—	726
Net pension benefit cost	$ 2,665	$ 1,517	$ 11	$ 72	$ 4,265

The Company recognizes all changes in the fair value of plan assets and net actuarial gains or losses at December 31 each year. Prior service costs and gains/losses are amortized based on a straight-line method over the average future service of members that are expected to receive benefits.

All actuarial gains/losses are exposed to amortization over an average future service period of 6.4 years for the Retirement Income Plan, 7.6 years for the National Service-Related Pension Plan, 5.7 years for Other Post-Retirement Benefits, and 7.4 years for Superannuation as of December 31, 2018 .

The weighted average assumptions used to determine benefit obligations and net period benefit costs for the years ended December 31, 2018 , 2017 and 2016 are as follows:

	December 31, 2018			
	Retirement Income Plan	**National Service-Related Pension Plan**	**Other Post-Retirement Benefits**	**Superan-nuation**
Weighted-average assumptions used to determine obligations (balance sheet):				
Discount rate	3.95 %	4.15 %	3.70 %	3.70 %
Rate of compensation increase	3.50 %	N/A	N/A	3.25 %
Weighted-average assumptions used to determine net periodic benefit cost (statement of operations):				
Discount rate	3.35 %	3.65 %	3.10 %	3.70 %
Expected return on plan assets	7.00 %	7.00 %	N/A	6.00 %
Rate of compensation increase	3.50 %	N/A	N/A	4.00 %

	December 31, 2017			
	Retirement Income Plan	**National Service-Related Pension Plan**	**Other Post-Retirement Benefits**	**Superan-nuation**
Weighted-average assumptions used to determine obligations (balance sheet):				
Discount rate	3.35 %	3.65 %	3.10 %	3.70 %
Rate of compensation increase	3.50 %	N/A	N/A	4.00 %
Weighted-average assumptions used to determine net periodic benefit cost (statement of operations):				
Discount rate	3.75 %	4.15 %	3.40 %	4.20 %
Expected return on plan assets	7.00 %	7.00 %	N/A	6.00 %
Rate of compensation increase	3.50 %	N/A	N/A	4.00 %

	December 31, 2016			
	Retirement Income Plan	National Service-Related Pension Plan	Other Post-Retirement Benefits	Superannuation
Weighted-average assumptions used to determine obligations (balance sheet):				
Discount rate	3.75 %	4.15 %	3.40 %	4.20 %
Rate of compensation increase	3.50 %	N/A	N/A	4.00 %
Weighted-average assumptions used to determine net periodic benefit cost (statement of operations):				
Discount rate	4.00 %	4.50 %	3.50 %	3.90 %
Expected return on plan assets	7.50 %	7.50 %	N/A	6.50 %
Rate of compensation increase	3.50 %	N/A	N/A	4.00 %

The estimated net loss for the defined benefit plans in the U.S. that will be amortized from accumulated other comprehensive loss into net periodic benefit cost during 2019 is $2.1 million . There is no estimated prior service cost associated with this plan to be amortized from accumulated other comprehensive income during 2019.

The estimated net gain for the other post-retirement benefit plan in the U.S. that will be amortized from accumulated other comprehensive income into net periodic benefit cost during 2019 is nominal. There is no estimated prior service cost associated with this plan to be amortized from accumulated other comprehensive income during 2019.

There is no estimated net gain for the Offshore Plan that will be amortized from accumulated other comprehensive income into net periodic benefit cost during 2019. The estimated prior service cost associated with this plan to be amortized from accumulated other comprehensive income during 2019 is nominal.

The Company determines the expected return on plan assets based on their market value as of December 31 of each year, as adjusted for a) expected employer contributions, b) expected benefit distributions, and c) estimated administrative expenses.

Plan Assets

The Company’s overall investment strategy is to achieve a mix of investments for long-term growth and near-term benefit payments. The Company invests in both U.S. and non-U.S. equity securities, fixed-income securities, and real estate.

The allocations of the U.S. Plans’ and the Offshore Plan’s investments by fair value as of December 31, 2018 and 2017 are as follows:

	U.S. Plans			Offshore Plan		
	Actual			Actual		
	2018	2017	Target Allocation	2018	2017	Target Allocation
U.S. equities	35%	35%	25–55%	16%	16%	14%
Non-U.S. equities	25%	25%	15–45%	46%	42%	41%
Fixed-income securities	35%	35%	15–40%	9%	16%	17%
Real estate	5%	5%	0–5%	8%	7%	7%
Cash and other	—	—	–	21%	19%	21%

To develop the assumption for the long-term rate of return on assets, the Company considered the historical returns and the future expectations for returns for each asset class, as well as the target asset allocation of the U.S. Plans' and Offshore Plan's assets and the effect of periodic rebalancing, consistent with the Company's investment strategies. For 2019, the Company expects to receive a long-term rate of return of 6.5% for the U.S. Plans and 5.0% for the Offshore Plan. All plans are invested to maximize the return on assets while minimizing risk by diversifying across a broad range of asset classes.

The fair values of the Company's pension plan assets as of December 31, 2018 , by category, are as follow:

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2018
	(In thousands)			
U.S. equities:				
Large cap (1)	$ —	$ 15,141	$ —	$ 15,141
Medium cap (1)	—	2,912	—	2,912
Small cap (1)	1,165	1,165	—	2,330
Non-U.S. equities:				
Large cap (2)	11,065	—	—	11,065
Emerging markets (3)	3,494	—	—	3,494
Fixed-income securities:				
Money markets (4)	—	2,912	—	2,912
U.S. bonds (5)	8,735	2,912	—	11,647
Non-U.S. bonds (5)	5,822	—	—	5,822
Real estate (6)	—	2,912	—	2,912
Common/collective trusts	—	1,502	—	1,502
Total assets	$ 30,281	$ 29,456	$ —	$ 59,737

The fair values of the Company's pension plan assets as of December 31, 2017 , by category, are as follows:

Assets	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of December 31, 2017
	(In thousands)			
U.S. equities:				
Large cap (1)	$ —	$ 16,313	$ —	$ 16,313
Medium cap (1)	—	3,137	—	3,137
Small cap (1)	1,255	1,255	—	2,510
Non-U.S. equities:				
Large cap (2)	11,922	—	—	11,922
Emerging markets (3)	3,765	—	—	3,765
Fixed-income securities:				
Money markets (4)	—	3,133	—	3,133
U.S. bonds (5)	9,411	3,137	—	12,548
Non-U.S. bonds (5)	6,273	—	—	6,273
Real estate (6)	—	3,137	—	3,137
Common/collective trusts	—	2,990	—	2,990
Total assets	$ 32,626	$ 33,102	$ —	$ 65,728

(1) Includes funds that primarily invest in U.S. common stock.
(2) Includes funds that invest primarily in foreign equity and equity-related securities.
(3) Includes funds that invest primarily in equity securities of companies in emerging market countries.
(4) Includes funds that invest primarily in short-term securities, such as commercial paper.
(5) Includes funds either publicly traded (Level 1) or within a separate account (Level 2) held by a regulated investment company. These funds hold primarily debt and fixed-income securities.
(6) Includes funds in a separate account held by a regulated investment company that invest primarily in commercial real estate and includes mortgage loans which are backed by the associated properties. The Company can call the investment in these assets with no restrictions.

The U.S. Plans' assets are in commingled funds that are valued using net asset values. The net asset values are based on the value of the underlying assets owned by the fund, minus its liabilities, and then divided by the number of shares outstanding. The pension assets are classified as Level 1 when the net asset values are based on a quoted price in an active market. The U.S. Plans' assets are classified as Level 2 when the net asset value is based on a quoted price on a private market that is not active and the underlying investments are traded on an active market.

The Offshore Plans are common/collective trusts and commingled trusts investments, which invest in other collective trust funds otherwise known as the underlying funds. The Company's interests in the commingled trust funds are based on the fair values of the investments of the underlying funds and therefore are classified as Level 2.

As of December 31, 2018 and 2017 , the Company does not have any investments classified as Level 3.

Cash Flow

The Company expects to contribute $2.5 million to all plans in 2019.

Estimated Future Benefit Payments

The following benefit payments, which reflect expected future services, as appropriate, are expected to be paid for all plans as of December 31, 2018 :

Years Ending December 31:		(In thousands)
2019	$	7,636
2020		5,005
2021		5,001
2022		4,953
2023		4,801
Thereafter		23,374
	$	50,770

Multi-Employer Plans

The Company contributes to a number of multi-employer benefit plans under the terms of collective bargaining agreements that cover union-represented employees. These plans generally provide for retirement, death, and/or termination benefits for eligible employees within the applicable collective bargaining units, based on specific eligibility/participation requirements, vesting periods, and benefit formulas. The risks of participating in these multi-employer plans are different from single-employer plans in the following aspects:

- Assets contributed to the multi-employer plan by one employer may be used to provide benefits to employees of other current or former participating employers.
- If a participating employer stops contributing to the multi-employer plan without paying its unfunded liability, the unfunded obligations of the plan may be borne by the remaining participating employers.
- If the Company chooses to cease participation in a multi-employer plan, such full withdrawal is subject to the payment of any unfunded liability applicable to the Company, referred to as a withdrawal liability. Additionally, such withdrawal is subject to collective bargaining.

The table below outlines the Company’s participation in multi-employer pension plans for the periods ended December 31, 2018 , 2017 and 2016 , and sets forth the contributions into each plan. The “EIN/Pension Plan Number” column provides the Employer Identification Number (EIN) and the three-digit plan number. The most recent Pension Protection Act zone status available in 2017 and 2016 relates to the plans’ two most recent fiscal year-ends. The zone status is based on information that we received from the plans’ administrators and is certified by each plan’s actuary. Among other factors, plans certified in the red zone are generally less than 65% funded, plans certified in the orange zone are (i) less than 80% funded and (ii) have an accumulated funding deficiency or are expected to have a deficiency in any of the next six plan years, plans certified in the yellow zone are less than 80% funded, and plans certified in the green zone are at least 80% funded. The “FIP/RP Status Pending/Implemented” column indicates whether a financial improvement plan (FIP) for yellow/orange zone plans, or a rehabilitation plan (RP) for red zone plans, is either pending or has been implemented. As of December 31, 2018 , all plans that have either a FIP or RP requirement have had the respective FIP or RP implemented (see table below).

The Company's collective-bargained contributions satisfy the requirements of all implemented FIPs and RPs and do not currently require the payment of any surcharges. In addition, minimum contributions outside the agreed-upon contractual rate are not required. For the plans detailed in the following table, the expiration dates of the associated collective bargaining agreements range from February 13, 2019 to June 30, 2026. For all the plans detailed in the following table, the Company has not contributed more than 5% of the total plan contribution for 2018 , 2017 and 2016 .

The Company contributes to multi-employer plans that cover approximately 60% of union employees. The amounts charged to expense on the accompanying consolidated statements of operations for the years ended December 31, 2018 , 2017 and 2016 were $17.4 million , $17.0 million and $16.6 million , respectively. Projected minimum contributions required for the upcoming fiscal year are approximately $17.1 million .

During the third quarter of 2017, the Company recorded a charge of $9.2 million representing the present value of a liability associated with its withdrawal obligation under the New England Teamsters & Trucking Industry Multi-Employer Pension Fund (the Fund) for hourly, unionized associates at four of its domestic warehouse facilities. The Fund is grossly underfunded in accordance with Employee Retirement Income Security Act of 1974 (ERISA) funding standards and, therefore, ERISA required the Fund to develop a Rehabilitation Plan. The Fund Trustees chose to create a new fund that minimizes the pension withdrawal liability. As a result, current employers participating in the Fund were given the opportunity to exit the Fund and convert to a new fund. The Company's portion of the unfunded liability, estimated at $13.7 million , will be repaid in equal monthly installments of approximately $0.04 million over 30 years, interest free. Under the relevant U.S. GAAP standard, a participating employer withdrawing from a multi-employer plan should account for a loss contingency equal to the present value of the withdrawal liability, and amortize difference between such present value and the estimated unfunded liability through interest expense over the repayment period.

Pension Fund	EIN/Pension Plan Number	Pension Protection Act Zone Status		FIP/RP Status Pending/ Implemented	Americold Contributions			Surcharge Imposed
		2018	2017		2018	2017	2016	
					(In thousands)			
Central Pension Fund of the International Union of Operating Engineers and Participating Employers [2]	36-6052390	Green	Green	No	$ 6	$ 3	$ 2	No
Central States SE & SW Areas Health and Welfare Pension Plans [1]	36-6044243	Red	Red	Yes/Implemented	8,424	8,427	8,608	No
New England Teamsters & Trucking Industry Pension Plan [3]	04-6372430	Red	Red	Yes/Implemented	456	566	641	No
Alternative New England Teamsters & Trucking Industry Pension Plan	04-6372430	Green	Green	No	493	98	—	No
I.U.O.E Stationary Engineers Local 39 Pension Fund [1]	94-6118939	Green	Green	No	160	197	151	No
United Food & Commercial Workers International Union-Industry Pension Fund [4]	51-6055922	Green	Green	No	90	87	83	No
Western Conference of Teamsters Pension Fund [1]	91-6145047	Green	Green	No	7,632	7,265	6,809	No
Minneapolis Food Distributing Industry Pension Plan [1]	41-6047047	Green	Green	Yes/Implemented	180	326	337	No
				Total Contributions	$ 17,441	$ 16,969	$ 16,631	

(1) The status information is for the plans' year end at December 31, 2018 and 2017.
(2) The status information is for the plans' year end at January 31, 2018 and 2017.
(3) The status information is for the plans' year end at September 30, 2018 and 2017. The Company withdrew from the multi-employer plan on October, 31, 2017.
(4) The status information is for the plans' year end at June 30, 2018 and 2017.

Government-Sponsored Plans

The Company contributes to certain government-sponsored plans in Australia and Argentina. The amounts charged to expense on the accompanying consolidated statements of operations and for the years ended December 31, 2018 , 2017 and 2016 were $5.7 million , $5.4 million and $4.8 million , respectively.

Defined Contribution Plan

The Company has defined contribution employee benefit plans, which cover all eligible employees. The plans also allow contributions by plan participants in accordance with Section 401(k) of the IRC. The Company matches a percentage of each employee's contributions consistent with the provisions of the plans. The aggregate cost of our contributions to the 401(k) Plan charged to expense on the accompanying consolidated statements of operations for each of the years ended December 31, 2018 , 2017 and 2016 was $3.9 million , $3.6 million and $3.6 million , respectively.

Deferred Compensation

The Company has deferred compensation and supplemental retirement plan agreements with certain of its executives. The agreements provide for certain benefits at retirement or disability and also provide for survivor benefits in the event of death of the employee. The Company contribution amounts charged to expense relative to this plan were nominal for the years ended December 31, 2018 , 2017 and 2016 .

20 . Commitments and Contingencies

Letters of Credit

As of December 31, 2018 and 2017 , there were $29.6 million and $33.8 million , respectively, of outstanding letters of credit issued on the Company's 2018 Senior Unsecured Revolving Line of Credit.

Bonds

The Company had outstanding surety bonds of $2.7 million as of December 31, 2018 and 2017 . These bonds were issued primarily in connection with insurance requirements, special real estate assessments and construction obligations.

Construction Commitments

As of December 31, 2018 , the Company had the following construction commitments related to its expansion of existing warehouse facilities:

Commitment start period	Committed construction cost (in thousands)	Construction completion period
Q1 2018	19,754	Q1 2019
Total construction commitments	$ 19,754	

Additionally, on November 8, 2018, the Company entered into an agreement whereby an affiliate of the Company would purchase land for approximately $46.6 million (approximately AUD $64.5 million) and upon which the Company intends to build a state-of-the-art automated facility for a customer. The customer has agreed to acquire the land at the amount the Company paid if construction of the facility is not substantially commenced within certain parameters.

Collective Bargaining Agreements

As of December 31, 2018 , worldwide we employed approximately 11,000 people. Currently, 56% of the Company's labor force is covered by collective bargaining agreements, and 84 of our 155 warehouses have unionized associates that are governed by 69 different collective bargaining agreements. We are currently in negotiations for 5 new agreements which will bring our total to 74 agreements. During 2019, the Company will be renegotiating 12 collective bargaining agreements, covering all or parts of 29 operating warehouses worldwide. The Company does not anticipate any workplace disruptions during this renegotiation process.

Legal Proceedings

In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company and its legal counsel evaluate the merits of any legal proceedings or unasserted claims, as well as the perceived merits of the amount of relief sought or expected to be sought. If the assessment of a contingency suggests that a loss is probable, and the amount can be reasonably estimated, then a loss is recorded.

In addition to the matters discussed below, the Company may be subject to litigation and claims arising from the ordinary course of business. In the opinion of management, after consultation with legal counsel, the outcome of such matters is not expected to have a material impact on the Company’s financial condition, results of operations, or cash flows.

Kansas Breach of Settlement Agreement Litigation

This case was served against the Company in Wyandotte County, Kansas, on January 17, 2013, alleging breach of a 1994 Settlement Agreement reached with customers of our predecessor company, Americold Corporation. The plaintiffs originally brought claims in 1992 arising from a fire the previous year in an underground warehouse facility.

In 1994, a settlement was reached whereby Americold Corporation agreed to the entry of a $58.7 million judgment against it and assigned its rights to proceed against its insurer to satisfy the judgment. The settlement agreement contained a standard “cooperation provision” where Americold Corporation agreed to execute any additional documents necessary to fulfill the intent of the settlement agreement. The plaintiffs then sued Americold Corporation’s insurance company to recover on the consent judgments. The case was ultimately dismissed in 2012, and the Kansas Supreme Court ruled that the 1994 consent judgment had expired and were unrevivable as a matter of law.

On September 24, 2012, the plaintiffs filed a separate claim in the district court of Wyandotte County, Kansas, alleging that the Company and one of its subsidiaries, Americold Logistics, LLC, as successors to Americold Corporation, are liable for the full amount of the judgment, based upon the allegation that the Company failed to execute a document or take action to keep the judgment alive and viable.

On February 7, 2013, the Company removed the case to the U.S. federal court and ultimately filed a motion for summary judgment, which the plaintiffs vigorously opposed. On October 4, 2013, the court granted the Company's motion and dismissed the case in full. Only one plaintiff appealed the dismissal to the U.S. Court of Appeals where oral argument was heard in November 2014 before the Tenth Circuit in Denver. The Court of Appeals ordered that the case be remanded to the Kansas State Court and the judgment in favor of Americold be vacated, finding U.S. federal diversity jurisdiction did not exist over the Company. The Company petitioned the U.S. Supreme Court for certiorari and oral argument that occurred on January 19, 2016.

On March 7, 2016, the United States Supreme Court handed down a decision in the Kansas Breach of Settlement Agreement Litigation case. The decision was contrary to the position that the Company argued. Following the decision, the United States District Court for the District of Kansas entered an Order vacating the judgment and remanding the case to Kansas state court for further proceedings. Regardless of the venue, the Company remains confident that its defenses on the merits of plaintiffs’ claims are strong under Kansas law.

Following remand to Kansas state court, Plaintiffs initially petitioned the court to amend their complaint to drop their claim for damages and only seek an Order of Specific Performance-namely to require Americold sign a new document reinstating the consent judgment assigned in the 1994 Settlement Agreement. No amended complaint was filed, however, and plaintiffs filed a later motion to add back the damages claim, which was granted in February 2018. As of December 31, 2018 , pending before the court are the Company's motions to prevent Kraft and Safeway to remain in the lawsuit as plaintiffs on the theory that they did not appeal the District Court's Order dismissing their claims and are bound by the judgment entered against them. Plaintiffs have served limited discovery to us seeking communications with insurance counsel and representatives. We continue to assert a strong defensive posture and will be in a better position to evaluate exposure as discovery and case preparation continues; however, given the status of the proceedings to date, a liability cannot be reasonably estimated. The Company believes the ultimate outcome of these matters will not have a material adverse impact on its consolidated financial statements.

Preferred Freezer Services, LLC Litigation

On February 11, 2019, Preferred Freezer Services, LLC ("PFS") filed a complaint against Americold Realty Trust alleging breaches of a confidentiality agreement the parties had executed in connection with the bidding process for PFS. The complaint also alleges claims for breach of good faith and fair dealing, tortious interference with economic advantage, unfair competition and misappropriation of confidential information. PFS also filed motions seeking a temporary restraining order and preliminary injunction enjoining the Company from using PFS confidential information and continuing discussions with owners of property leased to PFS for its operations. The Company denies the allegations and believes PFS's claims are without merit and intends to vigorously defend this claim. The Company believes the ultimate outcome of these matters will not have a material adverse impact on its consolidated financial statements.

Environmental Matters

The Company is subject to a wide range of environmental laws and regulations in each of the locations in which the Company operates. Compliance with these requirements can involve significant capital and operating costs. Failure to comply with these requirements can result in civil or criminal fines or sanctions, claims for environmental damages, remediation obligations, the revocation of environmental permits, or restrictions on the Company's operations.

The Company records accruals for environmental matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on current law and existing technologies. The Company adjusts these accruals periodically as assessment and remediation efforts progress or as additional technical or legal information become available. The Company recorded nominal environmental liabilities in accounts payable and accrued expenses as of December 31, 2018 and 2017 . The Company believes it is in compliance with applicable environmental regulations in all material respects. Under various U.S. federal, state, and local environmental laws, a current or previous owner or operator of real estate may be liable for the entire cost of investigating, removing, and/or remediating hazardous or toxic substances on such property. Such laws often impose liability whether or not the owner or operator knew of, or was responsible for, the contamination. Even if more than one person may have been responsible for the contamination, each person covered by the environmental laws may be held responsible for the entire clean-up cost. There are no material unrecorded liabilities as of December 31, 2018 . Most of the Company's warehouses utilize ammonia as a refrigerant. Ammonia is classified as a hazardous chemical regulated by the Environmental Protection Agency, and an accident or significant release of ammonia from a warehouse could result in injuries, loss of life, and property damage.

Occupational Safety and Health Act (OSHA)

The Company's warehouses located in the U.S. are subject to regulation under OSHA, which requires employers to provide employees with an environment free from hazards, such as exposure to toxic chemicals, excessive noise levels, mechanical dangers, heat or cold stress, and unsanitary conditions. The cost of complying with OSHA and similar laws enacted by states and other jurisdictions in which we operate can be substantial, and any failure to comply with these regulations could expose us to substantial penalties and potentially to liabilities to employees who may be injured at our warehouses. The Company records accruals for OSHA matters when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated. The Company believes that it is in substantial compliance with all OSHA regulations and that no material unrecorded liabilities exist as of December 31, 2018 and 2017 .

21 . Accumulated Other Comprehensive (Loss) Income

The Company reports activity in AOCI for foreign currency translation adjustments, including the translation adjustment for the investment in the China JV, unrealized gains and losses on cash flow hedge derivatives, and minimum pension liability adjustments (net of tax). The activity in AOCI for the years ended December 31, 2018 , 2017 and 2016 is as follows:

	2018	2017	2016
Pension and other postretirement benefits:		(In thousands)	
Balance at beginning of period, net of tax	$ (7,126)	$ (12,880)	$ (14,852)
(Loss) gain arising during the period	(2,926)	2,663	(1,963)
Less: Tax expense (benefit)	27	(49)	(33)
Net (loss) gain arising during the period	(2,953)	2,712	(1,930)
Amortization of net loss and prior service cost (1)	2,052	3,042	3,902
Less: (Tax benefit)/Tax expense (2)	—	—	—
Net amount reclassified from AOCI to net income (loss)	2,052	3,042	3,902
Other comprehensive (loss) income, net of tax	(901)	5,754	1,972
Balance at end of period, net of tax	(8,027)	(7,126)	(12,880)
Foreign currency translation adjustments:			
Balance at beginning of period, net of tax	8,318	3,874	7,018
(Loss) gain on foreign currency translation	(11,640)	4,444	(3,144)
Less: Tax benefit	—	—	—
Net (loss) gain on foreign currency translation	(11,640)	4,444	(3,144)
Balance at end of period, net of tax	(3,322)	8,318	3,874
Cash flow hedge derivatives:			
Balance at beginning of period, net of tax			

	(1,422)	(1,538)	(1,468)
Unrealized gain (loss) on cash flow hedge derivatives	862	(1,387)	(1,359)
Less: Tax expense (benefit)	173	44	(150)
Net gain (loss) on cash flow hedge derivatives	689	(1,431)	(1,209)
Net amount reclassified from AOCI to net income (loss) (interest expense)	1,191	1,547	1,139
Net amount reclassified from AOCI to net income (loss) (loss on debt extinguishment, modifications and termination of derivative instruments)	1,825	—	—
Net amount reclassified from AOCI to net income (loss) (foreign exchange gain (loss), net)	(3,449)	—	—
Balance at end of period, net of tax	(1,166)	(1,422)	(1,538)
Accumulated other comprehensive loss	$ (12,515)	$ (230)	$ (10,544)

(1) Amounts reclassified from AOCI for pension liabilities are recorded in selling, general, and administrative expenses in the consolidated statements of operations.
(2) Deferred tax impact of amounts reclassified from AOCI for pension liabilities are recorded in deferred income tax benefit in the consolidated statements of operations.

22 . Related-Party Transactions

Transactions with Goldman and CMHI

Goldman is part of the lending group under the 2018 Recast Credit Facility, and has a $90.0 million , or 7.1% , total commitment. Another affiliate of Goldman was part of the lending group under the ANZ Loans (with a 2.5% participation in the Australia Term Loan and 31.8% in the New Zealand Term Loan), which the Company repaid during December 2018. Goldman was also the counterparty to the interest rate swap agreements related to the ANZ Loans as described in Note 10 , which were terminated in December 2018 in connection with the extinguishment of the ANZ Loans.

As a member of the previously described lending groups, the Company is required to pay certain fees to Goldman, which may include interest on borrowings, unused facility fees, letter of credit participation fees, and letter of credit facility fees. The Company paid interest expense and fees to Goldman totaling approximately $2.3 million , $0.9 million , and $2.0 million for the years ended December 31, 2018, 2017, and 2016, respectively. Interest payable to Goldman was nominal as of December 31, 2018 and December 31, 2017. Payments under the interest rate swap agreements are not included in the figures above and totaled approximately $1.2 million , $1.5 million and $1.1 million for the years ended December 31, 2018, 2017 and 2016. In addition, a swap termination fee was paid to Goldman in 2018 of $1.8 million in conjunction with the extinguishment of the ANZ Loans.

In December 2018, the Company entered into a cross-currency swap with Goldman to hedge the changes in the cash flows of interest and principal payment on foreign-currency denominated intercompany loans, as further described in Note 10 . Payments under the cross-currency swap agreements will not commence until 2019. From time-to-time the Company has entered into foreign exchange spot trades with Goldman to facilitate the movement of funds between our international subsidiaries and the U.S., including the funding of the previously mentioned intercompany loans.

In December 2017, the Company prepaid in escrow a $0.2 million fee to Goldman for its share of the 2018 Senior Secured Credit Facilities commitment, which was related to the refinancing that occurred in tandem with the IPO. In connection with the IPO, Goldman and CMHI converted their Series B Preferred Shares into 28,808,224 and 4,432,034 common shares, respectively. After giving effect to the full exercise of the underwriters' option to purchase additional common shares during the IPO, and after giving effect to the sale by Goldman of 5,163,716 common shares in the IPO, Goldman and CMHI owned approximately 16.7% and 3.1% of the Company's common shares, respectively. In connection with the IPO, Goldman received a refund from the underwriters of approximately $1.6 million , which represents the underwriting discount on the gross proceeds received by the selling shareholders.

In connection with the follow-on offering, Goldman sold 9,083,280 common shares, and after giving effect to the sale owned approximately 9.9% of the Company's common shares. In connection with the follow-on offering, Goldman received an underwriting fee of approximately $5.0 million , and received a refund of approximately $0.7 million representing the underwriting discount on the gross proceeds received by the selling shareholders.

In November 2018, CMHI sold 4,432,034 common shares. As of December 31, 2018, CMHI no longer owned any common shares of the Company. Additionally, in December 2018, Goldman sold an additional 6,500,000 common shares of the Company, reducing their ownership to 5.6% as of December 31, 2018.

Transactions with Fortress and YF ART Holdings L.P.

Fortress held $48.5 million aggregate principal amount of the Senior Secured Term Loan B Facility as of December 31, 2017. The Company paid approximately $2.2 million in interest expense to Fortress during 2017 . The Company also paid out principal amortization to Fortress of approximately $0.5 million in 2017 . In connection with the refinancing of the Senior Secured Term Loan B Facility in January 2018, Fortress withdrew from the lending group under the 2018 Senior Secured Term Loan A. Fortress has no ongoing participation in our debt obligations as of December 31, 2018. In addition, Fortress sold all previously owned common shares of the Company during 2018.

In connection with the IPO, YF ART Holdings L.P. received a refund from the underwriters of approximately $4.2 million , which represents the underwriting discount on the gross proceeds received by the selling shareholders.

