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

FORM 8-K

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

Date of Report (Date of earliest event reported): **August 8, 2019**

American Finance Trust, Inc.
(Exact Name of Registrant as Specified in Charter)

Maryland	**001-38597**	**90-0929989**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

405 Park Avenue, 3rd Floor
New York, New York 10022
(Address, including zip code, of Principal Executive Offices)

Registrant's telephone number, including area code: (212) 415-6500

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 par value	AFIN	The Nasdaq Global Select Market
7.50% Series A Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value	AFINP	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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. ☐

Item 2.02. Results of Operations and Financial Condition.

On August 8, 2019, American Finance Trust, Inc. (the "Company") issued a press release announcing its results of operations for the quarter ended June 30, 2019, and supplemental financial information for the quarter ended June 30, 2019, attached hereto as Exhibits 99.1 and 99.2, respectively.

Item 7.01. Regulation FD Disclosure.

Press Release and Supplemental Information

As disclosed in Item 2.02 above, on August 8, 2019, the Company issued a press release announcing its results of operations for the quarter ended June 30, 2019, and supplemental financial information for the quarter ended June 30, 2019, attached hereto as Exhibits 99.1 and 99.2, respectively. The information set forth in Item 7.01 of this Current Report on Form 8-K and in the attached Exhibits 99.1 and 99.2 is deemed to be "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information set forth in Items 2.02 and 7.01 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

The statements in this Current Report on Form 8-K include statements regarding the intent, belief or current expectations of the Company and members of its management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "strives," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Actual results may differ materially from those contemplated by such forward-looking statements, including as a result of those factors set forth in the Risk Factors section of the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2018 filed on March 7, 2019 and all other filings with the Securities and Exchange Commission after that date. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, or revise forward-looking unless required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No	Description
99.1	Press release dated August 8, 2019
99.2	Quarterly supplemental information for the quarter ended June 30, 2019

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMERICAN FINANCE TRUST, INC.

By: /s/ Edward M. Weil, Jr.

Edward M. Weil, Jr.

Chief Executive Officer and President
(Principal Executive Officer)

Dated: August 8, 2019

EXHIBIT 99.1

American Finance Trust

FOR IMMEDIATE RELEASE

AMERICAN FINANCE TRUST ANNOUNCES SECOND QUARTER 2019 RESULTS

New York, August 8, 2019 - American Finance Trust, Inc. (Nasdaq: AFIN) ("AFIN" or the "Company"), a real estate investment trust focused on acquiring and managing a diversified portfolio of primarily service-oriented and traditional retail and distribution related commercial real estate properties in the U.S., announced today its financial and operating results for the second quarter ended June 30, 2019.

Second Quarter 2019 Highlights

- Revenue from tenants was $79.1 million for the quarter ended June 30, 2019, up 11%, compared to $71.1 million for the quarter ended June 30, 2018
- Net income attributable to common stockholders was $7.9 million for the quarter ended June 30, 2019, or $0.07 per diluted share, compared to a net loss of $12.0 million, or $0.11 per diluted share, for the quarter ended June 30, 2018
- Funds from Operations ("FFO") was $24.4 million, or $0.23 per diluted share, for the quarter ended June 30, 2019 compared to $28.3 million, or $0.27 per diluted share, for the quarter ended June 30, 2018
- Adjusted Funds from Operations ("AFFO") was up 11.4% to $30.0 million, or $0.28 on a per diluted share basis, inclusive of a $7.6 million lease termination fee partially offset by a $1.5 million derivative payment, compared to $26.9 million or $0.26 on a per diluted share basis, for the quarter ended June 30, 2018
- Cash net operating income ("NOI") grew to $62.7 million in the quarter compared to $53.1 million for the quarter ended June 30, 2018
- Closed on the acquisition of 32 properties for $70 million[1] at a weighted-average capitalization rate[2] of 8.3%
- Over $180.0 million in year to date acquisitions comprising 96 properties and 460,407 square feet of space with 16.7 years of average remaining lease term and primarily leased to service retail tenants[5]
- Total multi-tenant executed occupancy[3] was 88% with the inclusion of eight executed leases over 210,000 square feet, including six leases with anchor tenants[4]
- Total portfolio is 93.4% leased with an 9 year weighted-average lease term[6] remaining at quarter end
- Annual rent escalators[7] averaging 1.3% per year in 81.2% of leases provide contractually embedded rent growth
- 75.6% of tenants in single-tenant portfolio and 37.7% of anchor tenants in multi-tenant portfolio rated as investment grade or implied investment grade[8]
- Completed, through an affiliate, an Asset Backed Security offering with of $241.9 million in two classes, with an 8-year weighted-average term at a weighted-average interest rate of 4.2%.

CEO Comments

Michael Weil, Chief Executive Officer, commented, "The second quarter for AFIN was another quarter of increases in rental revenue, adjusted EBITDA and AFFO on the strength of steady execution on our portfolio strategy. Our first ABS offering was very successful and we were able to utilize the ATM to sell Class A Preferred stock above the issue price from last quarter, continuing to raise substantial funds for acquisitions at what we believe is an effective cost. The property sales we closed were timely and beneficial to the company, while the acquisitions we made were entirely aligned with our service retail focus. We look forward to continuing to execute on our strategy in the second half of 2019."

Financial Results

(In thousands, except per share data)	Three Months Ended June 30, 2019		2018	
Revenue from tenants	$	79,109	$	71,108
Net income (loss) attributable to common stockholders	$	7,884	$	(12,041)
Net income (loss) per common share [(a)]	$	0.07	$	(0.11)
FFO attributable to common stockholders	$	24,420	$	28,257
FFO per common share [(a)]	$	0.23	$	0.27
AFFO attributable to common stockholders	$	29,997	$	26,918
AFFO per common share [(a)]	$	0.28	$	0.26

(a) All per share data based on 106,394,277 and 105,028,459 diluted weighted-average shares outstanding for the three months ended June 30, 2019 and 2018, respectively.

Real Estate Portfolio

The Company’s portfolio consisted of 704 net lease properties located in 43 states and comprised 17.7 million rentable square feet as of June 30, 2019. Portfolio metrics include:

- 93.4% leased with 9 years remaining weighted-average lease term
- 81.2% of leases have contractual rent increases of 1.3% on average based on annualized straight-line rent[9]
- 75.6% of single-tenant portfolio and 37.7% of multi-tenant portfolio anchor tenant annualized straight-line rent derived from investment grade or implied investment grade tenants
- 78% retail properties, 12% industrial and distribution properties and 10% office properties (based on an annualized straight-line rent)
- 70% of the retail portfolio focused on either service or experiential retail[10] giving the company strong alignment with "e-commerce resistant" real estate

Property Acquisitions

For the three months ended June 30, 2019, the Company completed the acquisition of 32 properties for an aggregate contract purchase price of $70 million at a weighted average capitalization rate of 8.3%.

The Company’s forward pipeline as of July 15, 2019 includes 21 properties for an aggregate contract purchase price of $38.4 million, of which 57%, based on purchase price, are occupied by service retail tenants. There can be no assurance that all these acquisitions will be completed on their current terms, or at all.

Property Dispositions

The Company sold ten properties during the second quarter of 2019 for $93.6 million, of which approximately $73.9 million was used to repay related debt. Sales of an office property in Utah and a distribution facility in Alabama resulted in $5.8 million and $2.5 million gains, respectively, and total returns[16] of 17% and 25%, respectively.

Capital Structure and Liquidity Resources

As of June 30, 2019, the Company had a total borrowing capacity under its credit facility of $314.1 million. Of this amount, $257.7 million was outstanding under this facility as of June 30, 2019 and $56.4 million remained available for future borrowing[11]. As of June 30, 2019, the Company had $91.2 million of cash and cash equivalents. The Company’s net debt[12] to gross asset value[13] was 39.4%, with net debt of $1.5 billion.