On March 8, 2018, YF ART Holdings L.P. entered into a financing agreement pledging 54,952,774 common shares of beneficial interest, $0.01 par value per share, representing approximately 38.6% of the Company's issued and outstanding common shares as of March 8, 2018. YF ART Holdings L.P. used the proceeds from the financing agreement to pay in full the outstanding investment, including the preferred return on an investment vehicle affiliated with Fortress Investment Group LLC, which directly beneficially owned 7,235,529 common shares of the Company. As of December 31, 2018, Fortress no longer owns any common shares of the Company.

In connection with the pledge by YF ART Holdings described above, the Company delivered a consent and acknowledgment to YF ART Holdings and the lenders under such margin loan agreement in which the Company, among other matters, agreed, subject to applicable law and stock exchange rules, not to take any actions that would adversely affect the enforcement of the rights of the lenders under the loan documents. The Company is not a party to the margin loan agreement and has no obligations thereunder. The Company also entered into an amendment of the shareholders agreement, which addresses certain matters related to the margin loan agreement and related documents.

23 . Geographic Concentrations

The following table provides geographic information for the Company's total revenues for the years ended December 31, 2018 , 2017 and 2016 , and total assets as of December 31, 2018 and 2017 :

	Total Revenues			Total Assets	
	2018	2017	2016	2018	2017
			(In thousands)		
U.S.	$ 1,313,811	$ 1,253,879	$ 1,212,799	$ 2,242,078	$ 2,078,187
Australia	227,374	219,738	207,035	226,666	244,841
New Zealand	32,363	33,289	33,676	51,419	54,672
Argentina	11,752	18,319	19,780	7,154	11,598
Canada	18,335	18,362	16,709	5,111	5,599
	$ 1,603,635	$ 1,543,587	$ 1,489,999	$ 2,532,428	$ 2,394,897

24 . Segment Information

Our principal operations are organized into four reportable segments: Warehouse, Third-Party Managed, Transportation and Other.

- ***Warehouse.*** Our primary source of revenues consists of rent and storage and warehouse services fees. Our rent and storage and warehouse services revenues are the key drivers of our financial performance. Rent and storage revenues consist of recurring, periodic charges related to the storage of frozen and perishable food and other products in our warehouses. We also provide these customers with a wide array of handling and other warehouse services, such as (1) receipt, handling and placement of products into our warehouses for storage and preservation, (2) retrieval of products from storage upon customer request, (3) blast freezing, which involves the rapid freezing of non-frozen products, including individual quick freezing for agricultural produce and seafood, (4) case-picking, which involves selecting product cases to build customized pallets, (5) kitting and repackaging, which involves assembling custom product packages for delivery to retailers and consumers, and labeling services, (6) order assembly and load consolidation, (7) exporting and importing support services, (8) container handling, (9) cross-docking, which involves transferring inbound products to outbound trucks utilizing our warehouse docks without storing them in our warehouses, and (10) government-approved temperature-controlled storage and inspection services. We may charge our customers in advance for storage and outbound handling fees. Cost of operations for our warehouse segment consists of power, other facilities costs, labor and other services costs.

- ***Third-Party Managed.*** We receive management and incentive fees, as well as reimbursement of substantially all expenses, for warehouses and logistics services that we manage on behalf of third-party owners/customers. Cost of operations for our third-party managed segment are reimbursed on a pass-through basis (typically within two weeks), with all reimbursements, plus an applicable mark-up, recognized as revenues under the relevant accounting guidance.

- ***Transportation.*** We charge transportation fees, including fuel surcharges, to our customers for whom we arrange the transportation of their products. Cost of operations for our transportation segment consist primarily of third-party carrier charges, which are impacted by factors affecting those carriers.

- ***Other*** . In addition to our primary business segments, we own a limestone quarry in Carthage, Missouri. Revenues are generated from the sale of limestone mined at our quarry. Cost of operations for our quarry consist primarily of labor, equipment, fuel and explosives.

Our reportable segments are strategic business units separated by product and service offerings. Each reportable segment is managed separately and requires different operational and marketing strategies. The accounting polices used in the preparation of our reportable segments financial information are the same as those used in the preparation of its consolidated financial statements.

Our chief operating decision maker uses revenues and segment contribution to evaluate segment performance. We calculate segment contribution as earnings before interest expense, taxes, depreciation and amortization, and excluding corporate selling, general and administrative expense, impairment charges, restructuring charges, acquisition related costs, other income and expense, and certain one-time charges. Selling, general and administrative functions support all the business segments. Therefore, the related expense is not allocated to segments as the chief operating decision maker does not use it to evaluate segment performance.

Segment contribution is not a measurement of financial performance under GAAP, and may not be comparable to similarly titled measures of other companies. You should not consider our segment contribution as an alternative to operating income determined in accordance with GAAP.

The following table presents segment revenues and contributions with a reconciliation to Income before income tax benefit (expense) for the years ended December 31, 2018 , 2017 and 2016 :

	Years Ended December 31, 2018	2017	2016
	(In thousands)		
Segment revenues:			
Warehouse	$ 1,176,912	$ 1,145,662	$ 1,080,867
Third-Party Managed	259,034	242,189	252,411
Transportation	158,790	146,070	147,004
Other	8,899	9,666	9,717
Total revenues	1,603,635	1,543,587	1,489,999
Segment contribution:			
Warehouse	374,534	348,328	314,045
Third-Party Managed	14,760	12,825	14,814
Transportation	15,735	12,950	14,418
Other	620	2	2,368
Total segment contribution	405,649	374,105	345,645
Reconciling items:			
Depreciation, depletion, and amortization	(117,653)	(116,741)	(118,571)
Impairment of long-lived assets	(747)	(9,473)	(9,820)
Selling, general and administrative expense	(114,760)	(110,945)	(96,728)
Loss from partially owned entities	(1,069)	(1,363)	(128)
Gain from sale of real estate, net	7,471	43	11,598
Impairment of partially owned entities	—	(6,496)	—
Interest expense	(93,312)	(114,898)	(119,552)
Interest income	3,996	1,074	708
Loss on debt extinguishment, modifications and termination of derivative instruments	(47,559)	(986)	(1,437)
Foreign currency exchange gain (loss), net	2,882	(3,591)	464
Other expense, net	(532)	(1,944)	(1,368)
Income before income tax benefit (expense)	**$ 44,366**	**$ 8,785**	**$ 10,811**

The following table details our long-lived assets by reportable segments, with a reconciliation to total assets reported for each of the periods presented in the accompanying consolidated balance sheets.

	Years Ended December 31,	
	2018	**2017**
	(In thousands)	
Assets:		
Warehouse	$ 2,054,968	$ 2,082,156
Managed	43,725	43,035
Transportation	35,479	32,402
Other	13,554	13,897
Total segments assets	2,147,726	2,171,490
Reconciling items:		
Corporate assets	370,161	207,465
Investments in partially owned entities	14,541	15,942
Total reconciling items	384,702	223,407
Total assets	**$ 2,532,428**	**$ 2,394,897**

25 . Earnings per Common Share

Basic and diluted earnings per common share are calculated by dividing the net income or loss attributable to common shareholders by the basic and diluted weighted-average number of common shares outstanding in the period, respectively, using the allocation method prescribed by the two-class method. The Company applies this method to compute earnings per share because it distributes non-forfeitable dividend equivalents on restricted stock units granted to certain employees and non-employee directors who have the right to participate in the distribution of common dividends while the restricted stock units are unvested. For the year ended December 31, 2018 , the weighted-average number of unvested restricted stock units that participated in the distribution of common dividends was 1,452,954 .

The shares issuable upon settlement of the forward sale agreement are reflected in the diluted earnings per share calculations using the treasury stock method. Under this method, the number of the Company's common shares used in calculating diluted earnings per share is deemed to be increased by the excess, if any, of the number of common shares that would be issued upon full physical settlement of the forward sale agreement over the number of common shares that could be purchased by the Company in the market (based on the average market price during the period) using the proceeds receivable upon full physical settlement (based on the adjusted forward sale price at the end of the reporting period). If and when the Company physically or net share settles the forward sale agreement, the delivery of common shares would result in an increase in the number of shares outstanding and dilution to earnings per share. As of December 31, 2018, the Company has not settled any portion of the forward sale agreement.

Prior to the IPO, holders of Series B Preferred Shares were entitled to cumulative dividends, which were added to the reported net loss whether or not declared or paid to determine the net loss attributable to common shareholders under the two-class method.

A reconciliation of the basic and diluted weighted-average number of common shares outstanding for the year ended December 31, 2018 , 2017 and 2016 is as follows:

	Year ended December 31,		
	2018	2017	2016
	(In thousands)		
Weighted average common shares outstanding – basic	141,415	70,022	69,890
Dilutive effect of share-based awards	2,662	—	—
Equity forward contract	261	—	—
Weighted average common shares outstanding – diluted	144,338	70,022	69,890

For the years ended December 31, 2017 and 2016, potential common shares under the treasury stock method and the if-converted method were antidilutive because the Company reported a net loss. Consequently, the Company did not have any adjustments in these periods between basic and diluted loss per share related to stock options, restricted stock units, warrants and convertible preferred shares in this period.

The table below presents the weighted-average number of antidilutive potential common shares that are not considered in the calculation of diluted income (loss) per share:

	Year ended December 31,		
	2018	2017	2016
	(In thousands)		
Series B Convertible Preferred Stock	—	33,240	33,240
Common share warrants	—	18,575	18,575
Employee stock options	—	5,983	6,299
Restricted stock units	—	685	553
	—	58,483	58,667

26 . Revenue from Contracts with Customers

Disaggregated Revenue

The following tables represent a disaggregation of revenue from contracts with customers for the years ended December 31, 2018 , 2017 and 2016 by segment and geographic region:

	December 31, 2018					
	United States	Australia	New Zealand	Argentina	Canada	Total
	(In thousands)					
Warehouse rent and storage	$ 433,131	$ 39,573	$ 15,018	$ 5,694	$ —	$ 493,416
Warehouse services	522,748	119,665	16,634	3,109	—	662,156
Third-party managed	227,757	12,742	—	—	18,335	258,834
Transportation	99,736	55,394	711	2,949	—	158,790
Other	8,877	—	—	—	—	8,877
Total revenues [(1)]	1,292,249	227,374	32,363	11,752	18,335	1,582,073
Lease revenue [(2)]	21,562	—	—	—	—	21,562
Total revenues from contracts with all customers	$ 1,313,811	$ 227,374	$ 32,363	$ 11,752	$ 18,335	$ 1,603,635

	December 31, 2017					
	United States	Australia	New Zealand	Argentina	Canada	Total
	(In thousands)					
Warehouse rent and storage	$ 413,647	$ 40,086	$ 17,695	$ 9,139	$ —	$ 480,567
Warehouse services	508,982	116,287	14,776	4,013	—	644,058
Third-party managed	214,400	9,227	—	—	18,362	241,989
Transportation	85,947	54,138	818	5,167	—	146,070
Other	9,644	—	—	—	—	9,644
Total revenues [(1)]	1,232,620	219,738	33,289	18,319	18,362	1,522,328
Lease revenue [(2)]	21,259	—	—	—	—	21,259
Total revenues from contracts with all customers	$ 1,253,879	$ 219,738	$ 33,289	$ 18,319	$ 18,362	$ 1,543,587

	December 31, 2016					
	United States	Australia	New Zealand	Argentina	Canada	Total
	(In thousands)					
Warehouse rent and storage	$ 390,320	$ 38,046	$ 18,717	$ 9,318	$ —	$ 456,401
Warehouse services	481,604	104,302	14,291	3,870	—	604,067
Third-party managed	227,880	7,622	—		16,709	252,211
Transportation	82,679	57,065	668	6,592	—	147,004
Other	9,696	—	—	—	—	9,696
Total revenues [(1)]	1,192,179	207,035	33,676	19,780	16,709	1,469,379
Lease revenue [(2)]	20,620	—	—	—	—	20,620
Total revenues from contracts with all customers	$ 1,212,799	$ 207,035	$ 33,676	$ 19,780	$ 16,709	$ 1,489,999

(1) Revenues are within the scope of ASC 606: Revenue From Contracts With Customers . Elements of contracts or arrangements that are in the scope of other standards (e.g., leases) are separated and accounted for under those standards.
(2) Revenues are within the scope of Topic 840, Leases.

Performance Obligations

Substantially all our revenue for warehouse storage and handling services, and management and incentive fees earned under third-party managed and other contracts is recognized over time as the customer benefits equally throughout the period until the contractual term expires. Typically, revenue is recognized over time using an output measure (e.g. passage of time). Revenue is recognized at a point in time upon delivery when the customer typically obtains control, for most accessorial services, transportation services, reimbursed costs and quarry product shipments.

For arrangements containing non-cancellable contract terms, any variable consideration related to storage renewals or incremental handling charges above stated minimums are 100% constrained and not included in aggregate amount of the transaction price allocated to the unsatisfied performance obligations disclosed below, given the degree in difficulty in estimation. Payment terms are generally 0 - 30 days upon billing, which is typically monthly, either in advance or subsequent to the performance of services. The same payment terms typically apply for arrangements containing variable consideration.

The Company has no material warranties or obligations for allowances, refunds or other similar obligations.

At December 31, 2018 , the Company had $597.8 million of remaining unsatisfied performance obligations from contracts with customers subject to a non-cancellable term and within contracts that have an original expected duration exceeding one year. These obligations also do not include variable consideration beyond the non-cancellable term, which due to the inability to quantify by estimate, is fully constrained. The Company expects to recognize approximately 23% of these remaining performance obligations as revenue in 2019, and the remaining 77% to be recognized over a weighted average period of 14.8 years through 2038 .

As part of the Company's adoption of ASU 2014-09 in the first quarter of 2018, the Company elected to use the practical expedient under ASC 606-10-65-1(f)(3), pursuant to which the Company has excluded disclosures of transaction prices allocated to remaining performance obligations and when the Company expects to recognize such revenue for all periods prior to the date of initial application of ASU 2014-09.

Contract Balances

The timing of revenue recognition, billings and cash collections results in accounts receivable (contract assets), and unearned revenue (contract liabilities) on the consolidated balance sheets. Generally, billing occurs monthly, subsequent to revenue recognition, resulting in contract assets. However, the Company may bill and receive advances or deposits from customers, particularly on storage and handling services, before revenue is recognized, resulting in contract liabilities. These assets and liabilities are reported on the consolidated balance sheets on a contract-by-contract basis at the end of each reporting period. Changes in the contract asset and liability balances during the year ended December 31, 2018 , were not materially impacted by any other factors.

Opening and closing receivables balances related to contracts with customers accounted for under ASC 606 were $192.1 million and $198.3 million at December 31, 2018 and 2017 , respectively. All other trade receivable balances relate to contracts accounted for under ASC 840.

Opening and closing balances in unearned revenue related to contracts with customers were $18.6 million and $18.8 million at December 31, 2018 and 2017 , respectively. Substantially all revenue that was included in the contract liability balances at the beginning of 2018 and 2017 has been recognized as of December 31, 2018 and 2017 , respectively, and represents revenue from the satisfaction of monthly storage and handling services with average inventory turns of approximately 30 days.

27 . Selected Quarterly Financial Data (Americold Realty Trust) - Unaudited

The following table sets forth selected unaudited quarterly statements of operations data for the years ended December 31, 2018 and 2017 :

	2018			
	December 31	September 30	June 30	March 31
	(In thousands, except per share amounts)			
Total revenues	$ 415,817	$ 402,010	$ 394,667	$ 391,141
Total operating expenses	364,646	358,457	345,363	355,209
Operating income	51,171	43,553	49,304	35,932
Net income (loss) applicable to common shareholders	2,678	24,540	29,406	(10,457)
Net income (loss) per common share [(a)]				
Basic	0.02	0.17	0.20	(0.08)
Diluted	0.02	0.17	0.20	(0.08)

(a) Quarterly earnings per common share amounts may not total to the annual amounts due to rounding and the changes in the number of weighted common shares outstanding included in the calculation of basic and diluted shares.

	2017			
	December 31	September 30	June 30	March. 31
	(In thousands, except per share amounts)			
Total revenues	$ 401,721	$ 389,501	$ 379,451	$ 372,914
Total operating expenses	357,667	362,059	350,744	336,128
Operating income	44,054	27,442	28,707	36,786
Net income (loss) applicable to common shareholders	673	(11,935)	(15,720)	(2,945)
Net income (loss) per common share [(a)]				
Basic	0.01	(0.17)	(0.22)	(0.04)
Diluted	0.01	(0.17)	(0.22)	(0.04)

(a) Quarterly earnings per common share amounts may not total to the annual amounts due to rounding and the changes in the number of weighted common shares outstanding included in the calculation of basic and diluted shares.

28 . Selected Quarterly Financial Data (Americold Realty Operating Partnership, L.P.) - Unaudited

The following table sets forth selected unaudited quarterly statements of operations data for the years ended December 31, 2018 and 2017 :

	2018			
	December 31	September 30	June 30	March 31
	(In thousands, except per share amounts)			
Total revenues	$ 415,817	$ 402,010	$ 394,667	$ 391,141
Total operating expenses	364,646	358,457	345,363	355,209
Operating income	51,171	43,553	49,304	35,932
Net income (loss) applicable to unitholders	2,678	24,540	29,406	(10,457)
Net income (loss) per unit [(a)]	0.02	0.17	0.21	(0.08)

(a) Quarterly earnings per unit amounts may not total to the annual amounts due to rounding and the changes in the number of weighted units outstanding included in the calculation of units.

	2017			
	December 31	September 30	June 30	March. 31
	(In thousands, except per share amounts)			
Total revenues	$ 401,721	$ 389,501	$ 379,451	$ 372,914
Total operating expenses	357,667	362,059	350,744	336,128
Operating income	44,054	27,442	28,707	36,786
Net income (loss) applicable to unitholders	673	(11,935)	(15,720)	(2,945)
Net income (loss) per unit (a)	0.01	(0.17)	(0.22)	(0.04)

(a) Quarterly earnings per unit amounts may not total to the annual amounts due to rounding and the changes in the number of weighted units outstanding included in the calculation of units.

29 . Subsequent Events

On January 31, 2019, the Company closed on the acquisition of a logistics company for $35.2 million . The Company services the fresh produce industry with a temperature-controlled campus. The acquisition also includes an adjacent 163 contiguous acres of land.

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			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
US												
Albertville, AL	1	$ —	$1,251	$ 12,385	$ 760	$1,281	$ 13,116	$ 14,397	$ (5,368)	1993	2008	5 - 40 years
Allentown, PA	2	—	5,780	47,807	7,326	6,513	54,400	60,913	(22,527)	1976	2008	5 - 40 years
Amarillo, TX	1	—	871	4,473	684	932	5,097	6,029	(2,394)	1973	2008	5 - 40 years
Anaheim, CA	1	—	9,509	16,810	806	9,509	17,616	27,125	(7,593)	1965	2009	5 - 40 years
Appleton, WI	1	—	200	5,022	10,748	909	15,061	15,970	(3,889)	1989	2009	5 - 40 years
Atlanta - Lakewood, GA	1	—	4,297	3,369	(1,785)	630	5,250	5,880	(1,951)	1963	2008	5 - 40 years
Atlanta - Skygate, GA	1	—	1,851	12,731	455	1,958	13,080	15,038	(3,996)	2001	2008	5 - 40 years
Atlanta - Southgate, GA	1	—	1,623	17,652	1,601	2,273	18,604	20,877	(6,220)	1996	2008	5 - 40 years
Atlanta - Tradewater, GA	1	—	—	36,966	(4,852)	6,070	26,044	32,114	(4,715)	2004	2008	5 - 40 years
Atlanta - Westgate, GA	1	—	2,270	24,659	(2,438)	2,025	22,466	24,491	(9,521)	1990	2008	5 - 40 years
Atlanta, GA - Corporate	—	—	—	365	10,840	—	11,206	11,206	(3,678)	1999/2014	2008	5 - 40 years
Augusta, GA	1	—	2,678	1,943	943	2,820	2,744	5,564	(1,460)	1971	2008	5 - 40 years
Babcock, WI	1	—	852	8,916	104	895	8,977	9,872	(2,711)	1999	2008	5 - 40 years
Bartow, FL	1	—	—	2,451	600	10	3,041	3,051	(2,270)	1962	2008	5 - 40 years
Belvidere-Imron, IL	1	—	2,000	11,989	3,422	2,410	15,001	17,411	(5,717)	1991	2009	5 - 40 years
Belvidere-Landmark, IL (Cross Dock)	1	—	1	2,117	1,924	—	4,042	4,042	(3,990)	1991	2009	5 - 40 years
Birmingham, AL	1	986	1,002	957	2,016	1,269	2,707	3,976	(731)	1963	2008	5 - 40 years
Boston, MA	1	—	1,855	5,796	672	1,918	6,406	8,324	(2,461)	1969	2008	5 - 40 years
Brea, CA	1	—	4,645	5,891	680	4,664	6,552	11,216	(2,574)	1975	2009	5 - 40 years
Brooklyn Park, MN	1	—	1,600	8,951	1,361	1,600	10,312	11,912	(4,044)	1986	2009	5 - 40 years
Burley, ID	2	—	—	16,136	3,635	34	19,738	19,772	(12,931)	1959	2008	5 - 40 years
Burlington, WA	3	14,382	694	6,108	3,016	709	9,108	9,817	(4,383)	1965	2008	5 - 40 years
Carson, CA	1	—	9,100	13,731	1,007	9,104	14,734	23,838	(4,362)	2002	2009	5 - 40 years
Cartersville, GA	1	—	1,500	8,505	526	1,571	8,960	10,531	(3,231)	1996	2009	5 - 40 years
Carthage Quarry, MO	—	—	12,621	356	186	12,697	467	13,164	(2,941)	N/A	2008	5 - 40 years
Carthage Warehouse Dist, MO	1	—	61,445	33,880	5,752	62,356	38,721	101,077	(19,957)	1972	2008	5 - 40 years
City of Industry, CA	2	—	—	1,455	1,567	101	2,921	3,022	(2,029)	1962	2009	5 - 40 years
Clearfield, UT	1	—	2,881	14,945	4,694	2,164	20,356	22,520	(7,946)	1973	2008	5 - 40 years

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			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Clearfield 2, UT	1	—	806	21,569	1,222	1,124	22,473	23,597	(993)	2017	2017	5 - 40 years
Columbia, SC	1	—	768	1,429	781	860	2,118	2,978	(1,033)	1971	2008	5 - 40 years
Connell, WA	1	—	497	8,728	1,128	508	9,845	10,353	(3,829)	1969	2008	5 - 40 years
Dallas, TX	1	—	1,468	14,385	13,182	2,929	26,106	29,035	(6,348)	1994	2009	5 - 40 years
Delhi, LA	1	16,238	539	12,228	490	580	12,676	13,256	(5,860)	2010	2010	5 - 40 years
Denver-50th Street, CO	1	—	—	1,724	521	—	2,244	2,244	(2,028)	1974	2008	5 - 40 years
Dominguez Hills, CA	1	—	11,149	10,894	1,144	11,149	12,039	23,188	(4,452)	1989	2009	5 - 40 years
Douglas, GA	1	—	400	2,080	1,498	401	3,577	3,978	(1,147)	1969	2009	5 - 40 years
East Dubuque, IL	1	—	722	13,764	610	753	14,343	15,096	(4,392)	1993	2008	5 - 40 years
East Point, GA	1	—	1,884	3,621	2,467	2,020	5,952	7,972	(1,503)	1959	2016	5 - 40 years
Fort Dodge, IA	1	—	1,022	7,162	1,102	1,226	8,060	9,286	(3,197)	1979	2008	5 - 40 years
Fort Smith, AR	2	—	308	2,231	1,926	342	4,124	4,466	(1,232)	1958	2008	5 - 40 years
Fort Worth-Blue Mound, TX	1	—	1,700	5,055	1,369	1,700	6,424	8,124	(1,667)	1995	2009	5 - 40 years
Fort Worth-Samuels, TX	2	—	1,985	13,447	2,833	2,109	16,155	18,264	(6,100)	1977	2009	5 - 40 years
Fremont, NE	1	27,604	629	3,109	5,466	645	8,560	9,205	(4,073)	1968	2008	5 - 40 years
Ft. Worth, TX (Meacham)	1	—	5,610	24,686	2,954	5,842	27,408	33,250	(9,816)	2005	2008	5 - 40 years
Ft. Worth, TX (Railhead)	1	—	1,857	8,536	562	1,955	9,000	10,955	(3,564)	1998	2008	5 - 40 years
Gadsden, AL	1	23,921	100	9,820	(870)	351	8,698	9,049	(2,353)	1991	2013	5 - 40 years
Gaffney, SC	1	—	1,000	3,263	132	1,000	3,395	4,395	(1,197)	1995	2008	5 - 40 years
Gainesville, GA	1	—	400	5,704	774	411	6,467	6,878	(2,225)	1989	2009	5 - 40 years
Garden City, KS	1	—	446	4,721	1,070	446	5,791	6,237	(2,116)	1980	2008	5 - 40 years
Gateway, GA	2	—	3,271	19,693	2,332	3,197	22,099	25,296	(7,974)	1972	2008	5 - 40 years
Geneva Lakes, WI	1	—	1,579	36,020	2,408	2,265	37,742	40,007	(11,200)	1991	2009	5 - 40 years
Gloucester - Rogers, MA	1	—	1,683	3,675	2,892	1,818	6,432	8,250	(1,784)	1967	2008	5 - 40 years
Gloucester - Rowe, MA	1	—	1,146	2,833	6,648	1,272	9,355	10,627	(2,846)	1955	2008	5 - 40 years
Gouldsboro, PA	1	—	4,224	29,473	2,426	4,821	31,302	36,123	(8,514)	2006	2009	5 - 40 years
Grand Island, NE	1	—	430	6,542	(2,400)	479	4,093	4,572	(1,848)	1995	2008	5 - 40 years
Green Bay, WI	2	—	—	2,028	2,689	69	4,648	4,717	(2,239)	1935	2009	5 - 40 years
Greenville, SC	1	—	200	1,108	423	200	1,531	1,731	(1,234)	1962	2009	5 - 40 years

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			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Hatfield, PA	2	—	5,002	28,286	9,282	5,775	36,796	42,571	(11,914)	1983	2009	5 - 40 years
Henderson, NV	2	—	9,043	14,415	1,060	9,043	15,475	24,518	(4,736)	1988	2009	5 - 40 years
Hermiston, OR	1	33,606	1,322	7,107	310	1,334	7,405	8,739	(2,844)	1975	2008	5 - 40 years
Heyburn, ID	1	—	—	59	236	—	295	295	(168)	2014	2014	5 - 40 years
Houston, TX	1	—	1,454	10,084	1,083	1,490	11,131	12,621	(3,356)	1990	2009	5 - 40 years
Indianapolis, IN	4	—	1,897	18,991	19,166	3,395	36,657	40,052	(11,862)	1975	2008	5 - 40 years
Jefferson, WI	2	—	1,553	19,805	1,209	1,880	20,688	22,568	(7,872)	1975	2009	5 - 40 years
Lancaster, PA	1	—	2,203	15,670	724	2,371	16,226	18,597	(4,826)	1993	2009	5 - 40 years
LaPorte, TX	1	—	2,945	19,263	2,618	3,236	21,591	24,827	(6,796)	1990	2009	5 - 40 years
Leesport, PA	1	—	1,206	14,112	11,541	1,675	25,183	26,858	(6,652)	1993	2008	5 - 40 years
Lynden, WA	5	—	1,420	8,590	830	1,430	9,410	10,840	(3,506)	1946	2009	5 - 40 years
Marshall, MO	1	10,786	741	10,304	383	826	10,603	11,429	(3,951)	1985	2008	5 - 40 years
Massillon 17th, OH	1	—	175	15,322	443	414	15,526	15,940	(5,350)	2000	2008	5 - 40 years
Massillon Erie, OH	1	—	—	1,988	516	—	2,504	2,504	(2,439)	1984	2008	5 - 40 years
Memphis Chelsea , TN	—	—	80	2	(82)	—	1	1	(1)	1972	2008	5 - 40 years
Middleboro, MA	1	—	404	15,031	—	404	15,031	15,435	(127)	2018	2018	5 - 40 years
Milwaukie, OR	2	—	2,473	8,112	1,360	2,483	9,462	11,945	(5,361)	1958	2008	5 - 40 years
Mobile, AL	1	—	10	3,203	680	10	3,883	3,893	(1,317)	1976	2009	5 - 40 years
Modesto, CA	6	—	2,428	19,594	4,367	2,915	23,474	26,389	(9,566)	1945	2009	5 - 40 years
Montezuma,GA	1	—	93	5,437	274	123	5,681	5,804	(2,396)	1965	2008	5 - 40 years
Montgomery, AL	1	6,843	850	7,746	(523)	1,157	6,916	8,073	(2,041)	1989	2013	5 - 40 years
Moses Lake, WA	1	31,054	575	11,046	2,421	1,093	12,949	14,042	(4,867)	1967	2008	5 - 40 years
Murfreesboro, TN	1	—	1,094	10,936	3,501	1,332	14,198	15,530	(6,126)	1982	2008	5 - 40 years
Nampa, ID	4	—	1,588	11,864	1,876	1,719	13,609	15,328	(6,999)	1946	2008	5 - 40 years
New Ulm, MN	7	—	725	10,405	701	822	11,009	11,831	(3,703)	1984	2009	5 - 40 years
Oklahoma City, OK	1	—	742	2,411	1,140	742	3,551	4,293	(1,578)	1968	2008	5 - 40 years
Ontario, CA	3	—	14,673	3,632	23,583	14,673	27,215	41,888	(11,061)	1987(1)/1984(2)/1983(3)	2008	5 - 40 years
Ontario, OR	4	—	—	13,791	9,075	1,264	21,602	22,866	(12,076)	1962	2008	5 - 40 years