The Company's percentage of fixed rate debt was 83.7% as of June 30, 2019. The Company’s total combined debt had a weighted-average interest rate cost of 4.6%[14], resulting in an interest coverage ratio of 2.7 times[15].

During the second quarter of 2019, the Company sold an additional 452,600 shares of Series A preferred Stock, generating gross proceeds of $11.3 million as a result of the exercise of the underwriters option to purchase additional shares of Series A preferred stock in the Company’s offering of Series A preferred stock in March 2019 and through its ATM program.

Footnotes/Definitions

[1] Represents the contract purchase price and excludes capitalized acquisition costs per GAAP.

[2] Capitalization rate is a rate of return on a real estate investment property based on the expected, annualized straight-lined rental income that the property will generate under its existing lease. Capitalization rate is calculated by dividing the annualized straight-lined rental income the property will generate (before debt service and depreciation and after fixed costs and variable costs) and the purchase price of the property. The weighted-average capitalization rate is based upon square feet.

[3] Includes all leases where the tenant has taken possession as of June 30, 2019 as well as all leases executed by both parties as of June 30, 2019 where the tenant has yet to take possession as of such date.

[4] Anchor tenants are defined as tenants that occupy over 10,000 square feet of one of the Company's multi-tenant properties.

[5] Service retail is defined as single-tenant retail properties leased to tenants in the retail banking, restaurant, grocery, pharmacy, gas/convenience, fitness, and auto services sectors.

[6] The weighted-average remaining lease term (years) is based on straight-line rent as of June 30, 2019.

[7] Based on annualized straight-line rent as of June 30, 2019. Contractual rent increases include fixed percent or actual increases, or CPI-indexed increases.

[8] As used herein, investment grade includes both actual investment grade ratings of the tenant or guarantor, if available, or implied investment grade. Implied investment grade may include actual ratings of tenant parent, guarantor parent (regardless of whether or not the parent has guaranteed the tenant's obligation under the lease) or by using a proprietary Moody's analytical tool, which generates an implied rating by measuring a company's probability of default. Ratings information is as of June 30, 2019. Single-tenant portfolio tenants are 45.0% actual investment grade rated and 30.6% implied investment grade rate. Anchor tenants in the multi-tenant portfolio are 23.8% actual investment grade rated and 13.9% implied investment grade rated.

[9] Annualized straight-line rent is calculated using the most recent available lease terms as of June 30, 2019.

[10] Experiential retail is defined as multi-tenant properties leased to tenants in the restaurant, discount retail, entertainment, salon/beauty, and grocery sectors, among others.

[11] The borrowing capacity and availability for future borrowings under the Company's credit facility is based on the borrowing base thereunder, which is the pool of eligible otherwise unencumbered real estate assets as June 30, 2019. The $56.4 million available for future borrowing is exclusive of the $2.7 million in letters of credit posted against such amount.

[12] Total debt of $1.6 billion less cash and cash equivalents of $91.2 million as of June 30, 2019. Excludes the effect of deferred financing costs, net, mortgage premiums, net and includes the effect of cash and cash equivalents.

[13] Defined as the carrying value of total assets plus accumulated depreciation and amortization as of June 30, 2019.

[14] Weighted based on the outstanding principal balance of the debt.

[15] The interest coverage ratio is calculated by dividing adjusted EBITDA by cash paid for interest (interest expense less amortization of deferred financing costs, net, change in accrued interest and amortization of mortgage premiums on borrowings) for the quarter ended June 30, 2019.

[16] The total return for a property is calculated as the gross disposition price of the property plus the accumulated Cash NOI generated by the property since acquisition, divided by the gross acquisition price of the property. American Express was sold for $30.0 million, accumulated $19.4 million of Cash NOI and was purchased for $42.2 million. C&S was sold for $45.0 million, accumulated $22.9 million of Cash NOI and was purchased for $54.4 million

Webcast and Conference Call

AFIN will host a webcast and call on August 8, 2019 at 11:00 a.m. ET to discuss its financial and operating results. This webcast will be broadcast live over the Internet and can be accessed by all interested parties through the AFIN website, www.americanfinancetrust.com, in the "Investor Relations" section.