(In thousands of U.S. dollars, as applicable and unless noted)

			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Pasco, WA	1	—	557	15,809	395	579	16,183	16,762	(4,883)	1984	2008	5 - 40 years
Pendergrass, GA	1	—	500	12,810	2,375	580	15,105	15,685	(5,496)	1993	2009	5 - 40 years
Phoenix2, AZ	1	—	3,182	11,312	11	3,182	11,324	14,506	(1,865)	2014	2014	5 - 40 years
Piedmont, SC	1	—	500	9,883	1,359	506	11,236	11,742	(4,163)	1981	2009	5 - 40 years
Plover, WI	1	35,085	1,390	18,298	4,934	1,947	22,675	24,622	(9,108)	1981	2008	5 - 40 years
Portland, ME	1	—	305	2,402	407	316	2,798	3,114	(945)	1952	2008	5 - 40 years
Rochelle, IL (Americold Drive)	1	—	1,860	18,178	1,817	2,174	19,682	21,856	(8,117)	1995	2008	5 - 40 years
Rochelle, IL (Caron)	1	—	2,071	36,658	629	2,165	37,193	39,358	(13,748)	2004	2008	5 - 40 years
Russellville, AR - Elmira	1	—	1,261	9,910	2,433	1,359	12,244	13,603	(5,618)	1986	2008	5 - 40 years
Russellville, AR - Valley	1	—	708	15,832	2,385	708	18,217	18,925	(5,221)	1995	2008	5 - 40 years
Salem, OR	4	40,275	3,055	21,096	2,931	3,111	23,970	27,081	(10,657)	1963	2008	5 - 40 years
Salinas, CA	5	—	7,244	7,181	9,094	8,098	15,421	23,519	(5,522)	1958	2009	5 - 40 years
Salt Lake City, UT	1	—	—	22,481	3,749	—	26,230	26,230	(12,589)	1998	2010	5 - 40 years
San Antonio - HEB, TX	1	—	2,014	22,902	—	2,014	22,902	24,916	(2,239)	1982	2017	5 - 40 years
San Antonio, TX	3	—	1,894	11,101	2,410	1,986	13,419	15,405	(6,978)	1913	2009	5 - 40 years
Sebree, KY	1	—	638	7,895	629	638	8,523	9,161	(2,493)	1998	2008	5 - 40 years
Sikeston, MO	1	—	258	11,936	675	631	12,238	12,869	(3,894)	1998	2009	5 - 40 years
Sioux Falls, SD	1	—	856	4,780	3,338	1,009	7,965	8,974	(4,033)	1972	2008	5 - 40 years
Springdale, AR	1	8,032	844	10,754	1,201	871	11,928	12,799	(4,504)	1982	2008	5 - 40 years
St. Louis, MO	2	—	2,082	7,566	1,913	2,194	9,367	11,561	(2,754)	1956	2009	5 - 40 years
St. Paul, MN	2	—	1,800	12,129	541	1,800	12,670	14,470	(4,726)	1970	2009	5 - 40 years
Strasburg, VA	1	—	1,551	15,038	1,302	1,592	16,299	17,891	(5,134)	1999	2008	5 - 40 years
Syracuse, NY	2	—	2,177	20,056	5,197	2,408	25,023	27,431	(8,846)	1960	2008	5 - 40 years
Tacoma, WA	1	—	—	21,216	2,064	27	23,253	23,280	(6,738)	2010	2010	5 - 40 years
Tampa Plant City, FL	2	—	1,333	11,836	666	1,380	12,455	13,835	(3,940)	1987	2009	5 - 40 years
Tarboro, NC	1	17,948	1,078	9,586	817	1,225	10,255	11,480	(3,462)	1988	2008	5 - 40 years
Taunton, MA	1	—	1,477	14,159	851	1,651	14,836	16,487	(4,457)	1999	2009	5 - 40 years
Texarkana, AR	1	3,712	842	11,169	1,397	921	12,487	13,408	(3,654)	1992	2008	5 - 40 years
Tomah, WI	1	19,485	886	10,715	402	923	11,080	12,003	(4,236)	1989	2008	5 - 40 years

(In thousands of U.S. dollars, as applicable and unless noted)

			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Turlock, CA (#1)	2	—	944	4,056	290	967	4,323	5,290	(1,829)	1,995	2,008	5 - 40 years
Turlock, CA (#2)	1	—	3,091	7,004	1,450	3,116	8,428	11,544	(3,172)	1985	2008	5 - 40 years
Vernon 2, CA	1	—	8,100	13,490	3,145	8,112	16,622	24,734	(6,580)	1965	2009	5 - 40 years
Victorville, CA	1	—	2,810	22,811	1,075	2,810	23,886	26,696	(7,734)	2004	2008	5 - 40 years
Walla Walla, WA	2	—	215	4,693	640	159	5,390	5,549	(2,976)	1960	2008	5 - 40 years
Wallula, WA	1	—	690	2,645	709	711	3,333	4,044	(1,107)	1982	2008	5 - 40 years
Watsonville, CA	1	—	—	8,138	384	21	8,501	8,522	(6,914)	1984	2008	5 - 40 years
West Memphis, AR	1	—	1,460	12,300	2,637	2,284	14,113	16,397	(5,350)	1985	2008	5 - 40 years
Wichita, KS	1	—	1,297	4,717	1,289	1,432	5,871	7,303	(2,557)	1972	2008	5 - 40 years
Woodburn, OR	1	—	1,552	9,860	2,399	1,552	12,259	13,811	(4,126)	1952	2008	5 - 40 years
York, PA	1	—	3,838	36,621	1,950	4,063	38,345	42,408	(13,461)	1994	2008	5 - 40 years
York-Willow Springs, PA	1	—	1,300	7,351	359	1,315	7,695	9,010	(2,928)	1987	2009	5 - 40 years
Zumbrota, MN	3	—	800	10,360	1,349	800	11,709	12,509	(3,514)	1996	2009	5 - 40 years
Canada												
Cold Logic/Taber	—	—	—	12	3,375	88	3,300	3,388	(1,521)	1999	2009	5 - 40 years
Australia												
Arndell Park	—	—	13,489	29,428	(1,265)	11,810	29,842	41,652	(8,768)	1989/1994	2009	5 - 40 years
BRIS CORPORATE-Acacia Ridge	1	—	—	—	280	—	280	280	(280)		2009	5 - 40 years
Laverton	2	—	13,689	28,252	5,700	11,985	35,656	47,641	(10,058)	1997/1998	2009	5 - 40 years
Murarrie	3	—	10,891	18,975	(3,530)	9,536	16,800	26,336	(5,377)	1972/2003	2009	5 - 40 years
Prospect/ASC Corporate	2	—	—	1,187	19,212	7,492	12,907	20,399	(3,156)	1985	2009	5 - 40 years
Spearwood	1	—	7,194	10,990	(1,493)	6,299	10,392	16,691	(3,732)	1978	2009	5 - 40 years
New Zealand												
Dalgety	1	—	6,047	5,531	749	6,269	6,058	12,327	(1,779)	1988	2009	5 - 40 years
Diversey	1	—	2,357	5,966	734	2,444	6,614	9,058	(1,961)	1988	2009	5 - 40 years
Halwyn Dr	1	—	5,227	3,399	757	5,419	3,964	9,383	(1,419)	1992	2009	5 - 40 years
Mako Mako	1	—	1,332	3,810	237	1,381	3,998	5,379	(1,117)	2000	2009	5 - 40 years
Manutapu/Barber Akld	1	—	—	343	532	—	875	875	(550)	2004	2009	5 - 40 years
Paisley	3	—	—	185	1,528	—	1,713	1,713	(1,033)	1984	2009	5 - 40 years
Smarts Rd	1	—	—	247	965	—	1,212	1,212	(641)	1984	2009	5 - 40 years

Americold Realty Trust and Subsidiaries
Americold Realty Operating Partnership, L.P. and Subsidiaries
Schedule III – Real Estate and Accumulated Depreciation
December 31, 2018
(In thousands of U.S. dollars, as applicable and unless noted)

			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Argentina												
Mercado Central - Buenos Aires, ARG	1	—	—	4,984	(3,158)	—	1,826	1,826	(240)	1996/1999	2009	5 - 40 years
Pilar - Buenos Aires, ARG	1	—	706	2,586	(1,985)	669	631	1,300	(172)	2000	2009	5 - 40 years
Total		289,957	360,437	1,577,729	308,039	385,229	1,860,976	2,246,205	(669,917)			
Land, buildings, and improvements in the assets under construction balance as of December 31, 2018.												
US												
Albertville, AL		—	—	—	—	—	16	16				
Allentown, PA		—	—	—	—	—	31	31				
Atlanta - Skygate, GA		—	—	—	—	—	50	50				
Atlanta - Southgate, GA		—	—	—	—	—	15	15				
Atlanta - Tradewater, GA		—	—	—	—	—	5	5				
Atlanta - Westgate, GA		—	—	—	—	—	25	25				
Atlanta, GA - Corporate		—	—	—	—	—	569	569				
Boston, MA		—	—	—	—	—	58	58				
Brooklyn Park, MN		—	—	—	—	—	113	113				
Cartersville, GA		—	—	—	—	—	32	32				
City of Industry, CA		—	—	—	—	—	123	123				
East Point, GA		—	—	—	—	—	11	11				
Fort Worth-Blue Mound, TX		—	—	—	—	—	12	12				
Ft. Worth, TX (Meacham)		—	—	—	—	—	241	241				
Gateway, GA		—	—	—	—	—	87	87				
Gloucester - Rogers, MA		—	—	—	—	—	54	54				
Gouldsboro, PA		—	—	—	—	—	4	4				
Green Bay, WI		—	—	—	—	—	127	127				
Hatfield, PA		—	—	—	—	—	—	—				
Henderson, NV		—	—	—	—	—	40	40				
Indianapolis, IN		—	—	—	—	—	612	612				
Middleboro, MA		—	—	—	—	—	85	85				

(In thousands of U.S. dollars, as applicable and unless noted)

			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Milwaukie, OR		—	—	—	—	—	183	183				
Modesto, CA		—	—	—	—	—	64	64				
Moses Lake, WA		—	—	—	—	—	11	11				
Murfreesboro, TN		—	—	—	—	—	17	17				
Nampa, ID		—	—	—	—	—	54	54				
Ontario, CA		—	—	—	—	—	231	231				
Pasco, WA		—	—	—	—	—	10	10				
Rochelle, IL (Americold Drive)		—	—	—	—	—	73,432	73,432				
Salinas, CA		—	—	—	—	—	354	354				
Sikeston, MO		—	—	—	—	—	2,238	2,238				
Strasburg, VA		—	—	—	—	—	16	16				
Syracuse, NY		—	—	—	—	—	138	138				
Tacoma, WA		—	—	—	—	—	272	272				
Tampa Plant City, FL		—	—	—	—	—	3	3				
Vernon 2, CA		—	—	—	—	—	10	10				
York, PA		—	—	—	—	—	7	7				
Australia												
Arndell Park		—	—	—	—	—	706	706				
Laverton		—	—	—	—	—	92	92				
Murarrie		—	—	—	—	—	90	90				
Prospect		—	—	—	—	—	87	87				
Spearwood		—	—	—	—	—	157	157				
Sydney RT		—	—	—	—	—	24	24				
Brisbane RT		—	—	—	—	—	350	350				
New Zealand												
Dalgety		—	—	—	—	—	117	117				
Diversey		—	—	—	—	—	85	85				
Halwyn Dr		—	—	—	—	—	46	46				
Mako Mako		—	—	—	—	—	41	41				
Manutapu		—	—	—	—	—	36	36				
Paisley		—	—	—	—	—	20	20				
Smarts Rd		—	—	—	—	—	24	24				

Americold Realty Trust and Subsidiaries
Americold Realty Operating Partnership, L.P. and Subsidiaries
Schedule III – Real Estate and Accumulated Depreciation
December 31, 2018
(In thousands of U.S. dollars, as applicable and unless noted)

			Initial Costs			Gross amount at which carried as of December 31, 2018						
Property	Buildings	Encumbrances (3)	Land	Buildings and Improvements	Costs Capitalized Subsequent to Acquisition	Land	Buildings and Improvements (2)	Total (4) (5)	Accumulated Depreciation and Depletion (1) (6)	Date of Construction	Date of Acquisition	Life on Which Depreciation is Computed
Total in assets under construction		—	—	—	—	—	81,225	81,225	—			
Total assets		$ 289,957	$360,437	$ 1,577,729	$ 308,039	$385,229	$ 1,942,201	$2,327,430	$ (669,917)			

(In thousands of U.S. dollars, as applicable and unless noted)

Schedule III – Footnotes

(1) Reconciliation of total accumulated depreciation and depletion to consolidated balance sheet caption as of December 31, 2018:		
Total per Schedule III	$	(669,917)
Accumulated depreciation on investments in non-real estate assets		(449,024)
Total accumulated depreciation and depletion per consolidated balance sheet (property, plant and equipment and capital leases)	$	(1,118,941)

(2) Reconciliation of total Buildings and Improvements to consolidated balance sheet as of December 31, 2018:		
Building and improvements per consolidated balance sheet	$	1,849,749
Building and improvements capital leases per consolidated balance sheet	$	11,227
Assets under construction per consolidated balance sheet	$	85,983
Less: personal property assets under construction	$	(4,758)
Total per Schedule III	$	1,942,201

(3) Reconciliation of total mortgage notes and term loans to consolidated balance sheet caption as of December 31, 2018:		
Total per Schedule III	$	289,957
Unsecured		1,075,000
Deferred financing and discount, net of amortization		(13,943)
Total mortgage notes and term loans per consolidated balance sheet	$	1,351,014

(4) The aggregate cost for Federal tax purposes at December 31, 2018 of our real estate assets was approximately $2.1 billion.

(In thousands of U.S. dollars, as applicable and unless noted)

(5) The following table summarizes the Company's real estate activity and accumulated depreciation for the years ended December 31:

	2018	2017	2016
Real Estate Facilities, at Cost:			
Beginning Balance	$ 2,506,656	$ 2,382,343	$ 2,379,980
Capital expenditures	50,680	52,555	46,761
Acquisitions	—	27,958	8,922
Newly developed warehouse facilities	62,353	60,598	—
Disposition	(30,199)	(20,780)	(36,628)
Impairment	(747)	(9,473)	(9,820)
Conversion of leased assets to owned	8,405	—	(5,331)
Impact of foreign exchange rate changes	(21,781)	13,455	(1,541)
Ending Balance	2,575,367	2,506,656	2,382,343
Accumulated Depreciation:			
Beginning Balance	(770,006)	(692,390)	(629,404)
Depreciation expense	(87,355)	(86,169)	(85,296)
Dispositions	24,672	11,143	21,885
Impact of foreign exchange rate changes	4,797	(2,590)	425
Ending Balance	(827,892)	(770,006)	(692,390)
Total Real Estate Facilities, Net at December 31	$ 1,747,475	$ 1,736,650	$ 1,689,953

The total real estate facilities amounts in the table above include $80.3 million , $90.5 million , and $91.6 million of assets under sale-leaseback agreements accounted for as a financing as of December 31, 2018 , 2017 and 2016 , respectively. The Company does not hold title in these assets under sale-leaseback agreements. During the second quarter of 2018 , the Company sold a facility resulting in an $8.4 million gain on sale of real estate. In preparation of the warehouse disposal, the Company transferred most of its customers inventory to other owned warehouses within the same region. During the fourth quarter of 2018, the Company disposed of an idle facility, previously classified as held for sale, for a $0.9 million loss on sale of real estate, and purchased a portion of a facility that was previously operated under a lease agreement with a purchase price of $13.8 million . As of December 31, 2018, the Company has no facilities classified as held for sale. During the year ending December 31, 2017, the Company acquired a new facility for a total cost of $31.9 million , which included $3.9 million of intangible assets associated with an in-place lease and an above-market lease. In addition, the Company disposed of two idle and one operational facilities with a net book value of $9.2 million for an aggregate amount of

(In thousands of U.S. dollars, as applicable and unless noted)

$9.2 million . As of December 31, 2017, the Company held for sale an idle facility of the Warehouse segment with a carrying amount of $2.6 million , which is included in "Property, plant, and equipment – net" in the accompanying consolidated balance sheet.

(6) Reconciliation of the Company’s real estate activity and accumulated depreciation and depletion for the years ended December 31, 2018 to Schedule III:

Total real estate facilities gross amount per Schedule III	$	2,327,430
Plus: Refrigeration equipment		261,103
Less: Quarry assets		(13,166)
Real estate facilities, at cost - ending balance	$	2,575,367

Accumulated depreciation and depletion per Schedule III	$	(669,917)
Plus: Refrigeration equipment		(160,916)
Less: Quarry assets		2,941
Accumulated depreciation and depletion - ending balance	$	(827,892)

SIGNATURES

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

AMERICOLD REALTY TRUST

By: /s/ Fred W. Boehler

Fred W. Boehler
Chief Executive Officer

Date: February 26, 2019

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

Signature	Title	Date
/s/ Fred W. Boehler Fred W. Boehler	Chief Executive Officer, President and Trustee	February 26, 2019
/s/ Marc Smernoff Marc Smernoff	Chief Financial Officer and Executive Vice President	February 26, 2019
/s/ Thomas Novosel Thomas Novosel	Chief Accounting Officer and Senior Vice President	February 26, 2019
/s/ Jeffrey M. Gault Jeffrey M. Gault	Chairman of the Board of Trustees	February 26, 2019
/s/ James R. Heistand James R. Heistand	Lead Independent Trustee	February 26, 2019
/s/ George J. Alburger, Jr. George J. Alburger, Jr.	Trustee	February 26, 2019
/s/ Ronald W. Burkle Ronald W. Burkle	Trustee	February 26, 2019
/s/ Bradley J. Gross Bradley J. Gross	Trustee	February 26, 2019
/s/ Michelle M. MacKay Michelle M. MacKay	Trustee	February 26, 2019
/s/ Mark R. Patterson Mark R. Patterson	Trustee	February 26, 2019
/s/ Andrew P. Power Andrew P. Power	Trustee	February 26, 2019

EXHIBIT 3.3

CERTIFICATE OF LIMITED PARTNERSHIP
OF
AMERICOLD REALTY OPERATING PARTNERSHIP, L.P.

The undersigned, desiring to form a limited partnership pursuant to the Delaware Revised Uniform Limited Partnership Act, 6 Delaware Code, Chapter 17, does hereby certify as follows:

I. Name . The name of the limited partnership is Americold Realty Operating Partnership, L.P. (the "Partnership").

II. Registered Office . The address of the Partnership's registered office in the State of Delaware is Corporation Trust Center, 1209 Orange Street, Wilmington, County of New Castle, Delaware 19801. The name of the Partnership's registered agent for service of process in the State of Delaware at such address is The Corporation Trust Company.

III. General Partner . The general partner of the Partnership is Americold Realty Trust and the address for such general partner is 10 Glenlake Parkway, Suite 800, Atlanta, GA 30328.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Limited Partnership of Americold Realty Operating Partnership, L.P. as of April 1, 2010.

GENERAL PARTNER:

AMERICOLD REALTY TRUST, a Maryland real estate investment trust

By: /s/ Walter Metz
Name: Walter Metz
Title: VP, General Counsel and Secretary

Exhibit 3.5

FIRST AMENDMENT
TO THE LIMITED PARTNERSHIP AGREEMENT
OF
AMERICOLD REALTY OPERATING PARTNERSHIP, L.P.

This FIRST AMENDMENT (this " Amendment ") to the Limited Partnership Agreement of Americold Realty Operating Partnership, L.P. (the " Partnership ") is dated and effective as of February 26, 2019. Capitalized terms used but not defined herein shall have the meanings given such terms in the Partnership Agreement (as defined below).

W I T N E S S E T H:

WHEREAS, the Partnership was formed on April 5, 2010 pursuant to a Certificate of Limited Partnership filed with the Office of the Secretary of State of the State of Delaware;

WHEREAS, Americold Realty Trust, a Maryland real estate investment trust (the " General Partner "), and Americold Realty Operations, Inc., a Delaware corporation (the " Limited Partner "), entered into that certain Limited Partnership Agreement of the Partnership, dated as of November 30, 2010 (the " Partnership Agreement ");

WHEREAS, pursuant to Article 11, the General Partner may amend the Partnership Agreement without the consent of the Limited Partner in certain circumstances;

WHEREAS, the General Partner desires to amend Exhibit A to reflect the existing Percentage Interest of the General Partner and the Limited Partner in terms of the number of Partnership Units held by the General Partner and the Limited Partner; and

WHEREAS, such amendment would not require the consent of the Limited Partner pursuant to Article 11 of the Partnership Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and obligations set forth herein, and of other good and valuable consideration, the receipt of which is hereby acknowledged, the General Partner, intending legally to be bound, hereby agrees as follows:

1. Exhibit A to the Partnership Agreement shall be amended and restated in its entirety and superseded and replaced by Exhibit A attached hereto.

2. Full Force and Effect . Except as expressly amended hereby, the Partnership Agreement shall remain in full force and effect.

3. Validity . Each provision of this Amendment shall be considered separate and, if for any reason, any provision(s) which is not essential to the effectuation of the basic purposes of this Amendment is determined to be invalid, illegal or unenforceable, such invalidity, illegality or unenforceability shall not impair the operation of or affect those provisions of this Amendment which are otherwise valid. To the extent legally permissible, the General Partner shall substitute

for the invalid, illegal or unenforceable provision a provision with a substantially similar economic effect and intent.

4. Applicable Law. This Amendment, and the application or interpretation thereof, shall be governed exclusively by its terms and by the laws of the State of Delaware, excluding the conflict of laws provisions thereof.

5. Binding Agreement. This Amendment and all terms, provisions and conditions hereof shall be binding upon the Partners, and shall inure to the benefit of the Partners and, except as otherwise provided herein, to their respective heirs, executors, personal representatives, successors and lawful assigns.

6. Headings. All section headings in this Amendment are for convenience of reference only and are not intended to qualify the meaning of any section.

7. Entire Agreement. The Partnership Agreement, as amended by this Amendment, constitutes the entire agreement between the Partners pertaining to the subject matter hereof and fully supersedes any and all prior or contemporaneous agreements or understandings between the Partners pertaining to the subject matter hereof.

[*Remainder of page intentionally left blank*]

IN WITNESS WHEREOF, the General Partner has caused this Amendment to be executed as of the date first above written.

GENERAL PARTNER :

AMERICOLD REALTY TRUST

By: /s/ Marc Smernoff
Name: Marc Smernoff
Title: Chief Financial Officer and Executive Vice President

EXHIBIT A

PARTNERS, CAPITAL COMMITMENTS AND PARTNERSHIP UNITS

As of December 31, 2018

Name and Address of Partners	**Partnership Units**	**Percentage Interest**
General Partner		
Americold Realty Trust Contribution pursuant to Americold Contribution Agreement	146,752,609	99%
Limited Partner		
Americold Realty Operations, Inc.	1,482,350	1%

Period from November 30, 2010 to December 31, 2017

Name and Address of Partners	**Partnership Units**	**Percentage Interest**
General Partner		
Americold Realty Trust Contribution pursuant to Americold Contribution Agreement	68,676,903	99%
Limited Partner		
Americold Realty Operations, Inc.	693,706	1%

Exhibit 10.10

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this " Agreement "), is dated this 26th day of March, 2018, by and between AMERICOLD LOGISTICS, LLC, a Delaware limited liability company with its principal place of business located in Atlanta, Georgia (the " Company ") and James Snyder (the " Executive ").

W I T N E S S E T H :

WHEREAS, the Company wishes to employ Executive to serves as Executive Vice President and General Counsel of the Company and Executive wishes to be so employed;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Employment . On the terms and subject to the conditions set forth herein, the Company hereby agrees to employ the Executive, and the Executive hereby agrees to accept such employment, for the Employment Term (as defined below). During the Employment Term, the Executive shall serve as Executive Vice President and General Counsel of the Company and shall report to the President and Chief Executive Officer of the Company (the " CEO "), performing the normal duties and responsibilities of such position with respect to the business of the Company and such other duties and responsibilities commensurate with such position as the CEO or the Board of Directors of the Company (the " Board ") may reasonably assign to the Executive from time to time.

2. Performance . The Executive shall serve the Company and its subsidiaries and affiliates faithfully and to the best of the Executive's ability and shall devote the Executive's full business time, energy, experience and talents to the business of the Company and its subsidiaries and affiliates, as applicable, and will not engage in any other employment activities for any direct or indirect remuneration without the prior written approval of the Board; provided , however , that it shall not be a violation of this Agreement for the Executive to manage the Executive's personal investments, to engage in or serve such civic, community, charitable, educational, industry, professional, or religious organizations as the Executive may select, or, with the prior approval of the CEO and Board, to serve on the boards of directors of other companies, so long as such service does not create an actual or potential conflict of interest with, or impair the Executive's ability to

fulfill the Executive's duties hereunder or conflict with the Executive's covenants under Section 6 of this Agreement, in each case as determined in the sole judgment of the CEO and Board.

3. Employment Term .

(a) Subject to earlier termination pursuant to Section 7, the term of employment of the Executive hereunder shall begin on March 26, 2018 (the " Commencement Date "), and shall continue for an indefinite period of time (the " Employment Term ").

4. Principal Location . The Executive's principal place of employment shall be the Company's offices located in the Atlanta, Georgia metropolitan area, subject to required travel.

5. Compensation and Benefits .

(a) Base Salary . During the Employment Term, the Company shall pay the Executive a base salary, payable in equal installments in accordance with Company payroll procedures, at an annual rate of Three Hundred and Fifty Thousand Dollars ($350,000), pro-rated to reflect any partial year of employment. The Board or a committee thereof shall review Executive's base salary on an annual basis and may increase Executive's base salary from time to time, in which case such increased salary then shall become the Executive's base salary for purposes of this Agreement.

(b) Annual Bonus . The Executive shall be eligible to receive an annual performance-based cash bonus in respect of each calendar year that ends during the Employment Term, to the extent earned based on the achievement of performance objectives established by the Board or a committee thereof, after consultation with the Executive, no later than thirty (30) days after commencement of the relevant bonus period, pursuant to the terms of the Company's Short-Term Incentive Plan, as amended from time to time. The maximum annual performance-based cash bonus that the Executive may earn is ninety percent (90%), and the target bonus is sixty percent (60%), in each case, of the Executive's annual base salary at the rate in effect at the end of the relevant calendar year, pro-rated to properly reflect any partial year of employment. If the applicable performance objectives are not attained at least at the minimum level, no annual performance bonus shall be payable. The amount of such annual bonus awarded for a calendar year shall be determined by the Board or a committee thereof after the end of the calendar year to which such bonus relates and shall be paid to the Executive during the following calendar year when annual bonuses for the prior calendar year are paid to other senior executives of the Company generally. The amount of any such annual bonus shall be pro-rated to properly reflect any partial year of employment. Except as otherwise provided in Section 7(b), to be eligible for any such annual bonus under this Section 5(b), the Executive must be in active working status at the time the Company pays bonuses for the relevant year to other senior executives generally. For purposes of this Agreement, "active working status" means that the Executive is employed by the Company.

(c) Long Term Incentive Plan.

(i) The Executive shall be eligible to participate in the Americold Realty Trust 2017 Equity Incentive Plan (the " Stock Plan ") in such amounts and at such times as the Compensation Committee of the Board of Directors of Americold Realty Trust (" ART ") shall determine in its sole discretion. Any such awards shall be governed by the Stock Plan and any Stock Plan award agreements between ART and the Executive.

(ii) Restricted Stock Unit Grant . In consideration of the Executive's entering into this Agreement and as an inducement to remain with the Company, the Executive shall be granted promptly following the Commencement Date, under the Stock Plan, an award of 15,625 restricted stock units to be settled in shares of the common stock of ART (the " Restricted Stock Units "), subject to the approval of the Compensation Committee of the Board of Directors of ART. Such award shall be governed by the Stock Plan and a restricted stock unit award agreement between the Executive and ART. Subject to terms of the Stock Plan and the award agreement for the Restricted Stock Units, the Restricted Stock Units shall vest in equal one-third (1/3) installments on the second, third and fourth anniversaries of the date of grant of such award, subject to the Executive's continuous employment with the Company from the date of grant of such award through such vesting dates, except as otherwise provided in Section 7(b).

(d) Benefits . During the Employment Term, the Executive shall, subject to and in accordance with the terms and conditions of the applicable plan documents in force from time to time and all applicable laws, be eligible to participate in all of the employee benefit, fringe and perquisite plans, practices, policies and arrangements the Company makes available from time to time to its executive employees generally.