Dial-in instructions for the conference call and the replay are outlined below.

To listen to the live call, please go to AFIN's "Investor Relations" section of the website at least 15 minutes prior to the start of the call to register and download any necessary audio software. For those who are not able to listen to the live broadcast, a replay will be available shortly after the call on the AFIN website at www.americanfinancetrust.com.

Live Call
Dial-In (Toll Free): 1-888-317-6003
International Dial-In: 1-412-317-6061
Canada Dial-In (Toll Free): 1-866-605-3851
Participant Elite Entry Number: 7354942

*Conference Replay**
Domestic Dial-In (Toll Free): 1-877-344-7529
International Dial-In: 1-412-317-0088
Canada Dial-In (Toll Free): 1-855-669-9658
Conference Number: 10133601
*Available one hour after the end of the conference call through November 8, 2019.

About American Finance Trust, Inc.

American Finance Trust, Inc. (Nasdaq: AFIN) is a publicly traded real estate investment trust listed on the Nasdaq focused on acquiring and managing a diversified portfolio of primarily service-oriented and traditional retail and distribution related commercial real estate properties in the U.S. Additional information about AFIN can be found on its website at www.americanfinancetrust.com.

Supplemental Schedules

The Company will file supplemental information packages with the Securities and Exchange Commission (the "SEC") to provide additional disclosure and financial information. Once posted, the supplemental package can be found under the "Presentations" tab in the Investor Relations section of AFIN's website at www.americanfinancetrust.com and on the SEC website at www.sec.gov.

Important Notice
The statements in this press release that are not historical facts may be forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results or events to be materially different. Forward-looking statements may include, but are not limited to, statements regarding stockholder liquidity and investment value and returns. The words "anticipates," "believes," "expects," "estimates," "projects," "plans," "intends," "may," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Actual results may differ materially from those contemplated by such forward-looking statements, including those set forth in the Risk Factors section of AFIN's Annual Report on Form 10-K for the year ended December 31, 2018 filed on March 7, 2019 and all other filings with the SEC after that date, as such risks, uncertainties and other important factors may be updated from time to time in AFIN's subsequent reports. Further, forward-looking statements speak only as of the date they are made, and AFIN undertakes no obligation to update or revise any forward-looking statement to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results, unless required to do so by law.

Contacts:
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American Finance Trust, Inc.
Consolidated Balance Sheets
(In thousands. except share and per share data)

	June 30, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
Real estate investments, at cost:		
Land	$ 649,402	$ 629,190
Buildings, fixtures and improvements	2,513,374	2,441,659
Acquired intangible lease assets	419,367	413,948
Total real estate investments, at cost	3,582,143	3,484,797
Less: accumulated depreciation and amortization	(476,112)	(454,614)
Total real estate investments, net	3,106,031	3,030,183
Cash and cash equivalents	91,165	91,451
Restricted cash	18,352	18,180
Deposits for real estate acquisitions	81	3,037
Goodwill	—	1,605
Deferred costs, net	16,937	16,222
Straight-line rent receivable	41,512	37,911
Operating lease right-of-use assets	19,053	—
Prepaid expenses and other assets	15,977	19,439
Assets held for sale	4,819	44,519
Total assets	$ 3,313,927	$ 3,262,547
LIABILITIES AND STOCKHOLDERS' EQUITY		
Mortgage notes payable, net	$ 1,313,480	$ 1,196,113
Credit facility	257,700	324,700
Below market lease liabilities, net	85,427	89,938
Accounts payable and accrued expenses (including $1,251 and $2,634 due to related parties as of June 30, 2019 and December 31, 2018, respectively)	27,709	28,383
Operating lease liabilities	19,280	—
Derivative liabilities, at fair value	—	531
Deferred rent and other liabilities	7,764	13,067
Dividends payable	717	80
Total liabilities	1,712,077	1,652,812
7.50% Series A cumulative redeemable perpetual preferred stock, $0.01 par value, liquidation preference $25.00 per share, 3,380,000 shares authorized, 1,652,600 issued and outstanding as of June 30, 2019 and no shares issued and outstanding as of December 31, 2018	17	—
Common stock, $0.01 par value per share, 300,000,000 shares authorized, 106,245,619 and 106,230,901 shares issued and outstanding as of June 30, 2019 and December 31, 2018, respectively	1,063	1,063
Additional paid-in capital	2,453,814	2,412,915
Accumulated other comprehensive loss	—	(531)
Distributions in excess of accumulated earnings	(866,226)	(812,047)
Total stockholders' equity	1,588,668	1,601,400
Non-controlling interests	13,182	8,335
Total equity	1,601,850	1,609,735
Total liabilities and equity	$ 3,313,927	$ 3,262,547

American Finance Trust, Inc.
Consolidated Statements of Operations (Unaudited)
(In thousands, except share and per share data)

	Three Months Ended June 30,	
	2019	**2018**
Revenue from tenants	$ 79,109	$ 71,108
Operating expenses:		
Asset management fees to related party	6,335	5,837
Property operating	13,137	13,157
Impairment charges	4	8,563
Acquisition, transaction and other costs [1]	1,892	2,376
Equity-based compensation [2]	3,268	65
General and administrative	6,441	5,358
Depreciation and amortization	30,924	35,438
Goodwill impairment	1,605	—
Total operating expenses	63,606	70,794
Operating income before gain on sale of real estate investments	15,503	314
Gain on sale of real estate investments	14,365	3,625
Operating income	29,868	3,939
Other income (expense):		
Interest expense	(21,995)	(16,042)
Other income	667	38
Total other expense, net	(21,328)	(16,004)
Net income (loss)	8,540	(12,065)
Net (income) loss attributable to non-controlling interests	(14)	24
Preferred stock dividends	(642)	—
Net income (loss) attributable to common stockholders	$ 7,884	$ (12,041)
Basic and Diluted Net Income (Loss) Per Share:		
Net income (loss) per share attributable to common stockholders — Basic and Diluted	$ 0.07	$ (0.11)
Weighted-average shares outstanding — Basic	106,075,741	105,028,459
Weighted-average shares outstanding — Diluted	106,394,277	105,028,459

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[1] For the three months ended June 30, 2019. includes litigation costs related to the Merger of $0.2 million. For the three months ended June 30, 2018, includes litigation costs related to the Merger of $1.1 million that were previously classified as general and administrative expenses.

[2] For the three months ended June 30, 2019, includes expense related to the Company's restricted common shares of $0.3 million. For the three months ended June 30, 2018, includes expense related to the Company's restricted common shares of $65,000 that was previously classified as general and administrative expenses.

American Finance Trust, Inc.
Quarterly Reconciliation of Non-GAAP Measures (Unaudited)
(In thousands)

	Three Months Ended June 30,	
	2019	**2018**
Adjusted EBITDA		
Net income (loss)	$ 8,540	$ (12,065)
Depreciation and amortization	30,924	35,438
Interest expense	21,995	16,042
Impairment charges	4	8,563
Acquisition, transaction and other costs [1]	1,892	2,376
Listing fees	—	—
Vesting and conversion of Class B Units	—	—
Equity-based compensation [2]	3,268	65
Gain on sale of real estate investments	(14,365)	(3,625)
Other income	(667)	(38)
Goodwill impairment	1,605	—
Adjusted EBITDA [3]	**53,196**	**46,756**
Asset management fees to related party	6,335	5,837
General and administrative	6,441	5,358
NOI [3]	**65,972**	**57,951**
Amortization of market lease and other intangibles, net	(1,723)	(2,320)
Straight-line rent	(1,566)	(2,540)
Cash NOI [3]	**$ 62,683**	**$ 53,091**
Cash Paid for Interest:		
Interest expense	$ 21,995	$ 16,042
Amortization of deferred financing costs, net and change in accrued interest	(3,062)	(2,126)
Amortization of mortgage premiums on borrowings	839	1,001
Total cash paid for interest	**$ 19,772**	**$ 14,917**

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[1] For the three months ended June 30, 2019. includes litigation costs related to the Merger of $0.2 million. For the three months ended June 30, 2018, includes litigation costs related to the Merger of $1.1 million that were previously classified as general and administrative expenses.