(e) Paid Time Off . The Executive shall be entitled to not less than twenty-five (25) days of paid time off during each calendar year, pro-rated for any partial calendar year of employment, in accordance with the Company's policies and practices with respect to its employees generally as in effect from time to time.

(f) Business Expenses . The Executive shall be reimbursed by the Company for all reasonable and necessary business expenses actually incurred by the Executive in performing the Executive's duties hereunder. All payments under this Section 5(f) will be made in accordance with policies established by the Company from time to time and subject to receipt by the Company of appropriate documentation.

(g) Directors and Officers Liability Insurance . During the Employment Term, the Company shall maintain director and officer liability insurance covering the Executive on terms that are no less favorable than the coverage provided to other senior executives, officers or directors of the Company, as such coverage may be in effect from time to time.

6. Covenants of the Executive . The Executive acknowledges that in the course of the Executive's employment with the Company the Executive will become familiar with the Company's and its subsidiaries' and affiliates' trade secrets and with other confidential and proprietary information concerning the Company and its subsidiaries and affiliates, and that the Executive's services are of special, unique and extraordinary value to the Company and its subsidiaries and affiliates. Therefore, the Company and the Executive mutually agree that it is in the interest of both parties for the Executive to enter into the restrictive covenants set forth in this Section 6 to, among other things, protect the legitimate business interests of the Company and those of its subsidiaries and affiliates, and that such restrictions and covenants contained in this Section 6 are reasonable in geographical and temporal scope and in all other respects given the nature of the Executive's duties and the nature of the Company's and its subsidiaries' and affiliates' businesses and that such restrictions and covenants do not and will not unduly impair the Executive's ability to earn a living after termination of the Executive's employment with the Company. The Executive further acknowledges and agrees that (i) the Company would not have entered into this Agreement but for the restrictive covenants of the Executive set forth in this Section 6, and (ii) such restrictive covenants have been made by the Executive in order to induce the Company to enter into this Agreement.

(a) Definitions . For purposes of this Section 6:

" Competing Business " means any person or entity that engages in a business that is the same as or substantially similar to the business conducted by the Company.

" Confidential Information " means confidential information relating to the business of the Company and/or its affiliates that (i) has been made known to the Executive through the Executive's relationship with the Company or its affiliates, (ii) has value to the Company and/or its affiliates and (iii) is not generally known to competitors of the Company and/or its affiliates. Confidential Information includes, without limitation, methods of operation, business strategies, plans for acquisition or expansion, terms of transaction documents (including but not limited to purchase and sale agreements, operating agreements, lease agreements and employment agreements), financial information and projections, pricing and discount information, lists of and information regarding current or prospective customers, vendors, licensees and licensors, product development activities, marketing plans and strategies, non-public personnel information, and any other information of whatever kind that gives the Company and/or its affiliates an opportunity to obtain an advantage over competitors who do not possess such information, regardless of whether such information is marked "confidential." Confidential Information includes trade secrets (as defined under applicable law) as well as information that does not rise to the level of a trade secret, and includes information that has been entrusted to the Company or any of its affiliates by a third party under an obligation of confidentiality. Confidential Information does not include any information that has been voluntarily disclosed to the public by the Company (except where such public disclosure has been made by the Executive without authorization) or that has been independently developed and disclosed by others, or that otherwise enters the public domain through lawful means.

"Customer" means a current or actively sought prospective customer of the Company during the last two (2) years of the Executive's employment with the Company.

"Restricted Period" means the period in which the Executive is employed with the Company together with the one (1)-year period following termination of the Executive's employment for any reason.

"Services" means services of the type conducted, authorized, offered or provided by the Executive to or on behalf of the Company during the last two (2) years of the Executive's employment with the Company.

"Territory" means each geographic area in which the Company conducted business during the Executive's employment with the Company; provided, that if the Executive's duties and responsibilities during the last two (2) years of the Executive's employment were limited to particular geographic areas, then the "Territory" shall be limited to such geographic areas.

(b) Noncompetition. During the Restricted Period, the Executive shall not, directly or indirectly, own, manage, operate, control, consult with, be employed by or otherwise provide Services to, or participate in the ownership, management, operation or control of, any Competing Business anywhere in the Territory. Notwithstanding the foregoing, the Executive's ownership solely as an investor of two percent (2%) or less of the outstanding securities of any class of any publicly-traded securities of any company shall not, by itself, be considered to be competition with the Company or any of its subsidiaries or affiliates.

(c) Non-solicitation of Customers. During the Restricted Period, the Executive shall not, directly or indirectly, (i) solicit or attempt to solicit any Customer for purposes of providing products or services that are competitive with the products and services provided by the Company or (ii) induce or attempt to induce any Customer to reduce or cease doing business with the Company, or otherwise interfere with the relationship between any Customer and the Company.

(d) Non-solicitation of Employees. During the Restricted Period, the Executive shall not, directly or indirectly, (i) solicit for employment or attempt to solicit for employment, directly or by assisting others, any person who was an employee or independent contractor of the Company on, or within six (6) months before, the date of such solicitation or attempted solicitation or (ii) induce or attempt to induce any employee or independent contractor of the Company to terminate such person's employment or independent contractor relationship with the Company, or in any way interfere with the relationship between any such person and the Company.

(e) Non-disclosure of Confidential Information.

(i) The Executive acknowledges that all Confidential Information is the property of the Company or its applicable affiliates. The Executive further acknowledges that the Company and its affiliates intend, and make reasonable good faith efforts, to protect the Confidential Information from public disclosure. Therefore, the Executive agrees that, except as required by law or regulation or as legally compelled by court order (provided that in such case, the Executive shall promptly notify the Company of such order, shall cooperate with the Company in attempting to obtain a protective order or to otherwise restrict such disclosure, and shall only disclose Confidential Information to the minimum extent necessary to comply with any such law regulation or order), during the Employment Term and at all times thereafter, the Executive shall not, directly or indirectly, divulge, transmit, publish, copy, distribute, furnish or otherwise disclose or make accessible any Confidential Information, or use any Confidential Information for the benefit of anyone other than the Company and its affiliates.

(ii) The Company does not wish to incorporate any unlicensed or unauthorized material into its products or services. Therefore, the Executive agrees that the Executive will not disclose to the Company, use in the Company's business, or cause the Company to use, any information or material which is a trade secret, or confidential or proprietary information, of any third party, including, but not limited to, any former employer, any competitor or any client, unless the Company has a right to receive and use such information or material. The Executive will not incorporate into the Executive's work any material or information which is subject to the copyrights of any third party unless the Company has a written agreement with such third party or otherwise has the right to receive and use such material or information.

(f) Company Intellectual Property. The Executive agrees to promptly disclose to the Company any and all work product, inventions, artistic works, works of authorship, designs, methods, processes, technology, patterns, techniques, data, Confidential Information, patents, trade secrets, trademarks, domain names, copyrights, and the like, and all other intellectual property relating to the business of the Company and any of its affiliates which are created, authored, composed, invented, discovered, performed, perfected, or learned by the Executive (either solely or jointly with others) during the Employment Term (collectively, together with such intellectual property as may be owned or acquired by the Company, the " Company Intellectual Property "). The Company Intellectual Property shall be the sole and absolute property of the Company and its affiliates. All work performed by the Executive in authoring, composing, inventing, creating, developing or modifying Company Intellectual Property and/or other work product to which copyright protection may attach during the course of the Executive's employment with the Company shall be considered "works made for hire" to the extent permitted under applicable copyright law and will be considered the sole property of the Company. To the extent such works, work product or Company Intellectual Property are not considered "works made for hire," all right, title, and interest to such works, work product and Company Intellectual Property, including, but not limited to, all copyrights, patents, trademarks, rights of publicity, and trade secrets, is hereby assigned to the Company and the Executive agrees, at the Company's expense, to execute any documents requested by the Company or any of its affiliates at any time in relation to such assignment. The Executive acknowledges and agrees that the Company is and will be the sole and absolute owner of all trademarks, service marks, domain names, patents, copyrights, trade dress, trade secrets, business names, rights of publicity, inventions, proprietary know-how and information of any type, whether or not in writing, and all other intellectual property used by the Company or held for use in the business of the Company, including all Company Intellectual Property. The Executive further acknowledges and agrees that any and all derivative works, developments, or improvements based on intellectual property, materials and assets subject to this Section 6 created during the Employment Term (including, without limitation, Company Intellectual Property) shall be exclusively owned by the Company. The Executive will cooperate with the Company and any of its affiliates, at no additional cost to such parties (whether during or after the Employment Term), in the confirmation, registration, protection and enforcement of the rights and property of the Company and its affiliates in such intellectual property, materials and assets, including, without limitation, the Company Intellectual Property.

(g) Company Property . All Confidential Information, Company Intellectual Property, files, records, correspondence, memoranda, notes or other documents (including, without limitation, those in computer-readable form) or property relating or belonging to the Company and affiliates, whether prepared by the Executive or otherwise coming into the Executive's possession or control in the course of the performance of the Executive's services under this Agreement, shall be the exclusive property of the Company and shall be delivered to the Company, and not retained by the Executive (including, without limitation, any copies thereof), promptly upon request by the Company and, in any event, promptly upon termination of the Employment Term. The Executive acknowledges and agrees that the Executive has no expectation of privacy with respect to the Company's telecommunications, networking or information processing systems (including, without limitation, stored computer files, email messages and voice messages), and that the Executive's activity and any files or messages on or using any of those systems may be monitored at any time without notice.

(h) Enforcement. The Executive acknowledges that a breach of the Executive's covenants and agreements contained in this Section 6 would cause irreparable damage to the Company and its affiliates, the exact amount of which would be difficult to ascertain, and that the remedies at law for any such breach or threatened breach would be inadequate. Accordingly, the Executive agrees that if the Executive materially breaches any of the covenants or agreements contained in this Section 6, in addition to any other remedy which may be available at law or in equity, the Company and affiliates shall be entitled to: (i) cease or withhold payment to the Executive of any severance payments described in Section 7, for which the Executive otherwise qualifies under such Section 7, and the Executive shall promptly repay to the Company 90% of any such severance payments the Executive previously received (with the remaining 10% serving as consideration for the Executive's release of claims described in Section 7(d), (ii) institute and prosecute proceedings in any court of competent jurisdiction for specific performance and injunctive and other equitable relief without bond or other security or a showing of irreparable harm or lack of an adequate remedy at law, and (iii) an equitable accounting by any court of competent jurisdiction of all profits or benefits arising out of such violation. Additionally, upon a material breach by the Executive of this Section 6, the unvested Restricted Stock Units (and any other unvested stock-based awards held by the Executive) shall be automatically canceled and forfeited without any further action.

(i) Scope of Covenants. The Company and the Executive further acknowledge that the time, scope, geographic area and other provisions of this Section 6 have been specifically negotiated by sophisticated commercial parties and agree that they consider the restrictions and covenants contained in this Section 6 to be reasonable and necessary for the protection of the interests of the Company and its subsidiaries and affiliates, but if any such restriction or covenant shall be held by any court of competent jurisdiction to be void but would be valid if deleted in part or reduced in application, such restriction or covenant shall apply in such jurisdiction with such deletion or modification as may be necessary to make it valid and enforceable. The restrictions and covenants contained in each paragraph of this Section 6 shall be construed as separate and individual restrictions and covenants and shall each be capable of being reduced in application or severed without prejudice to the other restrictions and covenants or to the remaining provisions of this Agreement.

(j) Enforceability. If any court holds any of the restrictions or covenants contained in this Section 6 to be unenforceable by reason of their breadth or scope or otherwise, it is the intention of the parties hereto that such determination not bar or in any way affect the right of the Company and its affiliates to the relief provided in this Section 6 in the courts of any other jurisdiction within the geographic scope of such restrictions and covenants.

(k) Disclosure of Restrictive Covenants. The Executive agrees to disclose in advance the existence and terms of the restrictions and covenants contained in this Section 6 to any employer or other service recipient by whom the Executive may be employed or retained during the Restricted Period.

(l) Extension of Restricted Period. If the Executive breaches any non-competition or non-solicitation covenant set forth in this Section 6 in any respect, the Restricted Period will be extended for a period equal to the period that the Executive was in breach of such covenant, up to a maximum period of one (1) year.

7. Termination.

(a) Termination of Employment. The employment of the Executive hereunder and the Employment Term may be terminated at any time:

(i) by the Company with or without Cause (as defined herein) upon written notice to the Executive;

(ii) by the Company due to the Executive's Disability (as hereinafter defined) upon written notice to the Executive;

(iii) by the Executive with Good Reason (as defined herein);

(iv) by the Executive without Good Reason upon thirty (30) days written notice to the Company (which notice period may be waived by the Company in its absolute discretion, in which case, such termination shall be effective immediately upon the Company's receipt of notice thereof from the Executive); or

(v) without action by the Company, the Executive or any other person or entity, immediately upon the Executive's death.

If the Executive's employment is terminated for any reason under this Section 7, the Company shall be obligated to pay or provide to the Executive (or the Executive's estate, as applicable) in a lump sum within thirty (30) days following such termination, or at such other time prescribed by any applicable plan or applicable laws: (A) any base salary payable to the Executive pursuant to this Agreement, accrued up to and including the date on which the Executive's employment is terminated, less required statutory deductions; (B) accrued and unpaid paid time off (if and as required by applicable law or the Company's policies then in effect); (C) any employee benefits to which the Executive is entitled upon termination of the Executive's employment with the Company in accordance with the terms and conditions of the applicable plans of the Company, as in place from time to time; and (D) reimbursement for any unreimbursed business expenses incurred by the Executive prior to the Executive's date of termination pursuant to Section 5(f) ((A)-(D) collectively, the "Accrued Amounts").

(b) Termination by the Company without Cause or by the Executive for Good Reason. If the Executive's employment is terminated (A) by the Company without Cause or (B) by the Executive for Good Reason (in either case, other than a termination due to the Executive's death or Disability), in addition to the Accrued Amounts, the Executive shall be entitled to receive as severance (subject to Section 7(d)) the amounts set forth in this Section 7(b), provided the Executive executes and does not revoke the Release as required by Section 7(d).

(i) The Executive shall be entitled to an amount equal to the Executive's annual base salary (as described in Section 5(a)), for a period equal to twelve (12) months (the " Severance Period "), payable starting on the sixtieth (60 th) day following the date of such termination (but with the first payment being a lump sum payment covering all payment periods from the date of termination through the date of such first payment), in substantially equal installments in accordance with the Company's payroll practices during the Severance Period following the date of such termination, subject to reduction pursuant to Section 6(h);

(ii) To the extent performance objectives applicable to the Executive's annual bonus in the year of termination (including any objectives applicable to the Company's targeted budget) are earned as of the end of the relevant bonus period, the Executive shall be entitled to the annual bonus earned for the calendar year of such termination pursuant to Section 5(b) of this Agreement, pro-rated based on the number of days the Executive was actively employed by the Company during such bonus period, payable at the time such annual bonus would otherwise be paid in accordance with Section 5(b) of this Agreement;

(iii) Continued full participation in the Company's health and welfare benefit programs (including full reimbursement for all health, dental and vision expenses, but excluding participation in the Company's short, long-term disability plans) for a period of twelve (12) months following the Executive's termination date (for the avoidance of doubt, this continuation period shall run concurrently with any required continuation coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); provided that the Company's obligation to make any payment pursuant to this provision shall cease upon the date the Executive became eligible for coverage under the health plan of a future employer (regardless of whether the Executive elects such coverage) and the Executive shall promptly notify the Company of his eligibility for any such coverage;

(iv) Subject to Section 7(b)(v), if any Restricted Stock Units referenced in Section 5(c)(ii) remain unvested at the time of such termination, the next installment of the Restricted Stock Units that would have vested on the next scheduled vesting date shall vest as of the date of termination and the balance of any unvested Restricted Stock Units shall be forfeited. Also, if any awards issued to the Executive under the Stock Plan as to which vesting depends upon the satisfaction of one or more performance conditions remain unvested at the time of such termination, a prorated portion of the performance-vesting awards shall remain outstanding and eligible to vest based on actual performance through the last day of the applicable performance period, based on the number of days during the applicable performance period that the Executive was employed. Any performance-vesting awards that are earned based on actual performance will vest and settle as provided in the applicable award agreement.

(v) If such termination of the Executive's employment by the Company without Cause or by the Executive for Good Reason occurs within the twelve (12) month period following a Change in Control (as such term is defined in the Stock Plan), (A) any Restricted Stock Units referenced in Section 5(c)(ii) which are not vested at the time of such termination shall immediately become vested and (B) any other awards granted to the Executive pursuant to the Stock Plan as to which vesting depends upon the satisfaction of one or more performance conditions and which are not vested at the time of termination shall immediately become vested based on actual performance through the termination date.

(c) Definitions of Certain Terms . For purposes of this Agreement:

(i) " Cause " means the Executive's (A) commission of an act that constitutes common law fraud or a felony, commission of any other crime involving moral turpitude, or commission of any other tortious or unlawful act causing, or which may likely cause, material harm to the business, standing or reputation of the Company without the good faith belief that such conduct was in the best interests of the Company; (B) material breach of this Agreement, after the Company has given the Executive thirty (30) days written notice and an opportunity to cure such breach to the extent curable; (C) willful failure or refusal to perform the Executive's material duties or obligations under this Agreement, including, without limitation, failure or refusal to abide by the directions of the CEO or the Board or any written policy adopted by the Board, in each case after the Company has given the Executive thirty (30) days written notice and an opportunity to cure such failure or refusal to the extent curable; (D) willful misconduct or gross negligence in the performance of the Executive's duties as an employee, officer or director of the Company or any of its subsidiaries or affiliates; or (E) material misappropriation or embezzlement of any property of the Company.

(ii) " Disability " means a condition entitling the Executive to benefits under the Company's long term disability plan, policy or arrangement in which the Executive participates; provided , however , that if no such plan, policy or arrangement is then maintained by the Company and applicable to the Executive, "Disability" shall mean the Executive's inability to perform, with or without reasonable accommodation, the Executive's duties under this Agreement due to a mental or physical condition that can be expected to result in death or that can be expected to last (or has already lasted) for a continuous period of ninety (90) days or more, or for an aggregate of one hundred eighty (180) days in any three hundred sixty five (365) consecutive day period, as determined by the CEO or the Board in its good faith discretion.

(iii) " Good Reason " means the occurrence, without the Executive's consent, of any of the following events, other than in connection with a termination of the Executive's employment for Cause or due to death or Disability: (A) a material reduction in the Executive's rate of base salary stated in Section 5(a) and/or the amount of the Executive's annual bonus opportunity described in Section 5(b); (B) an action by the Company resulting in a material diminution in the Executive's titles, authority, duties, responsibilities or direct reports, (C) the Company's relocation of the Executive's principal place of employment to a location outside of the fifty (50)-mile radius of Atlanta, Georgia; or (D) a material breach by the Company of this Agreement; provided , however , that none of the events described in this sentence shall constitute Good Reason unless and until (V) the Executive reasonably determines in good faith that a Good Reason condition has occurred, (W) the Executive first notifies the Company in writing describing in reasonable detail the condition which constitutes Good Reason within sixty (60) days of its initial occurrence, (X) the Company fails to cure such condition within thirty (30) days after the Company's receipt of such written notice, (Y) notwithstanding such efforts, the Good Reason condition continues to exist, and (Z) the Executive terminates the Executive's employment within sixty (60) days after the end of such thirty (30)-day cure period. If the Company cures the Good Reason condition during such cure period, Good Reason shall be deemed not be have occurred.

(d) Release of Claims . As a condition of receiving any severance for which the Executive otherwise qualifies under Section 7(b), the Executive agrees to execute, deliver and not revoke, within sixty (60) days following the date of the Executive's termination of employment, a separation agreement containing a general release of claims against the Company and its subsidiaries and their respective affiliates and their respective employees, officers, directors, owners and members, in substantially the form attached hereto as Exhibit A (the " Release "), such Release to be delivered, and to have become fully irrevocable, on or before the end of such sixty (60)-day period. If the Release has not been executed and delivered and become irrevocable on or before the end of such sixty (60)-day period, no amounts or benefits under Section 7(b) shall be or become payable.

(e) No Additional Rights . The Executive acknowledges and agrees that, except as specifically described in this Section 7, all of the Executive's rights to any compensation, benefits, bonuses or severance from the Company and its subsidiaries and affiliates after termination of the Employment Term shall cease upon such termination.

8. Notices . All notices, requests, demands, claims, consents and other communications which are required, permitted or otherwise delivered hereunder shall in every case be in writing and shall be deemed properly served if: (a) delivered personally, (b) sent by registered or certified mail, in all such cases with first class postage prepaid, return receipt requested, or (c) delivered by a recognized overnight courier service, to the parties at the addresses as set forth below:

If to the Company: Americold Logistics, LLC

10 Glenlake Parkway
South Tower, Suite 600
Attention: Andrea Darweesh
Atlanta, Georgia 30328

With copies to: King & Spalding LLP
1180 Peachtree Street
Attention: C. Spencer Johnson, III

If to the Executive: At the Executive's residence address
as maintained by the Company in the
regular course of its business for
payroll purposes.

or to such other address as shall be furnished in writing by either party to the other party; provided that such notice or change in address shall be effective only when actually received by the other party. Date of service of any such notices or other communications shall be: (a) the date such notice is personally delivered, (b) three (3) days after the date of mailing if sent by certified or registered mail, or (c) one business day after date of delivery to the overnight courier if sent by overnight courier.

9. Arbitration . Except as otherwise provided in Section 6(h) in connection with equitable remedies, any dispute, claim or controversy arising out of or relating to this Agreement, including, without limitation, any dispute, claim or controversy concerning the validity, enforceability, breach or termination hereof, if not resolved by the parties, shall be finally settled by arbitration in accordance with the then-prevailing Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association, as modified herein (" Rules "). There shall be one arbitrator who shall be jointly selected by the parties. If the parties have not jointly agreed upon an arbitrator within twenty (20) calendar days of respondent's receipt of claimant's notice of intention to arbitrate, either party may request the American Arbitration Association to furnish the parties with a list of names from which the parties shall jointly select an arbitrator. If the parties have not agreed upon an arbitrator within ten (10) calendar days of the transmittal date of such list, then each party shall have an additional five (5) calendar days in which to strike any names objected to, number the remaining names in order of preference, and return the list to the American Arbitration Association, which shall then select an arbitrator in accordance with Rule 13 of the Rules. The place of arbitration shall be Atlanta, Georgia or such other location as mutually agreed in writing by the parties. By agreeing to arbitration, the parties hereto do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction or with respect to other proceedings described in Section 6(h) (or delay any such proceedings), pre-arbitral attachment or other order in aid of

arbitration. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16. Judgment upon the award of the arbitrator may be entered in any court of competent jurisdiction. Each party shall bear its or his or her own costs and expenses in any such arbitration and one-half of the arbitrator's fees and expenses.

10. Waiver of Jury Trial . **THE PARTIES TO THIS AGREEMENT EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES TO THIS AGREEMENT EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.**

11. Section 409A .

(a) The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from, Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively " Code Section 409A ") and the Company shall have complete discretion to interpret and construe this Agreement and any associated documents in any manner that establishes an exemption from (or compliance with) the requirements of Code Section 409A. If, for any reason, such as imprecision in drafting any provision of this Agreement (or of any award of compensation, including, without limitation, equity compensation or benefits) does not accurately reflect its intended establishment of an exemption from (or compliance with) Code Section 409A, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Code Section 409A and shall be interpreted by the Company in a manner consistent with such intent, as determined in the discretion of the Company.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean such a "separation from service." The determination of whether and when a separation from service has occurred for proposes of this Agreement shall be made in accordance with the presumptions set forth in Section 1.409A-1(h) of the Treasury Regulations.

(c) Any provision of this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service, the Company determines that the Executive is a "specified employee," within the meaning of Code Section 409A, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of such separation from service would be considered nonqualified deferred compensation under Code Section 409A such payment or benefit shall be paid or provided at the date which is the earlier of (i) six (6) months and one day after such separation from service and (ii) the date of the Executive's death (the " Delay Period "). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 11(c) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or provided to the Executive in a lump-sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(d) Any reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Code Section 409A shall be made or provided in accordance with the requirements of Code Section 409A, including, without limitation, that (i) in no event shall any fees, expenses or other amounts eligible to be reimbursed by the Company under this Agreement be paid later than the last day of the calendar year next following the calendar year in which the applicable fees, expenses or other amounts were incurred; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits that the Company is obligated to pay or provide, in any given calendar year shall not affect the expenses that the Company is obligated to reimburse, or the in-kind benefits that the Company is obligated to pay or provide, in any other calendar year; (iii) the Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than the Executive's remaining lifetime (or if longer, through the sixth (6th) anniversary of the Commencement Date).

(e) For purposes of Code Section 409A, the Executive's right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (for example, payment shall be made "within thirty (30) days following such termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement, to the extent such payment is subject to Code Section 409A.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Code Section 409A but do not satisfy an exemption from, or the conditions of, Code Section 409A.

12. General .

(a) Governing Law . Unless preempted by federal law, this Agreement and the legal relations thus created between the parties hereto shall be governed by and construed in accordance with, the internal laws of the State of Georgia, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Georgia or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Georgia. The parties hereto acknowledge and agree that this Agreement was executed and delivered in the State of Georgia.

(b) Construction and Severability . Whenever possible, each provision of this Agreement shall be construed and interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by, or invalid, illegal or unenforceable in any respect under, any applicable law or rule in any jurisdiction, such prohibition, invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other jurisdiction, and the parties undertake to implement all efforts which are necessary, desirable and sufficient to amend, supplement or substitute all and any such prohibited, invalid, illegal or unenforceable provisions with enforceable and valid provisions in such jurisdiction which would produce as nearly as may be possible the result previously intended by the parties without renegotiation of any material terms and conditions stipulated herein.

(c) Cooperation . During the Employment Period and thereafter, the Executive shall cooperate with the Company and be reasonably available to the Company with respect to continuing and/or future matters related to the Executive's employment period with the Company and/or its subsidiaries or affiliates, whether such matters are business-related, legal, regulatory or otherwise (including, without limitation, the Executive appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into the Executive's possession). Following the Employment Term, the Company shall reimburse the Executive for all reasonable out of pocket expenses incurred by the Executive in rendering such services that are approved by the Company. In addition, if more than an incidental cooperation is required at any time after the termination of the Executive's employment, the Executive shall be paid (other than for the time of actual testimony) a per day fee based on the Executive's base salary described in Section 5(a) at the time of such termination divided by 225.

(d) Nondisparagement. During the Employment Term and thereafter, the Executive shall not, directly or indirectly, take any action, or encourage others to take any action, to disparage the Company, its employees, officers, directors, products, services, customers or owners; provided, however, this provision does not apply to the Executive's oral or written communications made in the performance of the Executive's duties as provided in this Agreement, including but not limited to expressions of opinion communicated internally at the Company or to the Company's directors.

(e) Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Executive and the Executive's heirs, executors, administrators, and successors; provided that the services provided by the Executive under this Agreement are of a personal nature, and rights and obligations of the Executive under this Agreement shall not be assignable or delegable, except for any death payments otherwise due the Executive, which shall be payable to the estate of the Executive; provided further the Company may assign this Agreement to, and all rights hereunder shall inure to the benefit of, any subsidiary or affiliate of the Company or any person, firm or corporation resulting from the reorganization of the Company or succeeding to the business or assets of the Company by purchase, merger, consolidation or otherwise; and provided further that in the event of the Executive's death, any unpaid amount due to the Executive under this Agreement shall be paid to the Executive's estate.

(f) Executive's Representations. The Executive hereby represents and warrants to the Company that: (i) the execution, delivery and performance of this Agreement by the Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which the Executive is a party or by which the Executive is bound; (ii) the Executive is not a party to or bound by any employment agreement, noncompetition or nonsolicitation agreement or confidentiality agreement with any other person or entity besides the Company and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of the Executive, enforceable in accordance with its teens. **THE EXECUTIVE HEREBY ACKNOWLEDGES AND REPRESENTS THAT THE EXECUTIVE HAS CONSULTED WITH INDEPENDENT LEGAL COUNSEL REGARDING THE EXECUTIVE'S RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT, TO THE EXTENT DETERMINED NECESSARY OR APPROPRIATE BY THE EXECUTIVE, AND THAT THE EXECUTIVE FULLY UNDERSTANDS THE TERMS AND CONDITIONS CONTAINED HEREIN.**

(g) Compliance with Rules and Policies. The Executive shall perform all services in accordance with the policies, procedures and rules established by the Company and the Board. In addition, the Executive shall comply with all laws, rules and regulations that are generally applicable to the Company or its subsidiaries or affiliates and their respective employees, directors and officers.

(h) Withholding Taxes. All amounts payable hereunder shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

(i) Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and terminates and supersedes any and all prior agreements, understandings and representations, whether written or oral, by or between the parties hereto or their affiliates which may have related to the subject matter hereof in any way.

(j) Duration. Notwithstanding the Employment Term hereunder, this Agreement shall continue for so long as any obligations remain under this Agreement.

(k) Survival. The covenants set forth in Sections 6 and 12(c) of this Agreement shall survive and shall continue to be binding upon the Executive notwithstanding the termination of this Agreement for any reason whatsoever.