[2] For the three months ended June 30, 2019, includes expense related to the Company's restricted common shares of $0.3 million. For the three months ended June 30, 2018, includes expense related to the Company's restricted common shares of $65,000 that was previously classified as general and administrative expenses.

[3] For the three months ended June 30, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations.

American Finance Trust, Inc.
Quarterly Reconciliation of Non-GAAP Measures (Unaudited)
(In thousands)

	Three Months Ended June 30,	
	2019	**2018**
Net income (loss) loss attributable to common stockholders (in accordance with GAAP)	$ 7,884	$ (12,041)
Impairment charges	4	8,563
Depreciation and amortization	30,924	35,438
Gain on sale of real estate investments	(14,365)	(3,625)
Proportionate share of adjustments for non-controlling interest to arrive at FFO	(27)	(78)
FFO attributable to common stockholders [1]	**24,420**	**28,257**
Acquisition, transaction and other costs [2]	1,892	2,376
Litigation cost reimbursements related to the Merger [3]	(115)	—
Amortization of market lease and other intangibles, net	(1,723)	(2,320)
Straight-line rent	(1,566)	(2,540)
Amortization of mortgage premiums on borrowings	(839)	(1,001)
Mark-to-market adjustments	—	(48)
Equity-based compensation [4]	3,268	65
Amortization of deferred financing costs, net and change in accrued interest	3,062	2,126
Goodwill impairment [5]	1,605	—
Proportionate share of adjustments for non-controlling interest to arrive at AFFO	(7)	3
AFFO attributable to common stockholders [1]	**$ 29,997**	**$ 26,918**

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[1] FFO and AFFO for the three months ended June 30, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations. While such termination payments occur infrequently, they represent cash income for accounting and tax purposes and as such management believes they should be included in both FFO and AFFO, consistent with what the Company believes to be general industry practice.

[2] Includes primarily prepayment costs incurred in connection with early debt extinguishment as well as litigation costs related to the Merger which are included as an adjustment in the calculation above beginning in the fourth quarter of 2018, and were not presented as an adjustment in our or our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018.

[3] Included in "Other income" in the Company's consolidated statement of operations.

[4] Includes expense related to the amortization of the Company's restricted common shares and LTIP Units related to its multi-year outperformance agreement, which were previously presented in separate lines within the table above.

[5] This is a non-cash item and is added back as it is not considered a part of operating performance.

Non-GAAP Financial Measures

This release includes non-GAAP financial measures, including Funds from Operations ("FFO"), Adjusted Funds from Operations ("AFFO"), Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"), Net Operating Income ("NOI") and Cash Net Operating Income ("Cash NOI"). While NOI is a property-level measure, AFFO is based on our total performance and therefore reflects the impact of other items not specifically associated with NOI such as, interest expense, general and administrative expenses and operating fees to related parties. Additionally, NOI as defined here, includes an adjustment for straight-line rent which is excluded from AFFO. A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measure, which is net income, is provided below. Adjustments for unconsolidated partnerships and joint ventures are calculated to exclude the proportionate share of the non-controlling interest to arrive at FFO, AFFO and NOI attributable to stockholders.

Caution on Use of Non-GAAP Measures

FFO, AFFO, Adjusted EBITDA, NOI and Cash NOI should not be construed to be more relevant or accurate than the current GAAP methodology in calculating net income or in its applicability in evaluating our operating performance. The method utilized to evaluate the value and performance of real estate under GAAP should be construed as a more relevant measure of operational performance and considered more prominently than the non-GAAP measures.

Other REITs may not define FFO in accordance with the current National Association of Real Estate Investment Trusts ("NAREIT"), an industry trade group, definition (as we do), or may interpret the current NAREIT definition differently than we do, or may calculate AFFO differently than we do. Consequently, our presentation of FFO and AFFO may not be comparable to other similarly-titled measures presented by other REITs.

We consider FFO and AFFO useful indicators of our performance. Because FFO and AFFO calculations exclude such factors as depreciation and amortization of real estate assets and gains or losses from sales of operating real estate assets (which can vary among owners of identical assets in similar conditions based on historical cost accounting and useful-life estimates), FFO and AFFO presentations facilitate comparisons of operating performance between periods and between other REITs in our peer group.

As a result, we believe that the use of FFO and AFFO, together with the required GAAP presentations, provide a more complete understanding of our performance, including relative to our peers and a more informed and appropriate basis on which to make decisions involving operating, financing, and investing activities. However, FFO and AFFO are not indicative of cash available to fund ongoing cash needs, including the ability to pay cash dividends. Investors are cautioned that FFO and AFFO should only be used to assess the sustainability of our operating performance excluding these activities, as they exclude certain costs that have a negative effect on our operating performance during the periods in which these costs are incurred.

Funds from Operations and Adjusted Funds from Operations

Funds From Operations

Due to certain unique operating characteristics of real estate companies, as discussed below, the NAREIT, an industry trade group, has promulgated a performance measure known as FFO, which we believe to be an appropriate supplemental measure to reflect the operating performance of a REIT. FFO is not equivalent to net income or loss as determined under GAAP.

We calculate FFO, a non-GAAP measure, consistent with the standards established over time by the Board of Governors of NAREIT, as restated in a White Paper and approved by the Board of Governors of NAREIT effective in December 2018 (the “White Paper”). The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding depreciation and amortization related to real estate, gains and losses from sales of certain real estate assets, gain and losses from change in control and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. Adjustments for consolidated partially-owned entities (including our Operating Partnership) and equity in earnings of unconsolidated affiliates are made to arrive at our proportionate share of FFO attributable to our stockholders. Our FFO calculation complies with NAREIT’s definition.

The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, and straight-line amortization of intangibles, which implies that the value of a real estate asset diminishes predictably over time, especially if not adequately maintained or repaired and renovated as required by relevant circumstances or as requested or required by lessees for operational purposes in order to maintain the value disclosed. We believe that, because real estate values historically rise and fall with market conditions, including inflation, interest rates, unemployment and consumer spending, presentations of operating results for a REIT using historical accounting for depreciation and certain other items may be less informative. Historical accounting for real estate involves the use of GAAP. Any other method of accounting for real estate such as the fair value method cannot be construed to be any more accurate or relevant than the comparable methodologies of real estate valuation found in GAAP. Nevertheless, we believe that the use of FFO, which excludes the impact of real estate related depreciation and amortization, among other things, provides a more complete understanding of our performance to investors and to management, and when compared year over year, reflects the impact on our operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses, and interest costs, which may not be immediately apparent from net income.

Adjusted Funds From Operations

In calculating AFFO, we start with FFO, then we exclude certain income or expense items from AFFO that we consider to be more reflective of investing activities, such as fees related to the Listing, non-cash income and expense items and the income and expense effects of other activities that are not a fundamental attribute of our day to day operating business plan, such as amounts related to litigation arising out of the RCA Merger. These amounts include legal costs incurred as a result of the litigation, portions of which have been and may in the future be reimbursed under insurance policies maintained by us. Insurance reimbursements are deducted from AFFO in the period of reimbursement. We believe that excluding the litigation costs and subsequent insurance reimbursements related to the Merger helps to provide a better understanding of the operating performance of our business. Other income and expense items also include early extinguishment of debt and unrealized gains and losses, which may not ultimately be realized, such as gains or losses on derivative instruments and gains and losses on investments. In addition, by excluding non-cash income and expense items such as amortization of above-market and below-market leases intangibles, amortization of deferred financing costs, straight-line rent, vesting and conversion of the Class B Units and share-based compensation related to restricted shares and the 2018 OPP from AFFO, we believe we provide useful information regarding those income and expense items which have a direct impact on our ongoing operating performance. By providing AFFO, we believe we are presenting useful information that can be used to better assess the sustainability of our ongoing operating performance without the impact of transactions or other items that are not related to the ongoing performance of our portfolio of properties. AFFO presented by us may not be comparable to AFFO reported by other REITs that define AFFO differently.