(l) Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and the Executive, and no course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement (including, without limitation, the Company's right to terminate the Employment Term for Cause) shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any similar or dissimilar requirement, provision or condition of this Agreement at the same or any prior or subsequent time. Pursuit by either party of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies and actions are cumulative and not exclusive.

(m) Counterparts. This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one instrument.

(n) Section References. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. The words Section and paragraph herein shall refer to provisions of this Agreement unless expressly indicated otherwise.

(o) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring either party hereto by virtue of the authorship of any of the provisions of this Agreement. When the context admits or requires, words used in the masculine gender shall be construed to include the feminine, the plural shall include the singular, and the singular shall include the plural.

(p) Time of the Essence; Computation of Time. Time is of the essence for each and every provision of this Agreement. Whenever the last day for the exercise of any privilege or the discharge or any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York are authorized to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular business day.

(q) No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement and their respective heirs, executors, administrators, successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(r) Protected Rights. Nothing contained in this Agreement limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, "Government Agencies"), or prevents the Executive from providing truthful testimony in response to a lawfully issued subpoena or court order. Further, this Agreement does not limit the Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

(s) Defend Trade Secrets Act. The Executive is hereby notified that under the Defend Trade Secrets Act: (i) no individual shall be held criminally or civilly liable under federal or state trade secret law for disclosure of a trade secret (as defined in the Economic Espionage Act) that is: (A) made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law or (B) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and (ii) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

[Signature Page Follows.]

[Signature Page to Employment Agreement]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto executed this Agreement as of the day and year first written above.

AMERICOLD LOGISTICS, LLC

Date: 3/29/2018_______________ By: /s/ Fred Boehler_____________

Name: Fred W. Boehler

Title: President and Chief Executive Officer

James Snyder

Date: 3/29/2018_______________ /s/ James Snyder_______________

Exhibit A: Form of Release

WAIVER AND RELEASE

This Waiver and Release (this " Release ") is executed by James Snyder (the " Executive ") pursuant to Section 7(d) of the Employment Agreement, dated as of [•], by and between AMERICOLD LOGISTICS, LLC and the Executive (the " Employment Agreement "). Capitalized terms used but not defined in this Release have the meanings given to them in the Employment Agreement.

1. General Release . In consideration of the payments and benefits to be provided to the Executive pursuant to Section 7(b) of the Employment Agreement, the Executive, on behalf of the Executive and anyone claiming through the Executive, hereby fully and completely releases, acquits and forever discharges the Company, its affiliates and related entities, and each of their respective current and former employees, officers, directors, shareholders, partners, members, managers, agents, employee benefit plans and fiduciaries, insurers, trustees, attorneys, joint venture partners, transferees, successors and assigns (each a " Released Party " and collectively, the " Released Parties "), collectively, separately, and severally, of and from any and all claims, demands, damages, causes of action, debts, liabilities, controversies, judgments, and suits of every kind and nature whatsoever, foreseen, unforeseen, known or unknown, that arise out of or relate to the Executive's employment or termination of employment with the Company and that the Executive has had, now has, or may have against the Released Parties (or any of them) at any time up to and including the date the Executive signs this Release, with the exception of the claims set forth in Section 2 below (the claims released in this Release are collectively referred to as the " Released Claims "). The Released Claims include all claims arising under any federal, state or local statute or ordinance, constitutional provision, public policy or common law, including Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (the " ADEA "), the Equal Pay Act, the Civil Rights Act of 1866, the Civil Rights Act of 1871, the Employee Retirement Income Security Act (with respect to unvested benefits), COBRA, the Americans with Disabilities Act, the Family and Medical Leave Act, the Georgia Equal Pay Act, the Georgia Prohibition of Age Discrimination in Employment Act, and the Georgia Equal Employment for People with Disabilities Code, all as amended; all claims arising under discrimination laws, whistleblower laws and laws relating to violation of public policy, retaliation, or interference with legal rights; all claims for compensation of any type whatsoever, including claims for wages, bonuses, commissions, equity, vacation, sick leave, PTO and severance; all claims arising under tort, contract and/or quasi-contract law, including all claims arising under the Employment Agreement; and all claims for monetary or equitable relief, including attorneys' fees, back pay, front pay, reinstatement, experts' fees, medical expenses, costs and disbursements. The Executive hereby waives any right to seek or recover any individual relief (including any money damages, reinstatement, or other relief) in connection with any of the Released Claims through any charge, complaint, lawsuit, or other proceeding, whether commenced or maintained by the Executive or by any other person or entity, with the exception of any right to seek an award pursuant to Section 21F of the Securities Exchange Act of 1934.

2. Excluded Claims . The Released Claims do not include (a) any claims for vested benefits to which the Executive is entitled upon the termination of the Executive's employment in accordance with the terms of the applicable benefit plans (for the avoidance of doubt, no term or provision under the Employment Agreement shall be deemed a benefit plan for purposes of this Release); (b) any claims related to acts, omissions or events occurring after the date this Release is signed by the Executive; (c) any right that the Executive may have to indemnification or insurance coverage under the Company's organizational documents or any directors and officers insurance policy; (d) any claims that cannot legally be waived by private agreement.

3. Covenant Not to Sue . Except for an action to challenge the validity of the Executive's release of claims under the ADEA, or as otherwise provided in Section 5 below, the Executive promises that the Executive will not file, instigate or participate in any proceeding against any of the Released Parties relating to any of the Released Claims. In the event the Executive breaches the covenant contained in this Section 3 , the Executive agrees to indemnify the Released Parties for all damages and expenses, including attorneys' fees, incurred by any Released Parties in defending, participating in or investigating any matter or proceeding covered by this Section 3 .

4. Representations . The Executive represents and warrants that (a) the Executive has been properly paid for all hours worked and has received all wages, bonuses, vacation pay, expense reimbursements and any other sums due from the Company (with the exception of the payments and benefits to be provided pursuant to Section 7(b) of the Employment Agreement); (b) the Executive has returned all Company property in the Executive's possession or control and has permanently deleted any Confidential Information stored on any electronic device, web-based email or other storage location not owned by the Company but within the Executive's possession or control; (c) the Executive has suffered no work-related injury or occupational disease during the course of the Executive's employment with the Company that the Executive has not reported in writing to the Company; (d) the Executive is not aware of any activity by the Company or any other Released Party that the Executive believes to be unlawful or potentially unlawful; (e) the Executive has not filed any complaints, claims or actions against the Company or any other Released Party; and (f) the Executive has not assigned, transferred, conveyed or otherwise disposed of any Released Claims.

5. Protected Rights . Nothing contained in this Release limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, " Government Agencies "). Further, this Release does not limit the Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

6. Consideration Period . The Executive understands that the Executive has [twenty-one (21) days / forty-five (45) days] to consider this Release before deciding whether to sign it. The Executive may sign this Release sooner if the Executive chooses, but no sooner than the date of termination of the Executive's employment. If the Executive chooses to sign this Release before the expiration of such [21-day / 45-day] period, the Executive represents that the Executive's decision to do so is knowing and voluntary. The Executive agrees that any changes made to this Release after it was delivered to the Executive, whether material or immaterial, do not restart the [21-day / 45-day] period described in this Section. The Company advises the Executive to consult with an attorney before signing this Release.

7. Right to Revoke . The Executive understands that the Executive has the right to revoke this Release within seven (7) days after signing it. This Release shall not become effective until the eighth day following the date on which the Executive has signed it without having revoked it (the " Effective Date "). If the Executive chooses to revoke this Release, the Executive must deliver written notice of revocation to the Company in accordance with Section 8 of the Employment Agreement. Any such notice of

revocation must be delivered to the Company in a manner calculated to ensure receipt prior to 11:59 p.m. Eastern Time on the day prior to the Effective Date. The Executive understands that if the Executive revokes this Release, the Executive will not be entitled to any of the benefits provided hereunder.

8. General Provisions . The Released Parties expressly deny that they have any liability to the Executive, and this Release is not to be construed as an admission of any such liability. This Release is to be construed under the laws of the State of Georgia. This Release constitutes the entire agreement between the Executive and the Company with respect to the issues addressed in this Release. The Executive represents that the Executive is not relying on any other agreements or oral representations not fully expressed in this Release. This Release may not be modified except in writing signed by the Executive and an authorized Company representative. The headings in this Release are for reference only, and do not in any way affect the meaning or interpretation of this Release. As used herein, the phrase “including” means “including, but not limited to” in each instance. “Or” is used in the inclusive sense of “and/or”. Should any part of this Release be found to be void or unenforceable by a court of competent jurisdiction or Government Agency, such determination will not affect the remainder of this Release.

ACCEPTED AND AGREED BY:

____

JAMES SNYDER

____

Date

Exhibit 10.11

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this " Agreement "), is dated this 25th day of September, 2018, by and between AMERICOLD LOGISTICS, LLC, a Delaware limited liability company with its principal place of business located in Atlanta, Georgia (the " Company ") and Jay Harron (the " Executive ").

W I T N E S S E T H :

WHEREAS, the Company wishes to employ Executive to serves as Executive Vice President and Chief Investment Officer of the Company and Executive wishes to be so employed;

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Employment . On the terms and subject to the conditions set forth herein, the Company hereby agrees to employ the Executive, and the Executive hereby agrees to accept such employment, for the Employment Term (as defined below). During the Employment Term, the Executive shall serve as Executive Vice President and Chief Investment Officer of the Company and shall report to the President and Chief Executive Officer of the Company (the " CEO "), performing the normal duties and responsibilities of such position with respect to the business of the Company and such other duties and responsibilities commensurate with such position as the CEO or the Board of Directors of the Company (the " Board ") may reasonably assign to the Executive from time to time.

2. Performance . The Executive shall serve the Company and its subsidiaries and affiliates faithfully and to the best of the Executive's ability and shall devote the Executive's full business time, energy, experience and talents to the business of the Company and its subsidiaries and affiliates, as applicable, and will not engage in any other employment activities for any direct or indirect remuneration without the prior written approval of the Board; provided , however , that it shall not be a violation of this Agreement for the Executive to manage the Executive's personal investments, to engage in or serve such civic, community, charitable, educational, industry, professional, or religious organizations as the Executive may select, or, with the prior approval of the CEO and Board, to serve on the boards of directors of other companies, so long as such service does not create an actual or potential conflict of interest with, or impair the Executive's ability to fulfill the Executive's duties hereunder or conflict with the Executive's covenants under Section 6 of this Agreement, in each case as determined in the sole judgment of the CEO and Board.

3. Employment Term .

(a) Subject to earlier termination pursuant to Section 7, the term of employment of the Executive hereunder shall begin on September 17, 2018 (the " Commencement Date "), and shall continue for an indefinite period of time (the " Employment Term ").

4. Principal Location. The Executive's principal place of employment shall be his home office in Illinois; however, within one (1) year from the Commencement Date of this Agreement, Executive's principal place of employment shall be the Company's offices located in the Atlanta, Georgia metropolitan area, subject to required travel.

5. Compensation and Benefits.

(a) Base Salary. During the Employment Term, the Company shall pay the Executive a base salary, payable in equal installments in accordance with Company payroll procedures, at an annual rate of Three Hundred and Twenty Thousand Dollars ($320,000), pro-rated to reflect any partial year of employment. The Board or a committee thereof shall review Executive's base salary on an annual basis and may increase Executive's base salary from time to time, in which case such increased salary then shall become the Executive's base salary for purposes of this Agreement.

(b) Bonuses.

(i) One Time Bonus. The Executive shall be eligible to receive for a one-time, lump sum sign-on bonus in the amount of One Hundred and Fifty Thousand Dollars ($150,000), less applicable taxes and deductions, to be payable the first applicable pay period in November 2018 provided the Executive is still employed at that time. If the Executive's employment is terminated not for Good Reason by the Executive or terminated for Cause by the Company within the first or second year following the Commencement Date of this Agreement, the Executive will be required to refund the One Time Bonus as provided in Section 7;

(ii) Annual Bonus. The Executive shall be eligible to receive an annual performance-based cash bonus in respect of each calendar year that ends during the Employment Term, to the extent earned based on the achievement of performance objectives established by the Board or a committee thereof, after consultation with the Executive, no later than thirty (30) days after commencement of the relevant bonus period, pursuant to the terms of the Company's Short-Term Incentive Plan, as amended from time to time. The maximum annual performance-based cash bonus that the Executive may earn is ninety percent (90%), and the target bonus is sixty percent (60%), in each case, of the Executive's annual base salary at the rate in effect at the end of the relevant calendar year, pro-rated to properly reflect any partial year of employment. If the applicable performance objectives are not attained at least at the minimum level, no annual performance bonus shall be payable. The amount of such annual bonus awarded for a calendar year shall be determined by the Board or a committee thereof after the end of the calendar year to which such bonus relates and shall be paid to the Executive during the following calendar year when annual bonuses for the prior calendar year are paid to other senior executives of the Company generally. The amount of any such annual bonus shall be pro-rated to properly reflect any partial year of employment. Except as otherwise provided in Section 7(b), to be eligible for any such annual bonus under this Section 5(b), the Executive must be in active working status at the time the Company pays bonuses for the relevant year to other senior executives generally. For purposes of this Agreement, "active working status" means that the Executive is employed by the Company.

(c) Long Term Incentive Plan.

(i) The Executive shall be eligible to participate in the Americold Realty Trust 2017 Equity Incentive Plan (the " Stock Plan ") in such amounts and at such times as the Compensation Committee of the Board of Directors of Americold Realty Trust (" ART ") shall determine in its sole discretion. Any such awards shall be governed by the Stock Plan and any Stock Plan award agreements between ART and the Executive.

(ii) Restricted Stock Unit Grants . In consideration of the Executive's entering into this Agreement and as an inducement to remain with the Company, the Executive shall be granted promptly following the Commencement Date, under the Stock Plan:

1) Time Based Restricted Stock Unit Grant . An award of 10,000 restricted stock units to be settled in shares of the common stock of ART (the " Restricted Stock Units "), subject to the approval of the Compensation Committee of the Board of Directors of ART. Such award shall be governed by the Stock Plan and a restricted stock unit award agreement between the Executive and ART. Subject to terms of the Stock Plan and the award agreement for the Restricted Stock Units, the Restricted Stock Units shall vest in equal one-half (1/2) installments on the first and second anniversaries of the date of grant of such award, subject to the Executive's continuous employment with the Company from the date of grant of such award through such vesting dates, except as otherwise provided in Section 7(b); and

2) Performance Based Restricted Stock Unit Grant . An award of 18,750 restricted stock units to be settled in shares of the common stock of ART (the " Restricted Stock Units "), subject to the approval of the Compensation Committee of the Board of Directors of ART. Such award shall be governed by the Stock Plan and a restricted stock unit award agreement between the Executive and ART. Subject to terms of the Stock Plan and the award agreement for the Restricted Stock Units, the Restricted Stock Units shall vest 100% upon completion of the Performance Period as described in the award agreement subject to the Executive's continuous employment with the Company from the date of grant of such award through such vesting date, except as otherwise provided in Section 7(b).

(d) Benefits. During the Employment Term, the Executive shall, subject to and in accordance with the terms and conditions of the applicable plan documents in force from time to time and all applicable laws, be eligible to participate in all of the employee benefit, fringe and perquisite plans, practices, policies and arrangements the Company makes available from time to time to its executive employees generally.

(e) Paid Time Off. The Executive shall be entitled to not less than twenty-five (25) days of paid time off during each calendar year, pro-rated for any partial calendar year of employment, in accordance with the Company's policies and practices with respect to its employees generally as in effect from time to time.

(f) Business Expenses. The Executive shall be reimbursed by the Company for all reasonable and necessary business expenses actually incurred by the Executive in performing the Executive's duties hereunder. All payments under this Section 5(f) will be made in accordance with policies established by the Company from time to time and subject to receipt by the Company of appropriate documentation.

(g) Directors and Officers Liability Insurance. During the Employment Term, the Company shall maintain director and officer liability insurance covering the Executive on terms that are no less favorable than the coverage provided to other senior executives, officers or directors of the Company, as such coverage may be in effect from time to time.

6. Covenants of the Executive. The Executive acknowledges that in the course of the Executive's employment with the Company the Executive will become familiar with the Company's and its subsidiaries' and affiliates' trade secrets and with other confidential and proprietary information concerning the Company and its subsidiaries and affiliates, and that the Executive's services are of special, unique and extraordinary value to the Company and its subsidiaries and affiliates. Therefore, the Company and the Executive mutually agree that it is in the interest of both parties for the Executive to enter into the restrictive covenants set forth in this Section 6 to, among other things, protect the legitimate business interests of the Company and those of its subsidiaries and affiliates, and that such restrictions and covenants contained in this Section 6 are reasonable in geographical and temporal scope and in all other respects given the nature of the Executive's duties and the nature of the Company's and its subsidiaries' and affiliates' businesses and that such restrictions and covenants do not and will not unduly impair the Executive's ability to earn a living after termination of the Executive's employment with the Company. The Executive further acknowledges and agrees that (i) the Company would not have entered into this Agreement but for the restrictive covenants of the Executive set forth in this Section 6, and (ii) such restrictive covenants have been made by the Executive in order to induce the Company to enter into this Agreement.

(a) Definitions. For purposes of this Section 6:

"Competing Business" means any person or entity that engages in a business that is the same as or substantially similar to the business conducted by the Company.

"Confidential Information" means confidential information relating to the business of the Company and/or its affiliates that (i) has been made known to the Executive through the Executive's relationship with the Company or its affiliates, (ii) has value to the Company and/or its affiliates and (iii) is not generally known to competitors of the Company and/or its affiliates. Confidential Information includes, without limitation, methods of operation, business strategies, plans for acquisition or expansion, terms of transaction documents (including but not limited to purchase and sale agreements, operating agreements, lease agreements and employment agreements), financial information and projections, pricing and discount information, lists of and information regarding current or prospective customers, vendors, licensees and licensors, product development activities, marketing plans and strategies, non-public personnel information, and any other information of whatever kind that gives the Company and/or its affiliates an opportunity to obtain an advantage over competitors who do not possess such information, regardless of whether such information is marked "confidential." Confidential Information includes trade secrets (as defined under applicable law) as well as information that does not rise to the level of a trade secret, and includes information that has been entrusted to the Company or any of its affiliates by a third party under an obligation of confidentiality. Confidential Information does not include any information that has been voluntarily disclosed to the public by the Company (except where such public disclosure has been made by the Executive without authorization) or that has been independently developed and disclosed by others, or that otherwise enters the public domain through lawful means.

" Customer " means a current or actively sought prospective customer of the Company during the last two (2) years of the Executive's employment with the Company.

" Restricted Period " means the period in which the Executive is employed with the Company together with the one (1)-year period following termination of the Executive's employment for any reason.

" Services " means services of the type conducted, authorized, offered or provided by the Executive to or on behalf of the Company during the last two (2) years of the Executive's employment with the Company.

" Territory " means each geographic area in which the Company conducted business during the Executive's employment with the Company; provided , that if the Executive's duties and responsibilities during the last two (2) years of the Executive's employment were limited to particular geographic areas, then the "Territory" shall be limited to such geographic areas.

(b) Noncompetition . During the Restricted Period, the Executive shall not, directly or indirectly, own, manage, operate, control, consult with, be employed by or otherwise provide Services to, or participate in the ownership, management, operation or control of, any Competing Business anywhere in the Territory. Notwithstanding the foregoing, the Executive's ownership solely as an investor of two percent (2%) or less of the outstanding securities of any class of any publicly-traded securities of any company shall not, by itself, be considered to be competition with the Company or any of its subsidiaries or affiliates.

(c) Non-solicitation of Customers . During the Restricted Period, the Executive shall not, directly or indirectly, (i) solicit or attempt to solicit any Customer for purposes of providing products or services that are competitive with the products and services provided by the Company or (ii) induce or attempt to induce any Customer to reduce or cease doing business with the Company, or otherwise interfere with the relationship between any Customer and the Company.

(d) Non-solicitation of Employees. During the Restricted Period, the Executive shall not, directly or indirectly, (i) solicit for employment or attempt to solicit for employment, directly or by assisting others, any person who was an employee or independent contractor of the Company on, or within six (6) months before, the date of such solicitation or attempted solicitation or (ii) induce or attempt to induce any employee or independent contractor of the Company to terminate such person's employment or independent contractor relationship with the Company, or in any way interfere with the relationship between any such person and the Company.

(e) Non-disclosure of Confidential Information.

(i) The Executive acknowledges that all Confidential Information is the property of the Company or its applicable affiliates. The Executive further acknowledges that the Company and its affiliates intend, and make reasonable good faith efforts, to protect the Confidential Information from public disclosure. Therefore, the Executive agrees that, except as required by law or regulation or as legally compelled by court order (provided that in such case, the Executive shall promptly notify the Company of such order, shall cooperate with the Company in attempting to obtain a protective order or to otherwise restrict such disclosure, and shall only disclose Confidential Information to the minimum extent necessary to comply with any such law regulation or order), during the Employment Term and at all times thereafter, the Executive shall not, directly or indirectly, divulge, transmit, publish, copy, distribute, furnish or otherwise disclose or make accessible any Confidential Information, or use any Confidential Information for the benefit of anyone other than the Company and its affiliates.

(ii) The Company does not wish to incorporate any unlicensed or unauthorized material into its products or services. Therefore, the Executive agrees that the Executive will not disclose to the Company, use in the Company's business, or cause the Company to use, any information or material which is a trade secret, or confidential or proprietary information, of any third party, including, but not limited to, any former employer, any competitor or any client, unless the Company has a right to receive and use such information or material. The Executive will not incorporate into the Executive's work any material or information which is subject to the copyrights of any third party unless the Company has a written agreement with such third party or otherwise has the right to receive and use such material or information.

(f) Company Intellectual Property. The Executive agrees to promptly disclose to the Company any and all work product, inventions, artistic works, works of authorship, designs, methods, processes, technology, patterns, techniques, data, Confidential Information, patents, trade secrets, trademarks, domain names, copyrights, and the like, and all other intellectual property relating to the business of the Company and any of its affiliates which are created, authored, composed, invented, discovered, performed, perfected, or learned by the Executive (either solely or jointly with others) during the Employment Term (collectively, together with such intellectual property as may be owned or acquired by the Company, the " Company Intellectual Property "). The

Company Intellectual Property shall be the sole and absolute property of the Company and its affiliates. All work performed by the Executive in authoring, composing, inventing, creating, developing or modifying Company Intellectual Property and/or other work product to which copyright protection may attach during the course of the Executive's employment with the Company shall be considered "works made for hire" to the extent permitted under applicable copyright law and will be considered the sole property of the Company. To the extent such works, work product or Company Intellectual Property are not considered "works made for hire," all right, title, and interest to such works, work product and Company Intellectual Property, including, but not limited to, all copyrights, patents, trademarks, rights of publicity, and trade secrets, is hereby assigned to the Company and the Executive agrees, at the Company's expense, to execute any documents requested by the Company or any of its affiliates at any time in relation to such assignment. The Executive acknowledges and agrees that the Company is and will be the sole and absolute owner of all trademarks, service marks, domain names, patents, copyrights, trade dress, trade secrets, business names, rights of publicity, inventions, proprietary know-how and information of any type, whether or not in writing, and all other intellectual property used by the Company or held for use in the business of the Company, including all Company Intellectual Property. The Executive further acknowledges and agrees that any and all derivative works, developments, or improvements based on intellectual property, materials and assets subject to this Section 6 created during the Employment Term (including, without limitation, Company Intellectual Property) shall be exclusively owned by the Company. The Executive will cooperate with the Company and any of its affiliates, at no additional cost to such parties (whether during or after the Employment Term), in the confirmation, registration, protection and enforcement of the rights and property of the Company and its affiliates in such intellectual property, materials and assets, including, without limitation, the Company Intellectual Property.

(g) Company Property . All Confidential Information, Company Intellectual Property, files, records, correspondence, memoranda, notes or other documents (including, without limitation, those in computer-readable form) or property relating or belonging to the Company and affiliates, whether prepared by the Executive or otherwise coming into the Executive's possession or control in the course of the performance of the Executive's services under this Agreement, shall be the exclusive property of the Company and shall be delivered to the Company, and not retained by the Executive (including, without limitation, any copies thereof), promptly upon request by the Company and, in any event, promptly upon termination of the Employment Term. The Executive acknowledges and agrees that the Executive has no expectation of privacy with respect to the Company's telecommunications, networking or information processing systems (including, without limitation, stored computer files, email messages and voice messages), and that the Executive's activity and any files or messages on or using any of those systems may be monitored at any time without notice.

(h) Enforcement . The Executive acknowledges that a breach of the Executive's covenants and agreements contained in this Section 6 would cause irreparable damage to the Company and its affiliates, the exact amount of which would be difficult to ascertain, and that the remedies at law for any such breach or threatened breach would be inadequate. Accordingly, the Executive agrees that if the Executive materially breaches any of the covenants or agreements contained in this Section 6, in addition to any other remedy which may be available at law or in equity, the Company and affiliates shall be entitled to: (i) cease or withhold payment to the Executive of any severance payments described in Section 7, for which the Executive otherwise qualifies under such Section 7, and the Executive shall promptly repay to the Company 90% of any such severance payments the Executive previously received (with the remaining 10% serving as consideration for the Executive's release of claims described in Section 7(d), (ii) institute and prosecute proceedings in any court of competent jurisdiction for specific performance and injunctive and other equitable relief without bond or other security or a showing of irreparable harm or lack of an adequate remedy at law, and (iii) an equitable accounting by any court of competent jurisdiction of all profits or benefits arising out of such violation. Additionally, upon a material breach by the Executive of this Section 6, the unvested Restricted Stock Units (and any other unvested stock-based awards held by the Executive) shall be automatically canceled and forfeited without any further action.

(i) Scope of Covenants. The Company and the Executive further acknowledge that the time, scope, geographic area and other provisions of this Section 6 have been specifically negotiated by sophisticated commercial parties and agree that they consider the restrictions and covenants contained in this Section 6 to be reasonable and necessary for the protection of the interests of the Company and its subsidiaries and affiliates, but if any such restriction or covenant shall be held by any court of competent jurisdiction to be void but would be valid if deleted in part or reduced in application, such restriction or covenant shall apply in such jurisdiction with such deletion or modification as may be necessary to make it valid and enforceable. The restrictions and covenants contained in each paragraph of this Section 6 shall be construed as separate and individual restrictions and covenants and shall each be capable of being reduced in application or severed without prejudice to the other restrictions and covenants or to the remaining provisions of this Agreement.

(j) Enforceability. If any court holds any of the restrictions or covenants contained in this Section 6 to be unenforceable by reason of their breadth or scope or otherwise, it is the intention of the parties hereto that such determination not bar or in any way affect the right of the Company and its affiliates to the relief provided in this Section 6 in the courts of any other jurisdiction within the geographic scope of such restrictions and covenants.

(k) Disclosure of Restrictive Covenants. The Executive agrees to disclose in advance the existence and terms of the restrictions and covenants contained in this Section 6 to any employer or other service recipient by whom the Executive may be employed or retained during the Restricted Period.

(l) Extension of Restricted Period. If the Executive breaches any non-competition or non-solicitation covenant set forth in this Section 6 in any respect, the Restricted Period will be extended for a period equal to the period that the Executive was in breach of such covenant, up to a maximum period of one (1) year.

7. Termination.

(a) Termination of Employment. The employment of the Executive hereunder and the Employment Term may be terminated at any time:

(i) by the Company with or without Cause (as defined herein) upon written notice to the Executive;

(ii) by the Company due to the Executive's Disability (as hereinafter defined) upon written notice to the Executive;

(iii) by the Executive with Good Reason (as defined herein);

(iv) by the Executive without Good Reason upon thirty (30) days written notice to the Company (which notice period may be waived by the Company in its absolute discretion, in which case, such termination shall be effective immediately upon the Company's receipt of notice thereof from the Executive); or

(v) without action by the Company, the Executive or any other person or entity, immediately upon the Executive's death.

If the Executive's employment is terminated for any reason under this Section 7, the Company shall be obligated to pay or provide to the Executive (or the Executive's estate, as applicable) in a lump sum within thirty (30) days following such termination, or at such other time prescribed by any applicable plan or applicable laws: (A) any base salary payable to the Executive pursuant to this Agreement, accrued up to and including the date on which the Executive's employment is terminated, less required statutory deductions; (B) accrued and unpaid paid time off (if and as required by applicable law or the Company's policies then in effect); (C) any employee benefits to which the Executive is entitled upon termination of the Executive's employment with the Company in accordance with the terms and conditions of the applicable plans of the Company, as in place from time to time; and (D) reimbursement for any unreimbursed business expenses incurred by the Executive prior to the Executive's date of termination pursuant to Section 5(f) ((A)-(D) collectively, the "Accrued Amounts").

(b) Termination by the Company without Cause or by the Executive for Good Reason. If the Executive's employment is terminated (A) by the Company without Cause or (B) by the Executive for Good Reason (in either case, other than a termination due to the Executive's death or Disability), in addition to the Accrued Amounts, the Executive shall be entitled to receive as severance (subject to Section 7(d)) the amounts set forth in this Section 7(b), provided the Executive executes and does not revoke the Release as required by Section 7(d).

(i) The Executive shall be entitled to an amount equal to the Executive's annual base salary (as described in Section 5(a)), for a period equal to twelve (12) months (the "Severance Period"), payable starting on the sixtieth (60^{th}) day following the date of such termination (but with the first payment being a lump sum payment covering all payment periods from the date of termination through the date of such first payment), in substantially equal installments in accordance with the Company's payroll practices during the Severance Period following the date of such termination, subject to reduction pursuant to Section 6(h);

(ii) To the extent performance objectives applicable to the Executive's annual bonus in the year of termination (including any objectives applicable to the Company's targeted budget) are earned as of the end of the relevant bonus period, the Executive shall be entitled to the annual bonus earned for the calendar year of such termination pursuant to Section 5(b) of this Agreement, pro-rated based on the number of days the Executive was actively employed by the Company during such bonus period, payable at the time such annual bonus would otherwise be paid in accordance with Section 5(b) of this Agreement;

(iii) Continued full participation in the Company's health and welfare benefit programs (including full reimbursement for all health, dental and vision expenses, but excluding participation in the Company's short or long-term disability plans) for a period of twelve (12) months following the Executive's termination date (for the avoidance of doubt, this continuation period shall run concurrently with any required continuation coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); provided that the Company's obligation to make any payment pursuant to this provision shall cease upon the date the Executive became eligible for coverage under the health plan of a future employer (regardless of whether the Executive elects such coverage) and the Executive shall promptly notify the Company of his eligibility for any such coverage;

(iv) Subject to Section 7(b)(v), if any Restricted Stock Units referenced in Section 5(c)(ii) remain unvested at the time of such termination, the next installment of the Restricted Stock Units that would have vested on the next scheduled vesting date shall vest as of the date of termination and the balance of any unvested Restricted Stock Units shall be forfeited. Also, if any awards issued to the Executive under the Stock Plan as to which vesting depends upon the satisfaction of one or more performance conditions remain unvested at the time of such termination, a prorated portion of the performance-vesting awards shall remain outstanding and eligible to vest based on actual performance through the last day of the applicable performance period, based on the number of days during the applicable performance period that the Executive was employed. Any performance-vesting awards that are earned based on actual performance will vest and settle as provided in the applicable award agreement.

(v) If such termination of the Executive's employment by the Company without Cause or by the Executive for Good Reason occurs within the twelve (12) month period following a Change in Control (as such term is defined in the Stock Plan), (A) any Restricted Stock Units referenced in Section 5(c)(ii) which are not vested at the time of such termination shall immediately become vested and (B) any other awards granted to the Executive pursuant to the Stock Plan as to which vesting depends upon the satisfaction of one or more performance conditions and which are not vested at the time of termination shall immediately become vested based on actual performance through the termination date.

(c) Definitions of Certain Terms . For purposes of this Agreement:

(i) " Cause " means the Executive's (A) commission of an act that constitutes common law fraud or a felony, commission of any other crime involving moral turpitude, or commission of any other tortious or unlawful act causing, or which may likely cause, material harm to the business, standing or reputation of the Company without the good faith belief that such conduct was in the best interests of the Company; (B) material breach of this Agreement, after the Company has given the Executive thirty (30) days written notice and an opportunity to cure such breach to the extent curable; (C) willful failure or refusal to perform the Executive's material duties or obligations under this Agreement, including, without limitation, failure or refusal to abide by the directions of the CEO or the Board or any written policy adopted by the Board, in each case after the Company has given the Executive thirty (30) days written notice and an opportunity to cure such failure or refusal to the extent curable; (D) willful misconduct or gross negligence in the performance of the Executive's duties as an employee, officer or director of the Company or any of its subsidiaries or affiliates; or (E) material misappropriation or embezzlement of any property of the Company.

(ii) " Disability " means a condition entitling the Executive to benefits under the Company's long term disability plan, policy or arrangement in which the Executive participates; provided , however , that if no such plan, policy or arrangement is then maintained by the Company and applicable to the Executive, "Disability" shall mean the Executive's inability to perform, with or without reasonable accommodation, the Executive's duties under this Agreement due to a mental or physical condition that can be expected to result in death or that can be expected to last (or has already lasted) for a continuous period of ninety (90) days or more, or for an aggregate of one hundred eighty (180) days in any three hundred sixty five (365) consecutive day period, as determined by the CEO or the Board in its good faith discretion.

(iii) " Good Reason " means the occurrence, without the Executive's consent, of any of the following events, other than in connection with a termination of the Executive's employment for Cause or due to death or Disability: (A) a material reduction in the Executive's rate of base salary stated in Section 5(a) and/or the amount of the Executive's annual bonus opportunity described in Section 5(b); (B) an action by the Company resulting in a material diminution in the Executive's titles, authority, duties, responsibilities or direct reports, (C) the Company's relocation of the Executive's principal place of employment to a location outside of the fifty (50)-mile radius of Atlanta, Georgia; or (D) a material breach by the Company of this Agreement; provided , however , that none of the events described in this sentence shall constitute Good Reason unless and until (V) the Executive reasonably determines in good faith that a Good Reason condition has occurred, (W) the Executive first notifies the Company in writing describing in reasonable detail the condition which constitutes Good Reason within sixty (60) days of its initial occurrence, (X) the Company fails to cure such condition within thirty (30) days after the Company's receipt of such written notice, (Y) notwithstanding such efforts, the Good Reason condition continues to exist, and (Z) the Executive terminates the Executive's employment within sixty (60) days after the end of such thirty (30)-day cure period. If the Company cures the Good Reason condition during such cure period, Good Reason shall be deemed not be have occurred.

(d) Release of Claims . As a condition of receiving any severance for which the Executive otherwise qualifies under Section 7(b), the Executive agrees to execute, deliver and not revoke, within sixty (60) days following the date of the Executive's termination of employment, a separation agreement containing a general release of claims against the Company and its subsidiaries and their respective affiliates and their respective employees, officers, directors, owners and members, in substantially the form attached hereto as Exhibit A (the " Release "), such Release to be delivered, and to have become fully irrevocable, on or before the end of such sixty (60)-day period. If the Release has not been executed and delivered and become irrevocable on or before the end of such sixty (60)-day period, no amounts or benefits under Section 7(b) shall be or become payable.

(e) Refund of One Time Bonus . If the Executive's employment is terminated by the Executive without Good Reason or terminated by the Company for Cause within one (1) year of the Commencement Date of this Agreement, Executive must refund 100% of the One Time Bonus amount to the Company. If the Executive's employment is terminated by the Executive without Good Reason or terminated by the Company for Cause within two (2) years of the Commencement Date of this Agreement, Executive must refund 50% of the One Time Bonus amount to the Company.

(f) No Additional Rights . The Executive acknowledges and agrees that, except as specifically described in this Section 7, all of the Executive's rights to any compensation, benefits, bonuses or severance from the Company and its subsidiaries and affiliates after termination of the Employment Term shall cease upon such termination.

8. Notices . All notices, requests, demands, claims, consents and other communications which are required, permitted or otherwise delivered hereunder shall in every case be in writing and shall be deemed properly served if: (a) delivered personally, (b) sent by registered or certified mail, in all such cases with first class postage prepaid, return receipt requested, or (c) delivered by a recognized overnight courier service, to the parties at the addresses as set forth below:

If to the Company: Americold Logistics, LLC
10 Glenlake Parkway
South Tower, Suite 600
Attention: James Snyder, General Counsel
Atlanta, Georgia 30328

With copies to: King & Spalding LLP
1180 Peachtree Street, Suite 1600
Atlanta, Georgia 30309
Attention: C. Spencer Johnson, III

If to the Executive: At the Executive's residence address
as maintained by the Company in the
regular course of its business for
payroll purposes.

or to such other address as shall be furnished in writing by either party to the other party; provided that such notice or change in address shall be effective only when actually received by the other party. Date of service of any such notices or other communications shall be: (a) the date such notice is personally delivered, (b) three (3) days after the date of mailing if sent by certified or registered mail, or (c) one business day after date of delivery to the overnight courier if sent by overnight courier.

9. Arbitration . Except as otherwise provided in Section 6(h) in connection with equitable remedies, any dispute, claim or controversy arising out of or relating to this Agreement, including, without limitation, any dispute, claim or controversy concerning the validity, enforceability, breach or termination hereof, if not resolved by the parties, shall be finally settled by arbitration in accordance with the then-prevailing Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association, as modified herein (" Rules "). There shall be one arbitrator who shall be jointly selected by the parties. If the parties have not jointly agreed upon an arbitrator within twenty (20) calendar days of respondent's receipt of claimant's notice of intention to arbitrate, either party may request the American Arbitration Association to furnish the parties with a list of names from which the parties shall jointly select an arbitrator. If the parties have not agreed upon an arbitrator within ten (10) calendar days of the transmittal date of such list, then each party shall have an additional five (5) calendar days in which to strike any names objected to, number the remaining names in order of preference, and return the list to the American Arbitration Association, which shall then select an arbitrator in accordance with Rule 13 of the Rules. The place of arbitration shall be Atlanta, Georgia or such other location as mutually agreed in writing by the parties. By agreeing to arbitration, the parties hereto do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction or with respect to other proceedings described in Section 6(h) (or delay any such proceedings), pre-arbitral attachment or other order in aid of arbitration. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16. Judgment upon the award of the arbitrator may be entered in any court of competent jurisdiction. Each party shall bear its or his or her own costs and expenses in any such arbitration and one-half of the arbitrator's fees and expenses.

10. Waiver of Jury Trial . **THE PARTIES TO THIS AGREEMENT EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES TO THIS AGREEMENT EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.**

11. Section 409A .

(a) The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from, Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively " Code Section 409A ") and the Company shall have complete discretion to interpret and construe this Agreement and any associated documents in any manner that establishes an exemption from (or compliance with) the requirements of Code Section 409A. If, for any reason, such as imprecision in drafting any provision of this Agreement (or of any award of compensation, including, without limitation, equity compensation or benefits) does not accurately reflect its intended establishment of an exemption from (or compliance with) Code Section 409A, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Code Section 409A and shall be interpreted by the Company in a manner consistent with such intent, as determined in the discretion of the Company.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean such a "separation from service." The determination of whether and when a separation from service has occurred for proposes of this Agreement shall be made in accordance with the presumptions set forth in Section 1.409A-1(h) of the Treasury Regulations.

(c) Any provision of this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service, the Company determines that the Executive is a "specified employee," within the meaning of Code Section 409A, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of such separation from service would be considered nonqualified deferred compensation under Code Section 409A such payment or benefit shall be paid or provided at the date which is the earlier of (i) six (6) months and one day after such separation from service and (ii) the date of the Executive's death (the " Delay Period "). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 11(c) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or provided to the Executive in a lump-sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(d) Any reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Code Section 409A shall be made or provided in accordance with the requirements of Code Section 409A, including, without limitation, that (i) in no event shall any fees, expenses or other amounts eligible to be reimbursed by the Company under this Agreement be paid later than the last day of the calendar year next following the calendar year in which the applicable fees, expenses or other amounts were incurred; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits that the Company is obligated to pay or provide, in any given calendar year shall not affect the expenses that the Company is obligated to reimburse, or the in-kind benefits that the Company is obligated to pay or provide, in any other calendar year; (iii) the Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit; and

(iv) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than the Executive's remaining lifetime (or if longer, through the sixth (6th) anniversary of the Commencement Date).

(e) For purposes of Code Section 409A, the Executive's right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (for example, payment shall be made "within thirty (30) days following such termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement, to the extent such payment is subject to Code Section 409A.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Code Section 409A but do not satisfy an exemption from, or the conditions of, Code Section 409A.

12. General.

(a) Governing Law. Unless preempted by federal law, this Agreement and the legal relations thus created between the parties hereto shall be governed by and construed in accordance with, the internal laws of the State of Georgia, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Georgia or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Georgia. The parties hereto acknowledge and agree that this Agreement was executed and delivered in the State of Georgia.

(b) Construction and Severability. Whenever possible, each provision of this Agreement shall be construed and interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by, or invalid, illegal or unenforceable in any respect under, any applicable law or rule in any jurisdiction, such prohibition, invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other jurisdiction, and the parties undertake to implement all efforts which are necessary, desirable and sufficient to amend, supplement or substitute all and any such prohibited, invalid, illegal or unenforceable provisions with enforceable and valid provisions in such jurisdiction which would produce as nearly as may be possible the result previously intended by the parties without renegotiation of any material terms and conditions stipulated herein.

(c) Cooperation. During the Employment Period and thereafter, the Executive shall cooperate with the Company and be reasonably available to the Company with respect to continuing and/or future matters related to the Executive's employment period with the Company and/or its subsidiaries or affiliates, whether such matters are business-related, legal, regulatory or otherwise (including, without limitation, the Executive appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into the Executive's possession). Following the Employment Term, the Company shall reimburse the Executive for all reasonable out of pocket expenses incurred by the Executive in rendering such services that are approved by the Company. In addition, if more than an incidental cooperation is required at any time after the termination of the Executive's employment, the Executive shall be paid (other than for the time of actual testimony) a per day fee based on the Executive's base salary described in Section 5(a) at the time of such termination divided by 225.

(d) Nondisparagement . During the Employment Term and thereafter, the Executive shall not, directly or indirectly, take any action, or encourage others to take any action, to disparage the Company, its employees, officers, directors, products, services, customers or owners; provided , however , this provision does not apply to the Executive's oral or written communications made in the performance of the Executive's duties as provided in this Agreement, including but not limited to expressions of opinion communicated internally at the Company or to the Company's directors.

(e) Successors and Assigns . This Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Executive and the Executive's heirs, executors, administrators, and successors; provided that the services provided by the Executive under this Agreement are of a personal nature, and rights and obligations of the Executive under this Agreement shall not be assignable or delegable, except for any death payments otherwise due the Executive, which shall be payable to the estate of the Executive; provided further the Company may assign this Agreement to, and all rights hereunder shall inure to the benefit of, any subsidiary or affiliate of the Company or any person, firm or corporation resulting from the reorganization of the Company or succeeding to the business or assets of the Company by purchase, merger, consolidation or otherwise; and provided further that in the event of the Executive's death, any unpaid amount due to the Executive under this Agreement shall be paid to the Executive's estate.

(f) Executive's Representations . The Executive hereby represents and warrants to the Company that: (i) the execution, delivery and performance of this Agreement by the Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which the Executive is a party or by which the Executive is bound; (ii) the Executive is not a party to or bound by any employment agreement, noncompetition or nonsolicitation agreement or confidentiality agreement with any other person or entity besides the Company and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of the Executive, enforceable in accordance with its teens. **THE EXECUTIVE HEREBY ACKNOWLEDGES AND REPRESENTS THAT THE EXECUTIVE HAS CONSULTED WITH INDEPENDENT LEGAL COUNSEL REGARDING THE EXECUTIVE'S RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT, TO THE EXTENT DETERMINED NECESSARY OR APPROPRIATE BY THE EXECUTIVE, AND THAT THE EXECUTIVE FULLY UNDERSTANDS THE TERMS AND CONDITIONS CONTAINED HEREIN.**

(g) Compliance with Rules and Policies . The Executive shall perform all services in accordance with the policies, procedures and rules established by the Company and the Board.

In addition, the Executive shall comply with all laws, rules and regulations that are generally applicable to the Company or its subsidiaries or affiliates and their respective employees, directors and officers.

(h) Withholding Taxes. All amounts payable hereunder shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

(i) Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and terminates and supersedes any and all prior agreements, understandings and representations, whether written or oral, by or between the parties hereto or their affiliates which may have related to the subject matter hereof in any way.

(j) Duration. Notwithstanding the Employment Term hereunder, this Agreement shall continue for so long as any obligations remain under this Agreement.

(k) Survival. The covenants set forth in Sections 6 and 12(c) of this Agreement shall survive and shall continue to be binding upon the Executive notwithstanding the termination of this Agreement for any reason whatsoever.

(l) Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and the Executive, and no course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement (including, without limitation, the Company's right to terminate the Employment Term for Cause) shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any similar or dissimilar requirement, provision or condition of this Agreement at the same or any prior or subsequent time. Pursuit by either party of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies and actions are cumulative and not exclusive.

(m) Counterparts. This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one instrument.

(n) Section References. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. The words Section and paragraph herein shall refer to provisions of this Agreement unless expressly indicated otherwise.

(o) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring either party hereto by virtue of the authorship of any of the provisions of this Agreement. When the context admits or requires, words used in the masculine gender shall be construed to include the feminine, the plural shall include the singular, and the singular shall include the plural.

(p) Time of the Essence; Computation of Time. Time is of the essence for each and every provision of this Agreement. Whenever the last day for the exercise of any privilege or the discharge or any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York are authorized to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular business day.

(q) No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement and their respective heirs, executors, administrators, successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(r) Protected Rights. Nothing contained in this Agreement limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, "Government Agencies"), or prevents the Executive from providing truthful testimony in response to a lawfully issued subpoena or court order. Further, this Agreement does not limit the Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

(s) Defend Trade Secrets Act. The Executive is hereby notified that under the Defend Trade Secrets Act: (i) no individual shall be held criminally or civilly liable under federal or state trade secret law for disclosure of a trade secret (as defined in the Economic Espionage Act) that is: (A) made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law or (B) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and (ii) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto executed this Agreement as of the day and year first written above.

AMERICOLD LOGISTICS, LLC

Date: ____9/25/2018_____________ By: /s/ Andrea Darweesh___ ___
Name: Andrea Darweesh
Title: EVP and Chief Human Resources Officer

JAY HARRON

Date : 9/25/2018 _____/s/ Jay Harron_________________

Exhibit A: Form of Release

WAIVER AND RELEASE

This Waiver and Release (this " Release ") is executed by [•] (the " Executive ") pursuant to Section 7(d) of the Employment Agreement, dated as of [•], by and between AMERICOLD LOGISTICS, LLC and the Executive (the " Employment Agreement "). Capitalized terms used but not defined in this Release have the meanings given to them in the Employment Agreement.

1. General Release . In consideration of the payments and benefits to be provided to the Executive pursuant to Section 7(b) of the Employment Agreement, the Executive, on behalf of the Executive and anyone claiming through the Executive, hereby fully and completely releases, acquits and forever discharges the Company, its affiliates and related entities, and each of their respective current and former employees, officers, directors, shareholders, partners, members, managers, agents, employee benefit plans and fiduciaries, insurers, trustees, attorneys, joint venture partners, transferees, successors and assigns (each a " Released Party " and collectively, the " Released Parties "), collectively, separately, and severally, of and from any and all claims, demands, damages, causes of action, debts, liabilities, controversies, judgments, and suits of every kind and nature whatsoever, foreseen, unforeseen, known or unknown, that arise out of or relate to the Executive's employment or termination of employment with the Company and that the Executive has had, now has, or may have against the Released Parties (or any of them) at any time up to and including the date the Executive signs this Release, with the exception of the claims set forth in Section 2 below (the claims released in this Release are collectively referred to as the " Released Claims "). The Released Claims include all claims arising under any federal, state or local statute or ordinance, constitutional provision, public policy or common law, including Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (the " ADEA "), the Equal Pay Act, the Civil Rights Act of 1866, the Civil Rights Act of 1871, the Employee Retirement Income Security Act (with respect to unvested benefits), COBRA, the Americans with Disabilities Act, the Family and Medical Leave Act, the Georgia Equal Pay Act, the Georgia Prohibition of Age Discrimination in Employment Act, and the Georgia Equal Employment for People with Disabilities Code, all as amended; all claims arising under discrimination laws, whistleblower laws and laws relating to violation of public policy, retaliation, or interference with legal rights; all claims for compensation of any type whatsoever, including claims for wages, bonuses, commissions, equity, vacation, sick leave, PTO and severance; all claims arising under tort, contract and/or quasi-contract law, including all claims arising under the Employment Agreement; and all claims for monetary or equitable relief, including attorneys' fees, back pay, front pay, reinstatement, experts' fees, medical expenses, costs and disbursements. The Executive hereby waives any right to seek or recover any individual relief (including any money damages, reinstatement, or other relief) in connection with any of the Released Claims through any charge, complaint, lawsuit, or other proceeding, whether commenced or maintained by the Executive or by any other person or entity, with the exception of any right to seek an award pursuant to Section 21F of the Securities Exchange Act of 1934.

2. Excluded Claims . The Released Claims do not include (a) any claims for vested benefits to which the Executive is entitled upon the termination of the Executive's employment in accordance with the terms of the applicable benefit plans (for the avoidance of doubt, no term or provision under the Employment Agreement shall be deemed a benefit plan for purposes of this Release); (b) any claims related to acts, omissions or events occurring after the date this Release is signed by the Executive; (c) any right that the Executive may have to indemnification or insurance coverage under the Company's organizational documents or any directors and officers insurance policy; (d) any claims that cannot legally be waived by private agreement.

3. Covenant Not to Sue. Except for an action to challenge the validity of the Executive's release of claims under the ADEA, or as otherwise provided in Section 5 below, the Executive promises that the Executive will not file, instigate or participate in any proceeding against any of the Released Parties relating to any of the Released Claims. In the event the Executive breaches the covenant contained in this Section 3, the Executive agrees to indemnify the Released Parties for all damages and expenses, including attorneys' fees, incurred by any Released Parties in defending, participating in or investigating any matter or proceeding covered by this Section 3.

4. Representations. The Executive represents and warrants that (a) the Executive has been properly paid for all hours worked and has received all wages, bonuses, vacation pay, expense reimbursements and any other sums due from the Company (with the exception of the payments and benefits to be provided pursuant to Section 7(b) of the Employment Agreement); (b) the Executive has returned all Company property in the Executive's possession or control and has permanently deleted any Confidential Information stored on any electronic device, web-based email or other storage location not owned by the Company but within the Executive's possession or control; (c) the Executive has suffered no work-related injury or occupational disease during the course of the Executive's employment with the Company that the Executive has not reported in writing to the Company; (d) the Executive is not aware of any activity by the Company or any other Released Party that the Executive believes to be unlawful or potentially unlawful; (e) the Executive has not filed any complaints, claims or actions against the Company or any other Released Party; and (f) the Executive has not assigned, transferred, conveyed or otherwise disposed of any Released Claims.

5. Protected Rights. Nothing contained in this Release limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, "Government Agencies"). Further, this Release does not limit the Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

6. Consideration Period. The Executive understands that the Executive has [twenty-one (21) days / forty-five (45) days] to consider this Release before deciding whether to sign it. The Executive may sign this Release sooner if the Executive chooses, but no sooner than the date of termination of the Executive's employment. If the Executive chooses to sign this Release before the expiration of such [21-day / 45-day] period, the Executive represents that the Executive's decision to do so is knowing and voluntary. The Executive agrees that any changes made to this Release after it was delivered to the Executive, whether material or immaterial, do not restart the [21-day / 45-day] period described in this Section. The Company advises the Executive to consult with an attorney before signing this Release.

7. Right to Revoke. The Executive understands that the Executive has the right to revoke this Release within seven (7) days after signing it. This Release shall not become effective until the eighth day following the date on which the Executive has signed it without having revoked it (the "Effective Date"). If the Executive chooses to revoke this Release, the Executive must deliver written notice of revocation to the Company in accordance with Section 8 of the Employment Agreement. Any such notice of revocation must be delivered to the Company in a manner calculated to ensure receipt prior to 11:59 p.m. Eastern Time on the day prior to the Effective Date. The Executive understands that if the Executive revokes this Release, the Executive will not be entitled to any of the benefits provided hereunder.

8. General Provisions. The Released Parties expressly deny that they have any liability to the Executive, and this Release is not to be construed as an admission of any such liability. This Release is to be construed under the laws of the State of Georgia. This Release constitutes the entire agreement between the Executive and the Company with respect to the issues addressed in this Release. The Executive represents that the Executive is not relying on any other agreements or oral representations not fully expressed in this Release. This Release may not be modified except in writing signed by the Executive and an authorized Company representative. The headings in this Release are for reference only, and do not in any way affect the meaning or interpretation of this Release. As used herein, the phrase "including" means "including, but not limited to" in each instance. "Or" is used in the inclusive sense of "and/or". Should any part of this Release be found to be void or unenforceable by a court of competent jurisdiction or Government Agency, such determination will not affect the remainder of this Release.

ACCEPTED AND AGREED BY:

____

[•]

____

Date

Exhibit 10.12

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT (this " Agreement "), is dated this 12th day of September, 2018, by and between AMERICOLD LOGISTICS, LLC, a Delaware limited liability company with its principal place of business located in Atlanta, Georgia (the " Company ") and David Stuver (the " Executive ").

W I T N E S S E T H :

WHEREAS, the Executive currently serves as Senior Vice President, Distribution Support, of the Company;

WHEREAS, the Company wishes to employ Executive to serves as Executive Vice President, Business Development and Supply Chain Solutions of the Company and Executive wishes to be so employed;

WHEREAS, the Executive and the Company are currently parties to that certain Employment Agreement, dated January 26, 2018 (the " Prior Employment Agreement "); and

WHEREAS, the Executive and the Company mutually desire to terminate and cancel the Prior Employment Agreement and, in connection therewith, to provide for the continued services and employment of the Executive by the Company on the terms and conditions hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein and for good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, each intending to be legally bound hereby, agree as follows:

1. Employment . On the terms and subject to the conditions set forth herein, the Company hereby agrees to employ the Executive, and the Executive hereby agrees to accept such employment, for the Employment Term (as defined below). During the Employment Term, the Executive shall serve as Executive Vice President, Business Development and Supply Chain Solutions of the Company and shall report to the President and Chief Executive Officer of the Company (the " CEO "), performing the normal duties and responsibilities of such position with respect to the business of the Company and such other duties and responsibilities commensurate with such position as the CEO or the Board of Directors of the Company (the " Board ") may reasonably assign to the Executive from time to time.

2. Performance . The Executive shall serve the Company and its subsidiaries and affiliates faithfully and to the best of the Executive's ability and shall devote the Executive's full business time, energy, experience and talents to the business of the Company and its subsidiaries and affiliates, as applicable, and will not engage in any other employment activities for any direct or indirect remuneration without the prior written approval of the Board; provided , however , that it shall not be a violation of this Agreement for the Executive to manage the Executive's personal investments, to engage in or serve such civic, community, charitable, educational, industry,

professional, or religious organizations as the Executive may select, or, with the prior approval of the CEO and Board, to serve on the boards of directors of other companies, so long as such service does not create an actual or potential conflict of interest with, or impair the Executive's ability to fulfill the Executive's duties hereunder or conflict with the Executive's covenants under Section 6 of this Agreement, in each case as determined in the sole judgment of the CEO and Board.

3. Employment Term .

(a) Subject to earlier termination pursuant to Section 7, the term of employment of the Executive hereunder shall begin on September 4, 2018 (the " Commencement Date "), and shall continue for an indefinite period of time (the " Employment Term ").

4. Principal Location . The Executive's principal place of employment shall be the Company's offices located in the Atlanta, Georgia metropolitan area, subject to required travel.

5. Compensation and Benefits .

(a) Base Salary . During the Employment Term, the Company shall pay the Executive a base salary, payable in equal installments in accordance with Company payroll procedures, at an annual rate of Three Hundred and Seventy-Five Thousand Dollars ($375,000), pro-rated to reflect any partial year of employment. The Board or a committee thereof shall review Executive's base salary on an annual basis and may increase Executive's base salary from time to time, in which case such increased salary then shall become the Executive's base salary for purposes of this Agreement.

(b) Annual Bonus . The Executive shall be eligible to receive an annual performance-based cash bonus in respect of each calendar year that ends during the Employment Term, to the extent earned based on the achievement of performance objectives established by the Board or a committee thereof, after consultation with the Executive, no later than thirty (30) days after commencement of the relevant bonus period, pursuant to the terms of the Company's Short-Term Incentive Plan, as amended from time to time. The maximum annual performance-based cash bonus that the Executive may earn is ninety percent (90%), and the target bonus is sixty percent (60%), in each case, of the Executive's annual base salary at the rate in effect at the end of the relevant calendar year, pro-rated to properly reflect any partial year of employment. If the applicable performance objectives are not attained at least at the minimum level, no annual performance bonus shall be payable. The amount of such annual bonus awarded for a calendar year shall be determined by the Board or a committee thereof after the end of the calendar year to which such bonus relates and shall be paid to the Executive during the following calendar year when annual bonuses for the prior calendar year are paid to other senior executives of the Company generally. The amount of any such annual bonus shall be pro-rated to properly reflect any partial year of employment. Except as otherwise provided in Section 7(b), to be eligible for any such annual bonus under this Section 5(b), the Executive must be in active working status at the time the Company pays bonuses for the relevant year to other senior executives generally. For purposes of this Agreement, "active working status" means that the Executive is employed by the Company.

(c) Long Term Incentive Plan.

(i) The Executive shall be eligible to participate in the Americold Realty Trust 2017 Equity Incentive Plan (the " Stock Plan ") in such amounts and at such times as the Compensation Committee of the Board of Directors of Americold Realty Trust (" ART ") shall determine in its sole discretion. Any such awards shall be governed by the Stock Plan and any Stock Plan award agreements between ART and the Executive.

(ii) Time-Based Restricted Stock Unit Grant . In consideration of the Executive's entering into this Agreement and as an inducement to remain with the Company, the Company will not terminate nor cancel the granted award under the Prior Employment Agreement of 15,625 restricted stock units to be settled in shares of the common stock of ART (the " Restricted Stock Units "). Such award is governed by the Stock Plan and restricted stock unit award agreement between the Executive and ART. Subject to terms of the Stock Plan and the award agreement for the Restricted Stock Units, the Restricted Stock Units shall vest in equal one-third (1/3) installments on the second, third and fourth anniversaries of the current date of grant of the award, subject to the Executive's continuous employment with the Company from the date of grant of such award through such vesting dates, except as otherwise provided in Section 7(b).

(d) Benefits . During the Employment Term, the Executive shall, subject to and in accordance with the terms and conditions of the applicable plan documents in force from time to time and all applicable laws, be eligible to participate in all of the employee benefit, fringe and perquisite plans, practices, policies and arrangements the Company makes available from time to time to its executive employees generally.

(e) Paid Time Off . The Executive shall be entitled to not less than twenty-five (25) days of paid time off during each calendar year, pro-rated for any partial calendar year of employment, in accordance with the Company's policies and practices with respect to its employees generally as in effect from time to time.

(f) Business Expenses . The Executive shall be reimbursed by the Company for all reasonable and necessary business expenses actually incurred by the Executive in performing the Executive's duties hereunder. All payments under this Section 5(f) will be made in accordance with policies established by the Company from time to time and subject to receipt by the Company of appropriate documentation.

(g) Directors and Officers Liability Insurance . During the Employment Term, the Company shall maintain director and officer liability insurance covering the Executive on terms that are no less favorable than the coverage provided to other senior executives, officers or directors of the Company, as such coverage may be in effect from time to time.

6. Covenants of the Executive . The Executive acknowledges that in the course of the Executive's employment with the Company the Executive will become familiar with the Company's and its subsidiaries' and affiliates' trade secrets and with other confidential and proprietary information concerning the Company and its subsidiaries and affiliates, and that the Executive's

services are of special, unique and extraordinary value to the Company and its subsidiaries and affiliates. Therefore, the Company and the Executive mutually agree that it is in the interest of both parties for the Executive to enter into the restrictive covenants set forth in this Section 6 to, among other things, protect the legitimate business interests of the Company and those of its subsidiaries and affiliates, and that such restrictions and covenants contained in this Section 6 are reasonable in geographical and temporal scope and in all other respects given the nature of the Executive's duties and the nature of the Company's and its subsidiaries' and affiliates' businesses and that such restrictions and covenants do not and will not unduly impair the Executive's ability to earn a living after termination of the Executive's employment with the Company. The Executive further acknowledges and agrees that (i) the Company would not have entered into this Agreement but for the restrictive covenants of the Executive set forth in this Section 6, and (ii) such restrictive covenants have been made by the Executive in order to induce the Company to enter into this Agreement.

(a) Definitions . For purposes of this Section 6:

" Competing Business " means any person or entity that engages in a business that is the same as or substantially similar to the business conducted by the Company.

" Confidential Information " means confidential information relating to the business of the Company and/or its affiliates that (i) has been made known to the Executive through the Executive's relationship with the Company or its affiliates, (ii) has value to the Company and/or its affiliates and (iii) is not generally known to competitors of the Company and/or its affiliates. Confidential Information includes, without limitation, methods of operation, business strategies, plans for acquisition or expansion, terms of transaction documents (including but not limited to purchase and sale agreements, operating agreements, lease agreements and employment agreements), financial information and projections, pricing and discount information, lists of and information regarding current or prospective customers, vendors, licensees and licensors, product development activities, marketing plans and strategies, non-public personnel information, and any other information of whatever kind that gives the Company and/or its affiliates an opportunity to obtain an advantage over competitors who do not possess such information, regardless of whether such information is marked "confidential." Confidential Information includes trade secrets (as defined under applicable law) as well as information that does not rise to the level of a trade secret, and includes information that has been entrusted to the Company or any of its affiliates by a third party under an obligation of confidentiality. Confidential Information does not include any information that has been voluntarily disclosed to the public by the Company (except where such public disclosure has been made by the Executive without authorization) or that has been independently developed and disclosed by others, or that otherwise enters the public domain through lawful means.

" Customer " means a current or actively sought prospective customer of the Company during the last two (2) years of the Executive's employment with the Company.

" Restricted Period " means the period in which the Executive is employed with the Company together with the one (1)-year period following termination of the Executive's employment for any reason.

"Services" means services of the type conducted, authorized, offered or provided by the Executive to or on behalf of the Company during the last two (2) years of the Executive's employment with the Company.

"Territory" means each geographic area in which the Company conducted business during the Executive's employment with the Company; provided, that if the Executive's duties and responsibilities during the last two (2) years of the Executive's employment were limited to particular geographic areas, then the "Territory" shall be limited to such geographic areas.

(b) Noncompetition. During the Restricted Period, the Executive shall not, directly or indirectly, own, manage, operate, control, consult with, be employed by or otherwise provide Services to, or participate in the ownership, management, operation or control of, any Competing Business anywhere in the Territory. Notwithstanding the foregoing, the Executive's ownership solely as an investor of two percent (2%) or less of the outstanding securities of any class of any publicly-traded securities of any company shall not, by itself, be considered to be competition with the Company or any of its subsidiaries or affiliates.

(c) Non-solicitation of Customers. During the Restricted Period, the Executive shall not, directly or indirectly, (i) solicit or attempt to solicit any Customer for purposes of providing products or services that are competitive with the products and services provided by the Company or (ii) induce or attempt to induce any Customer to reduce or cease doing business with the Company, or otherwise interfere with the relationship between any Customer and the Company.

(d) Non-solicitation of Employees. During the Restricted Period, the Executive shall not, directly or indirectly, (i) solicit for employment or attempt to solicit for employment, directly or by assisting others, any person who was an employee or independent contractor of the Company on, or within six (6) months before, the date of such solicitation or attempted solicitation or (ii) induce or attempt to induce any employee or independent contractor of the Company to terminate such person's employment or independent contractor relationship with the Company, or in any way interfere with the relationship between any such person and the Company.

(e) Non-disclosure of Confidential Information.

(i) The Executive acknowledges that all Confidential Information is the property of the Company or its applicable affiliates. The Executive further acknowledges that the Company and its affiliates intend, and make reasonable good faith efforts, to protect the Confidential Information from public disclosure. Therefore, the Executive agrees that, except as required by law or regulation or as legally compelled by court order (provided that in such case, the Executive shall promptly notify the Company of such order, shall cooperate with the Company in attempting to obtain a protective order or to otherwise restrict such disclosure, and shall only disclose Confidential Information to the minimum extent necessary to comply with any such law regulation or order), during the Employment Term and at all times thereafter, the Executive shall not, directly or indirectly, divulge, transmit, publish, copy, distribute, furnish or otherwise disclose or make accessible any Confidential Information, or use any Confidential Information for the benefit of anyone other than the Company and its affiliates.

(ii) The Company does not wish to incorporate any unlicensed or unauthorized material into its products or services. Therefore, the Executive agrees that the Executive will not disclose to the Company, use in the Company's business, or cause the Company to use, any information or material which is a trade secret, or confidential or proprietary information, of any third party, including, but not limited to, any former employer, any competitor or any client, unless the Company has a right to receive and use such information or material. The Executive will not incorporate into the Executive's work any material or information which is subject to the copyrights of any third party unless the Company has a written agreement with such third party or otherwise has the right to receive and use such material or information.

(f) Company Intellectual Property . The Executive agrees to promptly disclose to the Company any and all work product, inventions, artistic works, works of authorship, designs, methods, processes, technology, patterns, techniques, data, Confidential Information, patents, trade secrets, trademarks, domain names, copyrights, and the like, and all other intellectual property relating to the business of the Company and any of its affiliates which are created, authored, composed, invented, discovered, performed, perfected, or learned by the Executive (either solely or jointly with others) during the Employment Term (collectively, together with such intellectual property as may be owned or acquired by the Company, the " Company Intellectual Property "). The Company Intellectual Property shall be the sole and absolute property of the Company and its affiliates. All work performed by the Executive in authoring, composing, inventing, creating, developing or modifying Company Intellectual Property and/or other work product to which copyright protection may attach during the course of the Executive's employment with the Company shall be considered "works made for hire" to the extent permitted under applicable copyright law and will be considered the sole property of the Company. To the extent such works, work product or Company Intellectual Property are not considered "works made for hire," all right, title, and interest to such works, work product and Company Intellectual Property, including, but not limited to, all copyrights, patents, trademarks, rights of publicity, and trade secrets, is hereby assigned to the Company and the Executive agrees, at the Company's expense, to execute any documents requested by the Company or any of its affiliates at any time in relation to such assignment. The Executive acknowledges and agrees that the Company is and will be the sole and absolute owner of all trademarks, service marks, domain names, patents, copyrights, trade dress, trade secrets, business names, rights of publicity, inventions, proprietary know-how and information of any type, whether or not in writing, and all other intellectual property used by the Company or held for use in the business of the Company, including all Company Intellectual Property. The Executive further acknowledges and agrees that any and all derivative works, developments, or improvements based on intellectual property, materials and assets subject to this Section 6 created during the Employment Term (including, without limitation, Company Intellectual Property) shall be exclusively owned by the Company. The Executive will cooperate with the Company and any of its affiliates, at no additional cost to such parties (whether during or after the Employment Term), in the confirmation, registration, protection and enforcement of the rights and property of the Company and its affiliates in such intellectual property, materials and assets, including, without limitation, the Company Intellectual Property.

(g) Company Property. All Confidential Information, Company Intellectual Property, files, records, correspondence, memoranda, notes or other documents (including, without limitation, those in computer-readable form) or property relating or belonging to the Company and affiliates, whether prepared by the Executive or otherwise coming into the Executive's possession or control in the course of the performance of the Executive's services under this Agreement, shall be the exclusive property of the Company and shall be delivered to the Company, and not retained by the Executive (including, without limitation, any copies thereof), promptly upon request by the Company and, in any event, promptly upon termination of the Employment Term. The Executive acknowledges and agrees that the Executive has no expectation of privacy with respect to the Company's telecommunications, networking or information processing systems (including, without limitation, stored computer files, email messages and voice messages), and that the Executive's activity and any files or messages on or using any of those systems may be monitored at any time without notice.

(h) Enforcement. The Executive acknowledges that a breach of the Executive's covenants and agreements contained in this Section 6 would cause irreparable damage to the Company and its affiliates, the exact amount of which would be difficult to ascertain, and that the remedies at law for any such breach or threatened breach would be inadequate. Accordingly, the Executive agrees that if the Executive materially breaches any of the covenants or agreements contained in this Section 6, in addition to any other remedy which may be available at law or in equity, the Company and affiliates shall be entitled to: (i) cease or withhold payment to the Executive of any severance payments described in Section 7, for which the Executive otherwise qualifies under such Section 7, and the Executive shall promptly repay to the Company 90% of any such severance payments the Executive previously received (with the remaining 10% serving as consideration for the Executive's release of claims described in Section 7(d), (ii) institute and prosecute proceedings in any court of competent jurisdiction for specific performance and injunctive and other equitable relief without bond or other security or a showing of irreparable harm or lack of an adequate remedy at law, and (iii) an equitable accounting by any court of competent jurisdiction of all profits or benefits arising out of such violation. Additionally, upon a material breach by the Executive of this Section 6, the unvested Restricted Stock Units (and any other unvested stock-based awards held by the Executive) shall be automatically canceled and forfeited without any further action.

(i) Scope of Covenants. The Company and the Executive further acknowledge that the time, scope, geographic area and other provisions of this Section 6 have been specifically negotiated by sophisticated commercial parties and agree that they consider the restrictions and covenants contained in this Section 6 to be reasonable and necessary for the protection of the interests of the Company and its subsidiaries and affiliates, but if any such restriction or covenant shall be held by any court of competent jurisdiction to be void but would be valid if deleted in part or reduced in application, such restriction or covenant shall apply in such jurisdiction with such deletion or modification as may be necessary to make it valid and enforceable. The restrictions and covenants contained in each paragraph of this Section 6 shall be construed as separate and individual restrictions and covenants and shall each be capable of being reduced in application or severed without prejudice to the other restrictions and covenants or to the remaining provisions of this Agreement.

(j) Enforceability. If any court holds any of the restrictions or covenants contained in this Section 6 to be unenforceable by reason of their breadth or scope or otherwise, it is the intention of the parties hereto that such determination not bar or in any way affect the right of the Company and its affiliates to the relief provided in this Section 6 in the courts of any other jurisdiction within the geographic scope of such restrictions and covenants.

(k) Disclosure of Restrictive Covenants. The Executive agrees to disclose in advance the existence and terms of the restrictions and covenants contained in this Section 6 to any employer or other service recipient by whom the Executive may be employed or retained during the Restricted Period.

(l) Extension of Restricted Period. If the Executive breaches any non-competition or non-solicitation covenant set forth in this Section 6 in any respect, the Restricted Period will be extended for a period equal to the period that the Executive was in breach of such covenant, up to a maximum period of one (1) year.

7. Termination.

(a) Termination of Employment. The employment of the Executive hereunder and the Employment Term may be terminated at any time:

(i) by the Company with or without Cause (as defined herein) upon written notice to the Executive;

(ii) by the Company due to the Executive's Disability (as hereinafter defined) upon written notice to the Executive;

(iii) by the Executive with Good Reason (as defined herein);

(iv) by the Executive without Good Reason upon thirty (30) days written notice to the Company (which notice period may be waived by the Company in its absolute discretion, in which case, such termination shall be effective immediately upon the Company's receipt of notice thereof from the Executive); or

(v) without action by the Company, the Executive or any other person or entity, immediately upon the Executive's death.

If the Executive's employment is terminated for any reason under this Section 7, the Company shall be obligated to pay or provide to the Executive (or the Executive's estate, as applicable) in a lump sum within thirty (30) days following such termination, or at such other time prescribed by any applicable plan or applicable laws: (A) any base salary payable to the Executive pursuant to this Agreement, accrued up to and including the date on which the Executive's employment is terminated, less required statutory deductions; (B) accrued and unpaid paid time off (if and as required by applicable law or the Company's policies then in effect); (C) any employee benefits to which the Executive is entitled upon termination of the Executive's employment with the Company in accordance with the terms and conditions of the applicable plans of the Company, as in place from time to time; and (D) reimbursement for any unreimbursed business expenses incurred by the Executive prior to the Executive's date of termination pursuant to Section 5(f) ((A)-(D) collectively, the " Accrued Amounts ").

(b) Termination by the Company without Cause or by the Executive for Good Reason . If the Executive's employment is terminated (A) by the Company without Cause or (B) by the Executive for Good Reason (in either case, other than a termination due to the Executive's death or Disability), in addition to the Accrued Amounts, the Executive shall be entitled to receive as severance (subject to Section 7(d)) the amounts set forth in this Section 7(b), provided the Executive executes and does not revoke the Release as required by Section 7(d).

(i) The Executive shall be entitled to an amount equal to the Executive's annual base salary (as described in Section 5(a)), for a period equal to twelve (12) months (the " Severance Period "), payable starting on the sixtieth (60 th) day following the date of such termination (but with the first payment being a lump sum payment covering all payment periods from the date of termination through the date of such first payment), in substantially equal installments in accordance with the Company's payroll practices during the Severance Period following the date of such termination, subject to reduction pursuant to Section 6(h);

(ii) To the extent performance objectives applicable to the Executive's annual bonus in the year of termination (including any objectives applicable to the Company's targeted budget) are earned as of the end of the relevant bonus period, the Executive shall be entitled to the annual bonus earned for the calendar year of such termination pursuant to Section 5(b) of this Agreement, pro-rated based on the number of days the Executive was actively employed by the Company during such bonus period, payable at the time such annual bonus would otherwise be paid in accordance with Section 5(b) of this Agreement;

(iii) Continued full participation in the Company's health and welfare benefit programs (including full reimbursement for all health, dental and vision expenses, but excluding participation in the Company's short or long-term disability plans) for a period of twelve (12) months following the Executive's termination date (for the avoidance of doubt, this continuation period shall run concurrently with any required continuation coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA"); provided that the Company's obligation to make any payment pursuant to this provision shall cease upon the date the Executive became eligible for coverage under the health plan of a future employer (regardless of whether the Executive elects such coverage) and the Executive shall promptly notify the Company of his eligibility for any such coverage;

(iv) Subject to Section 7(b)(v), if any Restricted Stock Units referenced in Section 5(c)(ii) remain unvested at the time of such termination, the next installment of the Restricted Stock Units that would have vested on the next scheduled vesting date shall vest as of the date of termination and the balance of any unvested Restricted Stock Units shall be forfeited. Also, if any awards issued to the Executive under the Stock Plan as to which vesting depends upon the satisfaction of one or more performance conditions remain unvested at the time of such termination, a prorated portion of the performance-vesting awards shall remain outstanding and eligible to vest based on actual performance through the last day of the applicable performance period, based on the number of days during the applicable performance period that the Executive was employed. Any performance-vesting awards that are earned based on actual performance will vest and settle as provided in the applicable award agreement.

(v) If such termination of the Executive’s employment by the Company without Cause or by the Executive for Good Reason occurs within the twelve (12) month period following a Change in Control (as such term is defined in the Stock Plan), (A) any Restricted Stock Units referenced in Section 5(c)(ii) which are not vested at the time of such termination shall immediately become vested and (B) any other awards granted to the Executive pursuant to the Stock Plan as to which vesting depends upon the satisfaction of one or more performance conditions and which are not vested at the time of termination shall immediately become vested based on actual performance through the termination date.

(c) Definitions of Certain Terms . For purposes of this Agreement:

(i) “ Cause ” means the Executive’s (A) commission of an act that constitutes common law fraud or a felony, commission of any other crime involving moral turpitude, or commission of any other tortious or unlawful act causing, or which may likely cause, material harm to the business, standing or reputation of the Company without the good faith belief that such conduct was in the best interests of the Company; (B) material breach of this Agreement, after the Company has given the Executive thirty (30) days written notice and an opportunity to cure such breach to the extent curable; (C) willful failure or refusal to perform the Executive’s material duties or obligations under this Agreement, including, without limitation, failure or refusal to abide by the directions of the CEO or the Board or any written policy adopted by the Board, in each case after the Company has given the Executive thirty (30) days written notice and an opportunity to cure such failure or refusal to the extent curable; (D) willful misconduct or gross negligence in the performance of the Executive’s duties as an employee, officer or director of the Company or any of its subsidiaries or affiliates; or (E) material misappropriation or embezzlement of any property of the Company.

(ii) “ Disability ” means a condition entitling the Executive to benefits under the Company’s long term disability plan, policy or arrangement in which the Executive participates; provided , however , that if no such plan, policy or arrangement is then maintained by the Company and applicable to the Executive, “Disability” shall mean the Executive’s inability to perform, with or without reasonable accommodation, the Executive’s duties under this Agreement due to a mental or physical condition that can be expected to result in death or that can be expected to last (or has already lasted) for a continuous period of ninety (90) days or more, or for an aggregate of one hundred eighty (180) days in any three hundred sixty five (365) consecutive day period, as determined by the CEO or the Board in its good faith discretion.

(iii) “ Good Reason ” means the occurrence, without the Executive’s consent, of any of the following events, other than in connection with a termination of the Executive’s employment for Cause or due to death or Disability: (A) a material reduction in the

Executive's rate of base salary stated in Section 5(a) and/or the amount of the Executive's annual bonus opportunity described in Section 5(b); (B) an action by the Company resulting in a material diminution in the Executive's titles, authority, duties, responsibilities or direct reports, (C) the Company's relocation of the Executive's principal place of employment to a location outside of the fifty (50)-mile radius of Atlanta, Georgia; or (D) a material breach by the Company of this Agreement; provided, however, that none of the events described in this sentence shall constitute Good Reason unless and until (V) the Executive reasonably determines in good faith that a Good Reason condition has occurred, (W) the Executive first notifies the Company in writing describing in reasonable detail the condition which constitutes Good Reason within sixty (60) days of its initial occurrence, (X) the Company fails to cure such condition within thirty (30) days after the Company's receipt of such written notice, (Y) notwithstanding such efforts, the Good Reason condition continues to exist, and (Z) the Executive terminates the Executive's employment within sixty (60) days after the end of such thirty (30)-day cure period. If the Company cures the Good Reason condition during such cure period, Good Reason shall be deemed not be have occurred.

(d) Release of Claims. As a condition of receiving any severance for which the Executive otherwise qualifies under Section 7(b), the Executive agrees to execute, deliver and not revoke, within sixty (60) days following the date of the Executive's termination of employment, a separation agreement containing a general release of claims against the Company and its subsidiaries and their respective affiliates and their respective employees, officers, directors, owners and members, in substantially the form attached hereto as Exhibit A (the " Release "), such Release to be delivered, and to have become fully irrevocable, on or before the end of such sixty (60)-day period. If the Release has not been executed and delivered and become irrevocable on or before the end of such sixty (60)-day period, no amounts or benefits under Section 7(b) shall be or become payable.

(e) No Additional Rights. The Executive acknowledges and agrees that, except as specifically described in this Section 7, all of the Executive's rights to any compensation, benefits, bonuses or severance from the Company and its subsidiaries and affiliates after termination of the Employment Term shall cease upon such termination.

8. Notices. All notices, requests, demands, claims, consents and other communications which are required, permitted or otherwise delivered hereunder shall in every case be in writing and shall be deemed properly served if: (a) delivered personally, (b) sent by registered or certified mail, in all such cases with first class postage prepaid, return receipt requested, or (c) delivered by a recognized overnight courier service, to the parties at the addresses as set forth below:

If to the Company: Americold Logistics, LLC
10 Glenlake Parkway
South Tower, Suite 600
Attention: James Snyder, General Counsel
Atlanta, Georgia 30328

With copies to: King & Spalding LLP
1180 Peachtree Street, Suite 1600
Atlanta, Georgia 30309
Attention: C. Spencer Johnson, III

If to the Executive: At the Executive's residence address
as maintained by the Company in the
regular course of its business for
payroll purposes.

or to such other address as shall be furnished in writing by either party to the other party; provided that such notice or change in address shall be effective only when actually received by the other party. Date of service of any such notices or other communications shall be: (a) the date such notice is personally delivered, (b) three (3) days after the date of mailing if sent by certified or registered mail, or (c) one business day after date of delivery to the overnight courier if sent by overnight courier.

9. Arbitration. Except as otherwise provided in Section 6(h) in connection with equitable remedies, any dispute, claim or controversy arising out of or relating to this Agreement, including, without limitation, any dispute, claim or controversy concerning the validity, enforceability, breach or termination hereof, if not resolved by the parties, shall be finally settled by arbitration in accordance with the then-prevailing Employment Arbitration Rules and Mediation Procedures of the American Arbitration Association, as modified herein (" Rules "). There shall be one arbitrator who shall be jointly selected by the parties. If the parties have not jointly agreed upon an arbitrator within twenty (20) calendar days of respondent's receipt of claimant's notice of intention to arbitrate, either party may request the American Arbitration Association to furnish the parties with a list of names from which the parties shall jointly select an arbitrator. If the parties have not agreed upon an arbitrator within ten (10) calendar days of the transmittal date of such list, then each party shall have an additional five (5) calendar days in which to strike any names objected to, number the remaining names in order of preference, and return the list to the American Arbitration Association, which shall then select an arbitrator in accordance with Rule 13 of the Rules. The place of arbitration shall be Atlanta, Georgia or such other location as mutually agreed in writing by the parties. By agreeing to arbitration, the parties hereto do not intend to deprive any court of its jurisdiction to issue a pre-arbitral injunction or with respect to other proceedings described in Section 6(h) (or delay any such proceedings), pre-arbitral attachment or other order in aid of arbitration. The arbitration shall be governed by the Federal Arbitration Act, 9 U.S.C. §§ 1-16. Judgment upon the award of the arbitrator may be entered in any court of competent jurisdiction. Each party shall bear its or his or her own costs and expenses in any such arbitration and one-half of the arbitrator's fees and expenses.

10. Waiver of Jury Trial. **THE PARTIES TO THIS AGREEMENT EACH HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES HERETO IN RESPECT OF**

THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. THE PARTIES TO THIS AGREEMENT EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT THE PARTIES TO THIS AGREEMENT MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES HERETO TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

11. Section 409A .

(a) The intent of the parties is that payments and benefits under this Agreement comply with, or be exempt from, Section 409A of the Code and the regulations and guidance promulgated thereunder (collectively " Code Section 409A ") and the Company shall have complete discretion to interpret and construe this Agreement and any associated documents in any manner that establishes an exemption from (or compliance with) the requirements of Code Section 409A. If, for any reason, such as imprecision in drafting any provision of this Agreement (or of any award of compensation, including, without limitation, equity compensation or benefits) does not accurately reflect its intended establishment of an exemption from (or compliance with) Code Section 409A, as demonstrated by consistent interpretations or other evidence of intent, such provision shall be considered ambiguous as to its exemption from (or compliance with) Code Section 409A and shall be interpreted by the Company in a manner consistent with such intent, as determined in the discretion of the Company.

(b) A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits that are considered nonqualified deferred compensation under Code Section 409A upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Code Section 409A, and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean such a "separation from service." The determination of whether and when a separation from service has occurred for proposes of this Agreement shall be made in accordance with the presumptions set forth in Section 1.409A-1(h) of the Treasury Regulations.

(c) Any provision of this Agreement to the contrary notwithstanding, if at the time of the Executive's separation from service, the Company determines that the Executive is a "specified employee," within the meaning of Code Section 409A, then to the extent any payment or benefit that the Executive becomes entitled to under this Agreement on account of such separation from service would be considered nonqualified deferred compensation under Code Section 409A such payment or benefit shall be paid or provided at the date which is the earlier of (i) six (6) months and one day after such separation from service and (ii) the date of the Executive's death (the " Delay Period "). Upon the expiration of the Delay Period, all payments and benefits delayed pursuant to this Section 11(c) (whether they would have otherwise been payable in a single sum or in installments in the absence of such delay) shall be paid or provided to the Executive in a lump-sum, and any remaining payments and benefits due under this Agreement shall be paid or provided in accordance with the normal payment dates specified for them herein.

(d) Any reimbursements and in-kind benefits provided under this Agreement that constitute deferred compensation within the meaning of Code Section 409A shall be made or provided in accordance with the requirements of Code Section 409A, including, without limitation, that (i) in no event shall any fees, expenses or other amounts eligible to be reimbursed by the Company under this Agreement be paid later than the last day of the calendar year next following the calendar year in which the applicable fees, expenses or other amounts were incurred; (ii) the amount of expenses eligible for reimbursement, or in-kind benefits that the Company is obligated to pay or provide, in any given calendar year shall not affect the expenses that the Company is obligated to reimburse, or the in-kind benefits that the Company is obligated to pay or provide, in any other calendar year; (iii) the Executive's right to have the Company pay or provide such reimbursements and in-kind benefits may not be liquidated or exchanged for any other benefit; and (iv) in no event shall the Company's obligations to make such reimbursements or to provide such in-kind benefits apply later than the Executive's remaining lifetime (or if longer, through the sixth (6th) anniversary of the Commencement Date).

(e) For purposes of Code Section 409A, the Executive's right to receive any installment payments shall be treated as a right to receive a series of separate and distinct payments. Whenever a payment under this Agreement specifies a payment period with reference to a number of days (for example, payment shall be made "within thirty (30) days following such termination"), the actual date of payment within the specified period shall be within the sole discretion of the Company. In no event may the Executive, directly or indirectly, designate the calendar year of any payment to be made under this Agreement, to the extent such payment is subject to Code Section 409A.

(f) The Company makes no representation or warranty and shall have no liability to the Executive or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Code Section 409A but do not satisfy an exemption from, or the conditions of, Code Section 409A.

12. General.

(a) Governing Law. Unless preempted by federal law, this Agreement and the legal relations thus created between the parties hereto shall be governed by and construed in accordance with, the internal laws of the State of Georgia, without giving effect to any choice of law or conflict of law provision or rule (whether of the State of Georgia or any other jurisdiction) that would cause the application of the law of any jurisdiction other than the State of Georgia. The parties hereto acknowledge and agree that this Agreement was executed and delivered in the State of Georgia.

(b) Construction and Severability. Whenever possible, each provision of this Agreement shall be construed and interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement is held to be prohibited by, or invalid, illegal or unenforceable in any respect under, any applicable law or rule in any jurisdiction, such prohibition, invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other jurisdiction, and the parties undertake to implement all efforts which are necessary, desirable and sufficient to amend, supplement or substitute all and any such prohibited, invalid, illegal or unenforceable provisions with enforceable and valid provisions in such jurisdiction which would produce as nearly as may be possible the result previously intended by the parties without renegotiation of any material terms and conditions stipulated herein.

(c) Cooperation. During the Employment Period and thereafter, the Executive shall cooperate with the Company and be reasonably available to the Company with respect to continuing and/or future matters related to the Executive's employment period with the Company and/or its subsidiaries or affiliates, whether such matters are business-related, legal, regulatory or otherwise (including, without limitation, the Executive appearing at the Company's request to give testimony without requiring service of a subpoena or other legal process, volunteering to the Company all pertinent information and turning over to the Company all relevant documents which are or may come into the Executive's possession). Following the Employment Term, the Company shall reimburse the Executive for all reasonable out of pocket expenses incurred by the Executive in rendering such services that are approved by the Company. In addition, if more than an incidental cooperation is required at any time after the termination of the Executive's employment, the Executive shall be paid (other than for the time of actual testimony) a per day fee based on the Executive's base salary described in Section 5(a) at the time of such termination divided by 225.

(d) Nondisparagement. During the Employment Term and thereafter, the Executive shall not, directly or indirectly, take any action, or encourage others to take any action, to disparage the Company, its employees, officers, directors, products, services, customers or owners; provided, however, this provision does not apply to the Executive's oral or written communications made in the performance of the Executive's duties as provided in this Agreement, including but not limited to expressions of opinion communicated internally at the Company or to the Company's directors.

(e) Successors and Assigns. This Agreement shall bind and inure to the benefit of and be enforceable by the Company and its successors and assigns and the Executive and the Executive's heirs, executors, administrators, and successors; provided that the services provided by the Executive under this Agreement are of a personal nature, and rights and obligations of the Executive under this Agreement shall not be assignable or delegable, except for any death payments otherwise due the Executive, which shall be payable to the estate of the Executive; provided further the Company may assign this Agreement to, and all rights hereunder shall inure to the benefit of, any subsidiary or affiliate of the Company or any person, firm or corporation resulting from the reorganization of the Company or succeeding to the business or assets of the Company by purchase, merger, consolidation or otherwise; and provided further that in the event of the Executive's death, any unpaid amount due to the Executive under this Agreement shall be paid to the Executive's estate.

(f) Executive's Representations. The Executive hereby represents and warrants to the Company that: (i) the execution, delivery and performance of this Agreement by the Executive do not and shall not conflict with, breach, violate or cause a default under any contract, agreement, instrument, order, judgment or decree to which the Executive is a party or by which the Executive is bound; (ii) the Executive is not a party to or bound by any employment agreement, noncompetition or nonsolicitation agreement or confidentiality agreement with any other person or entity besides the Company and (iii) upon the execution and delivery of this Agreement by the Company, this Agreement shall be the valid and binding obligation of the Executive, enforceable in accordance with its teens. **THE EXECUTIVE HEREBY ACKNOWLEDGES AND REPRESENTS THAT THE EXECUTIVE HAS CONSULTED WITH INDEPENDENT LEGAL COUNSEL REGARDING THE EXECUTIVE'S RIGHTS AND OBLIGATIONS UNDER THIS AGREEMENT, TO THE EXTENT DETERMINED NECESSARY OR APPROPRIATE BY THE EXECUTIVE, AND THAT THE EXECUTIVE FULLY UNDERSTANDS THE TERMS AND CONDITIONS CONTAINED HEREIN.**

(g) Compliance with Rules and Policies. The Executive shall perform all services in accordance with the policies, procedures and rules established by the Company and the Board. In addition, the Executive shall comply with all laws, rules and regulations that are generally applicable to the Company or its subsidiaries or affiliates and their respective employees, directors and officers.

(h) Withholding Taxes. All amounts payable hereunder shall be subject to the withholding of all applicable taxes and deductions required by any applicable law.

(i) Entire Agreement. This Agreement constitutes the entire agreement and understanding between the parties hereto with respect to the subject matter hereof and terminates and supersedes any and all prior agreements, understandings and representations, whether written or oral, by or between the parties hereto or their affiliates which may have related to the subject matter hereof in any way.

(j) Duration. Notwithstanding the Employment Term hereunder, this Agreement shall continue for so long as any obligations remain under this Agreement.

(k) Survival. The covenants set forth in Sections 6 and 12(c) of this Agreement shall survive and shall continue to be binding upon the Executive notwithstanding the termination of this Agreement for any reason whatsoever.

(l) Amendment and Waiver. The provisions of this Agreement may be amended or waived only with the prior written consent of the Company and the Executive, and no course of conduct or course of dealing or failure or delay by any party hereto in enforcing or exercising any of the provisions of this Agreement (including, without limitation, the Company's right to terminate the Employment Term for Cause) shall affect the validity, binding effect or enforceability of this Agreement or be deemed to be an implied waiver of any similar or dissimilar requirement, provision or condition of this Agreement at the same or any prior or subsequent time. Pursuit by either party of any available remedy, either in law or equity, or any action of any kind, does not constitute waiver of any other remedy or action. Such remedies and actions are cumulative and not exclusive.

(m) Counterparts. This Agreement may be executed in two or more counterparts, all of which taken together shall constitute one instrument.

(n) Section References. Section headings in this Agreement are included herein for convenience of reference only and shall not constitute a part of this Agreement for any other purpose. The words Section and paragraph herein shall refer to provisions of this Agreement unless expressly indicated otherwise.

(o) No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto, and no presumption or burden of proof shall arise favoring or disfavoring either party hereto by virtue of the authorship of any of the provisions of this Agreement. When the context admits or requires, words used in the masculine gender shall be construed to include the feminine, the plural shall include the singular, and the singular shall include the plural.

(p) Time of the Essence; Computation of Time. Time is of the essence for each and every provision of this Agreement. Whenever the last day for the exercise of any privilege or the discharge or any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York are authorized to be closed, the party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular business day.

(q) No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended or shall be construed to give any person other than the parties to this Agreement and their respective heirs, executors, administrators, successors or permitted assigns any legal or equitable right, remedy or claim under or in respect of any agreement or any provision contained herein.

(r) Protected Rights. Nothing contained in this Agreement limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, " Government Agencies "), or prevents the Executive from providing truthful testimony in response to a lawfully issued subpoena or court order. Further, this Agreement does not limit the Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

(s) Defend Trade Secrets Act. The Executive is hereby notified that under the Defend Trade Secrets Act: (i) no individual shall be held criminally or civilly liable under federal or state trade secret law for disclosure of a trade secret (as defined in the Economic Espionage Act) that is: (A) made in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney, and made solely for the purpose of reporting or investigating a suspected violation of law or (B) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal so that it is not made public; and (ii) an individual who pursues a lawsuit for retaliation by an employer for reporting a suspected violation of the law may disclose the trade secret to the attorney of the individual and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal, and does not disclose the trade secret, except as permitted by court order.

[Signature Page Follows.]

IN WITNESS WHEREOF, the parties hereto, intending to be legally bound, have hereunto executed this Agreement as of the day and year first written above.

AMERICOLD LOGISTICS, LLC

Date: ___9/13/2018________________ By: __/s/Andrea Darweesh___________
Name: Andrea Darweesh

Title: EVP and Chief Human Resources Officer

DAVID STUVER

Date : __9/12/2018_________________ ________/s/ David Stuver_____________

Exhibit A: Form of Release

WAIVER AND RELEASE

This Waiver and Release (this " Release ") is executed by [•] (the " Executive ") pursuant to Section 7(d) of the Employment Agreement, dated as of [•], by and between AMERICOLD LOGISTICS, LLC and the Executive (the " Employment Agreement "). Capitalized terms used but not defined in this Release have the meanings given to them in the Employment Agreement.

1. General Release . In consideration of the payments and benefits to be provided to the Executive pursuant to Section 7(b) of the Employment Agreement, the Executive, on behalf of the Executive and anyone claiming through the Executive, hereby fully and completely releases, acquits and forever discharges the Company, its affiliates and related entities, and each of their respective current and former employees, officers, directors, shareholders, partners, members, managers, agents, employee benefit plans and fiduciaries, insurers, trustees, attorneys, joint venture partners, transferees, successors and assigns (each a " Released Party " and collectively, the " Released Parties "), collectively, separately, and severally, of and from any and all claims, demands, damages, causes of action, debts, liabilities, controversies, judgments, and suits of every kind and nature whatsoever, foreseen, unforeseen, known or unknown, that arise out of or relate to the Executive's employment or termination of employment with the Company and that the Executive has had, now has, or may have against the Released Parties (or any of them) at any time up to and including the date the Executive signs this Release, with the exception of the claims set forth in Section 2 below (the claims released in this Release are collectively referred to as the " Released Claims "). The Released Claims include all claims arising under any federal, state or local statute or ordinance, constitutional provision, public policy or common law, including Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act of 1967 (the " ADEA "), the Equal Pay Act, the Civil Rights Act of 1866, the Civil Rights Act of 1871, the Employee Retirement Income Security Act (with respect to unvested benefits), COBRA, the Americans with Disabilities Act, the Family and Medical Leave Act, the Georgia Equal Pay Act, the Georgia Prohibition of Age Discrimination in Employment Act, and the Georgia Equal Employment for People with Disabilities Code, all as amended; all claims arising under discrimination laws, whistleblower laws and laws relating to violation of public policy, retaliation, or interference with legal rights; all claims for compensation of any type whatsoever, including claims for wages, bonuses, commissions, equity, vacation, sick leave, PTO and severance; all claims arising under tort, contract and/or quasi-contract law, including all claims arising under the Employment Agreement; and all claims for monetary or equitable relief, including attorneys' fees, back pay, front pay, reinstatement, experts' fees, medical expenses, costs and disbursements. The Executive hereby waives any right to seek or recover any individual relief (including any money damages, reinstatement, or other relief) in connection with any of the Released Claims through any charge, complaint, lawsuit, or other proceeding, whether commenced or maintained by the Executive or by any other person or entity, with the exception of any right to seek an award pursuant to Section 21F of the Securities Exchange Act of 1934.

2. Excluded Claims . The Released Claims do not include (a) any claims for vested benefits to which the Executive is entitled upon the termination of the Executive's employment in accordance with the terms of the applicable benefit plans (for the avoidance of doubt, no term or provision under the Employment Agreement shall be deemed a benefit plan for purposes of this Release); (b) any claims related to acts, omissions or events occurring after the date this Release is signed by the Executive; (c) any right that the Executive may have to indemnification or insurance coverage under the Company's organizational documents or any

directors and officers insurance policy; (d) any claims that cannot legally be waived by private agreement.

3. Covenant Not to Sue. Except for an action to challenge the validity of the Executive's release of claims under the ADEA, or as otherwise provided in Section 5 below, the Executive promises that the Executive will not file, instigate or participate in any proceeding against any of the Released Parties relating to any of the Released Claims. In the event the Executive breaches the covenant contained in this Section 3, the Executive agrees to indemnify the Released Parties for all damages and expenses, including attorneys' fees, incurred by any Released Parties in defending, participating in or investigating any matter or proceeding covered by this Section 3.

4. Representations. The Executive represents and warrants that (a) the Executive has been properly paid for all hours worked and has received all wages, bonuses, vacation pay, expense reimbursements and any other sums due from the Company (with the exception of the payments and benefits to be provided pursuant to Section 7(b) of the Employment Agreement); (b) the Executive has returned all Company property in the Executive's possession or control and has permanently deleted any Confidential Information stored on any electronic device, web-based email or other storage location not owned by the Company but within the Executive's possession or control; (c) the Executive has suffered no work-related injury or occupational disease during the course of the Executive's employment with the Company that the Executive has not reported in writing to the Company; (d) the Executive is not aware of any activity by the Company or any other Released Party that the Executive believes to be unlawful or potentially unlawful; (e) the Executive has not filed any complaints, claims or actions against the Company or any other Released Party; and (f) the Executive has not assigned, transferred, conveyed or otherwise disposed of any Released Claims.

5. Protected Rights. Nothing contained in this Release limits the Executive's ability to file a charge or complaint with the Equal Employment Opportunity Commission or any other federal, state or local governmental agency or commission (collectively, "Government Agencies"). Further, this Release does not limit the Executive's ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company.

6. Consideration Period. The Executive understands that the Executive has [twenty-one (21) days / forty-five (45) days] to consider this Release before deciding whether to sign it. The Executive may sign this Release sooner if the Executive chooses, but no sooner than the date of termination of the Executive's employment. If the Executive chooses to sign this Release before the expiration of such [21-day / 45-day] period, the Executive represents that the Executive's decision to do so is knowing and voluntary. The Executive agrees that any changes made to this Release after it was delivered to the Executive, whether material or immaterial, do not restart the [21-day / 45-day] period described in this Section. The Company advises the Executive to consult with an attorney before signing this Release.

7. Right to Revoke. The Executive understands that the Executive has the right to revoke this Release within seven (7) days after signing it. This Release shall not become effective until the eighth day following the date on which the Executive has signed it without having revoked it (the "Effective Date"). If the Executive chooses to revoke this Release, the Executive must deliver written notice of revocation to the Company in accordance with Section 8 of the Employment Agreement. Any such notice of revocation must be delivered to the Company in a manner calculated to ensure receipt prior to 11:59 p.m. Eastern Time on the day prior to the Effective Date. The Executive understands that if the Executive revokes this Release, the Executive will not be entitled to any of the benefits provided hereunder.

8. General Provisions. The Released Parties expressly deny that they have any liability to the Executive, and this Release is not to be construed as an admission of any such liability. This Release is to be construed under the laws of the State of Georgia. This Release constitutes the entire agreement between the Executive and the Company with respect to the issues addressed in this Release. The Executive represents that the Executive is not relying on any other agreements or oral representations not fully expressed in this Release. This Release may not be modified except in writing signed by the Executive and an authorized Company representative. The headings in this Release are for reference only, and do not in any way affect the meaning or interpretation of this Release. As used herein, the phrase "including" means "including, but not limited to" in each instance. "Or" is used in the inclusive sense of "and/or". Should any part of this Release be found to be void or unenforceable by a court of competent jurisdiction or Government Agency, such determination will not affect the remainder of this Release.

ACCEPTED AND AGREED BY:

____

[•]

____

Date

EXHIBIT 21.1

All of the following are subsidiaries of both Americold Realty Trust and Americold Realty Operating Partnership, L.P., except Americold Realty Operating Partnership, L.P. and Americold Realty Operations, Inc. are subsidiaries of only Americold Realty Trust.

List of Subsidiaries

Subsidiary	Jurisdiction of Incorporation
Americold 2010 LLC	Delaware
Americold Acquisition Partnership GP LLC	Delaware
Americold Acquisition, LLC	Delaware
Americold Australia PTY Ltd.	Australia
Americold Australia Realty Trust	Australia
Americold Australian Holdings PTY Ltd.	Australia
Americold Australian Logistics PTY Ltd.	Australia
Americold Brisbane Realty Trust	Australia
Americold Clearfield Opco, LLC	Delaware
Americold Clearfield Propco, LLC	Delaware
Americold Food Logistics PTY Ltd.	Australia
Americold Investments PTY Ltd.	Australia
Americold Logistics Hong Kong Limited	China
Americold Logistics Limited	Australia
Americold Logistics Services NZ Ltd.	New Zealand
AmeriCold Logistics, LLC	Delaware
Americold Melbourne Realty Trust	Australia
Americold Middleboro Opco, LLC	Delaware
Americold Middleboro Propco, LLC	Delaware
Americold MFL 2010 LLC	Delaware
Americold Nebraska Leasing LLC	Nebraska
Americold NZ Limited	New Zealand
Americold Propco Phoenix Van Buren LLC	Delaware
Americold Property PTY Ltd.	Australia
AmeriCold Real Estate, L.P.	Delaware
Americold Realty Hong Kong Limited	China
Americold Realty Operating Partnership, L.P.*	Delaware
Americold Realty LLC.	Delaware
Americold Realty Operations, Inc.*	Delaware
Americold San Antonio Propco LLC	Delaware
Americold Storage NB PTY Ltd.	Australia
Americold Sydney Realty Trust	Australia
Americold Transportation, LLC	Delaware
Americold Transportation Services, LLC	Delaware
AMLOG Canada Inc.	Canada
ART AL Holding LLC	Delaware
ART First Mezzanine Borrower GP LLC	Delaware
ART First Mezzanine Borrower Opco 2006-2 L.P.	Delaware
ART First Mezzanine Borrower Opco 2006-3 L.P.	Delaware
ART FIRST MEZZANINE BORROWER OPCO GP 2006-2 LLC	Delaware
ART First Mezzanine Borrower Opco GP 2006-3 LLC	Delaware
ART First Mezzanine Borrower Propco 2006-2 L.P.	Delaware

ART First Mezzanine Borrower Propco 2006-3 L.P.	Delaware
ART FIRST MEZZANINE BORROWER PROPCO GP 2006-2 LLC	Delaware
ART First Mezzanine Borrower Propco GP 2006-3 LLC	Delaware
ART First Mezzanine Borrower, L.P.	Delaware
ART Icecap Holdings LLC	Delaware
ART Leasing LLC	Delaware
ART Manager L.L.C.	Delaware
ART Mezzanine Borrower Opco 2013 LLC	Delaware
ART Mezzanine Borrower Propco 2013 LLC	Delaware
ART Mortgage Borrower GP LLC	Delaware
ART Mortgage Borrower Opco 2006-1A L.P.	Delaware
ART Mortgage Borrower Opco 2006-1B L.P.	Delaware
ART Mortgage Borrower Opco 2006-1C L.P.	Delaware
ART Mortgage Borrower Opco 2006-2 L.P.	Delaware
ART Mortgage Borrower Opco 2006-3 L.P.	Delaware
ART Mortgage Borrower Opco 2010 -4 LLC	Delaware
ART Mortgage Borrower Opco 2010 -5 LLC	Delaware
ART Mortgage Borrower Opco 2010 -6 LLC	Delaware
ART Mortgage Borrower Opco 2013 LLC	Delaware
ART Mortgage Borrower Opco GP 2006-1A LLC	Delaware
ART Mortgage Borrower Opco GP 2006-1B LLC	Delaware
ART Mortgage Borrower Opco GP 2006-1C LLC	Delaware
ART MORTGAGE BORROWER OPCO GP 2006-2 LLC	Delaware
ART Mortgage Borrower Opco GP 2006-3 LLC	Delaware
ART Mortgage Borrower Propco 2006-1A L.P.	Delaware
ART Mortgage Borrower Propco 2006-1B L.P.	Delaware
ART Mortgage Borrower Propco 2006-1C L.P.	Delaware
ART Mortgage Borrower Propco 2006-2 L.P.	Delaware
ART Mortgage Borrower Propco 2006-3 L.P.	Delaware
ART Mortgage Borrower Propco 2010 -4 LLC	Delaware
ART Mortgage Borrower Propco 2010 -5 LLC	Delaware
ART Mortgage Borrower Propco 2010 -6 LLC	Delaware
ART Mortgage Borrower Propco 2013 LLC	Delaware
ART Mortgage Borrower Propco GP 2006-1A LLC	Delaware
ART Mortgage Borrower Propco GP 2006-1B LLC	Delaware
ART Mortgage Borrower Propco GP 2006-1C LLC	Delaware
ART MORTGAGE BORROWER PROPCO GP 2006-2 LLC	Delaware
ART Mortgage Borrower Propco GP 2006-3 LLC	Delaware
ART Mortgage Borrower, L.P.	Delaware
ART QUARRY TRSLLC	Delaware
ART Second Mezzanine Borrower GP LLC	Delaware
ART Second Mezzanine Borrower Opco 2013 LLC	Delaware
ART Second Mezzanine Borrower Propco 2013 LLC	Delaware
ART Second Mezzanine Borrower, L.P.	Delaware
ART Third Mezzanine Borrower Opco 2013 LLC	Delaware
ART Third Mezzanine Borrower Propco 2013 LLC	Delaware
Atlas Cold Storage Logistics LLC	Minnesota
Atlas Logistics Group Retail Services (Atlanta) LLC	Delaware
Atlas Logistics Group Retail Services (Denver) LLC	Minnesota
Atlas Logistics Group Retail Services (Phoenix) LLC	Delaware
Atlas Logistics Group Retail Services (Roanoke) LLC	Delaware
Atlas Logistics Group Retail Services (Shelbyville) LLC	Delaware

Cold Logic ULC	British Columbia, Canada
Distribution Development, L.L.C.	South Dakota
Icecap Australia MIT Holding, LLC	Australia
Icecap Properties AU LLC	Delaware
Icecap Properties NZ Holdings LLC	Delaware
Icecap Properties NZ Limited LLC	New Zealand
Icicle Australia Property Pty Limited	Australia
Inland Quarries, L.L.C.	Delaware
KC Underground, L.L.C.	Delaware
URS Real Estate, L.P.	Delaware
URS Realty, L.L.C.	Delaware
VCD Pledge Holdings, LLC	Delaware
Versacold Atlas Logistics Services USA LLC	Delaware
Versacold Logistics Argentina SA	Argentina
Versacold Logistics, LLC	Delaware
Versacold Midwest LLC	Delaware
Versacold Northeast Logistics, LLC	Massachusetts
Versacold Northeast, Inc.	Massachusetts
Versacold Texas, L.P.	Texas
Versacold USA, L.L.C.	Delaware

*subsidiaries of only Americold Realty Trust

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

(1) Registration Statement (Form S-3 No. 333-229819) of Americold Realty Trust, and

(2) Registration Statement (Form S-8 No. 333-222637) pertaining to the 2017 Equity Incentive Plan, the 2010 Equity Incentive Plan, and the 2008 Equity Incentive Plan of Americold Realty Trust;

of our reports dated February 26, 2019, with respect to the consolidated financial statements and schedule of Americold Realty Trust and Americold Realty Operating Partnership, L.P., included in this Annual Report (Form 10-K) of Americold Realty Trust and Americold Realty Operating Partnership, L.P. for the year ended December 31, 2018.

/s/ Ernst & Young LLP

Atlanta, Georgia
February 26, 2019

Exhibit 31.1

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Fred Boehler, certify that:

1. I have reviewed this Annual Report on Form 10-K of Americold Realty Trust;

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 (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

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

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

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

Date: February 26, 2019

/s/ Fred W Boehler

Fred W Boehler

Chief Executive Officer, President and Trustee

Exhibit 31.2

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Marc Smernoff, certify that:

1. I have reviewed this Annual Report on Form 10-K of Americold Realty Trust;

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 (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: February 26, 2019

/s/ Marc Smernoff

Marc Smernoff

Chief Financial Officer and Executive Vice President

Exhibit 31.3

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Fred Boehler, certify that:

1. I have reviewed this Annual Report on Form 10-K of Americold Realty Operating Partnership, L.P.;

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)) 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) [omitted pursuant to Exchange Act Rules 13a-14(a) and 15d-15(a)];

(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 (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

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

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

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

Date: February 26, 2019

/s/ Fred W. Boehler

Fred W. Boehler

Chief Executive Officer, President and Trustee

Exhibit 31.4

CERTIFICATION OF CHIEF FINANCIAL OFFICER
PURSUANT TO RULE 13a-14(a) OF THE EXCHANGE ACT, AS AMENDED,
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Marc Smernoff, certify that:

1. I have reviewed this Annual Report on Form 10-K of Americold Realty Operating Partnership, L.P.;

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)) 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) [omitted pursuant to Exchange Act Rules 13a-14(a) and 15d-15(a)];

(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 (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

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

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

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

Date: February 26, 2019

/s/ Marc Smernoff

Marc Smernoff
Chief Financial Officer and Executive Vice President

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 this Annual Report on Form 10-K of Americold Realty Trust (the "Company") for the fiscal year ended December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Fred Boehler, President, Chief Executive Officer and Trustee of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 26, 2019

/s/ Fred W. Boehler

Fred W. Boehler

President, Chief Executive Officer and Trustee

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 this Annual Report on Form 10-K of Americold Realty Trust (the "Company") for the fiscal year ended December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Marc Smernoff, Chief Financial Officer and Executive Vice President of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: February 26, 2019

/s/ Marc Smernoff

Marc Smernoff

Chief Financial Officer and Executive Vice President

Exhibit 32.3

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 this Annual Report on Form 10-K of Americold Realty Operating Partnership, L.P. (the Operating Partnership) for the fiscal year ended December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Fred Boehler, President, Chief Executive Officer and Trustee of the Operating Partnership, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Dated: February 26, 2019

/s/ Fred W. Boehler

Fred W. Boehler

President, Chief Executive Officer and Trustee

Exhibit 32.4

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 this Annual Report on Form 10-K of Americold Realty Operating Partnership, L.P. (the Operating Partnership) for the fiscal year ended December 31, 2018 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Marc Smernoff, Chief Financial Officer and Executive Vice President of the Operating Partnership, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Dated: February 26, 2019

/s/ Marc Smernoff

Marc Smernoff

Chief Financial Officer and Executive Vice President

Exhibit 95.1

DODD-FRANK ACT DISCLOSURE OF MINE SAFETY AND HEALTH ADMINISTRATION SAFETY DATA

The following disclosures are provided pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act") and Item 104 of Regulation S-K, which requires certain disclosures by companies required to file periodic reports under the Securities Exchange Act of 1934, as amended, that operate mines regulated under the Federal Mine Safety and Health Act of 1977 (the "Mine Act").

Mine Safety Information

The operation of our limestone quarry in Carthage, Missouri is inspected by the Federal Mine Safety and Health Administration ("MSHA") on an ongoing basis. Whenever MSHA believes a violation of the Mine Act, any health or safety standard or any regulation has occurred, it may issue a citation which describes the alleged violation and fixes a time within which the U.S. mining operator must abate the alleged violation. In some situations, such as when MSHA believes that conditions pose a hazard to miners, MSHA may issue an order removing miners from the area of the mine affected by the condition until the alleged hazards are corrected. When MSHA issues a citation or order, it generally proposes a civil penalty, or fine, as a result of the alleged violation, that the operator is ordered to pay. Citations and orders can be contested and appealed, and as part of that process, may be reduced in severity and amount, and are sometimes dismissed. The number of citations, orders and proposed assessments vary depending on the size and type (underground or surface) of the mine as well as by the MSHA inspector(s) assigned.

The following table includes information required by the Act for the quarter ended December 31, 2018.

Mine or Operating Name (MSHA Identification Number)	Section 104 S&S Citations	Section 104(b) Orders	Section 104(d) Citations and Orders	Section 110(b)(2) Violations	Section 107(a) Orders	Total Dollar Value of MSHA Assessments Proposed	Total Number of Mining Related Fatalities	Received Notice of Pattern of Violations Under Section 104(e)	Received Notice of Potential to Have Pattern Under Section 104(e)	Legal Actions Pending as of Last Day of Period (1)	Legal Actions Initiated During Period	Legal Actions Resolved During Period
Carthage Crushed Limestone (23-00028)	0	0	0	0	0	$118	0	No	No	3	1	0

(1) See table below for additional detail regarding Legal Actions Pending as of December 31, 2018. With respect to Contests of Proposed Penalties, we have included the number of dockets (as opposed to citations) when counting the number of Legal Actions Pending as of December 31, 2018.
018.

		Contests of proposed penalties [b]					
Mine or Operating Name (MSHA Identification Number)	**Contests of citations and orders [a]**	**Dockets**	**Citations**	**Complaints for compensation [c]**	**Complaints of discharge, discrimination or interference [d]**	**Applications for temporary relief [e]**	**Appeals of judges' decisions or orders [f]**
Carthage Crushed Limestone (23-00028)	—	—	—	—	—	—	—

(a) Represents (if any) contests of citations and orders, which typically are filed prior to an operator's receipt of a proposed penalty assessment from MSHA or relate to orders for which penalties are not assessed (such as imminent danger orders under Section 107 of the Mine Act). This category includes: (i) contests of citations or orders issued under section 104 of the Mine Act, (ii) contests of imminent danger withdrawal orders under section 107 of the Mine Act, and (iii) Emergency response plan dispute proceedings (as required under the Mine Improvement and New Emergency Response Act of 2006, Pub. L. No. 109-236, 120 Stat. 493).

(b) Represents (if any) contests of proposed penalties, which are administrative proceedings before the Federal Mine Safety and Health Review Commission (“FMSHRC”) challenging a civil penalty that MSHA has proposed for the violation contained in a citation or order. This column includes one action involving civil penalties against agents of the operator that has been contested and two appeals of a decision or order.

(c) Represents (if any) complaints for compensation, which are cases under section 111 of the Mine Act that may be filed with the FMSHRC by miners idled by a closure order issued by MSHA who are entitled to compensation.

(d) Represents (if any) complaints of discharge, discrimination or interference under section 105 of the Mine Act, which cover: (i) discrimination proceedings involving a miner's allegation that he or she has suffered adverse employment action because he or she engaged in activity protected under the Mine Act, such as making a safety complaint, and (ii) temporary reinstatement proceedings involving cases in which a miner has filed a complaint with MSHA stating that he or she has suffered such discrimination and has lost his or her position. Complaints of Discharge, Discrimination, or Interference are also included in Contests of Proposed Penalties, column (b).

(e) Represents (if any) applications for temporary relief, which are applications under section 105(b)(2) of the Mine Act for temporary relief from any modification or termination of any order or from any order issued under section 104 of the Mine Act (other than citations issued under section 104(a) or (f) of the Mine Act).

(f) Represents (if any) appeals of judges' decisions or orders to the FMSHRC, including petitions for discretionary review and review by the FMSHRC on its own motion.