In calculating AFFO, we exclude certain expenses which under GAAP are characterized as operating expenses in determining operating net income (loss). All paid and accrued merger, acquisition and transaction related fees and certain other expenses negatively impact our operating performance during the period in which expenses are incurred or properties are acquired will also have negative effects on returns to investors, but are not reflective of our on-going performance. Further, under GAAP, certain contemplated non-cash fair value and other non-cash adjustments are considered operating non-cash adjustments to net income (loss). In addition, as discussed above, we view gains and losses from fair value adjustments as items which are unrealized and may not ultimately be realized and not reflective of ongoing operations and are therefore typically adjusted for when assessing operating performance. Excluding income and expense items detailed above from our calculation of AFFO provides information consistent with management's analysis of our operating performance. Additionally, fair value adjustments, which are based on the impact of current market fluctuations and underlying assessments of general market conditions, but can also result from operational factors such as rental and occupancy rates, may not be directly related or attributable to our current operating performance. By excluding such changes that may reflect anticipated and unrealized gains or losses, we believe AFFO provides useful supplemental information. We believe that in order to facilitate a clear understanding of our operating results, AFFO should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. AFFO should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or ability to pay dividends.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, Net Operating Income and Cash Net Operating Income.

We believe that Adjusted EBITDA, which is defined as earnings before interest, taxes, depreciation and amortization adjusted for acquisition and transaction-related expenses, fees related to the Listing, other non-cash items such as the vesting and conversion of the Class B Units, expense related to the multi-year outperformance agreement and including our pro-rata share from unconsolidated joint ventures, is an appropriate measure of our ability to incur and service debt. Adjusted EBITDA should not be considered as an alternative to cash flows from operating activities, as a measure of our liquidity or as an alternative to net income as an indicator of our operating activities. Other REITs may calculate Adjusted EBITDA differently and our calculation should not be compared to that of other REITs.

NOI is a non-GAAP financial measure equal to net income (loss), the most directly comparable GAAP financial measure, less discontinued operations, interest, other income and income from preferred equity investments and investment securities, plus corporate general and administrative expense, acquisition and transaction-related expenses, depreciation and amortization, other non-cash expenses and interest expense. NOI is adjusted to include our pro rata share of NOI from unconsolidated joint ventures. We use NOI internally as a performance measure and believe NOI provides useful information to investors regarding our financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level. Therefore, we believe NOI is a useful measure for evaluating the operating performance of our real estate assets and to make decisions about resource allocations. Further, we believe NOI is useful to investors as a performance measure because, when compared across periods, NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition activity on an unlevered basis, providing perspective not immediately apparent from net income. NOI excludes certain components from net income in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. We believe that in order to facilitate a clear understanding of our operating results, NOI should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. NOI should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity.

Cash NOI, is a non-GAAP financial measure that is intended to reflect the performance of our properties. We define Cash NOI as net operating income (which is separately defined herein) excluding amortization of above/below market lease intangibles and straight-line adjustments that are included in GAAP lease revenues. We believe that Cash NOI is a helpful measure that both investors and management can use to evaluate the current financial performance of our properties and it allows for comparison of our operating performance between periods and to other REITs. Cash NOI should not be considered as an alternative to net income, as an indication of our financial performance, or to cash flows as a measure of liquidity or our ability to fund all needs. The method by which we calculate and present Cash NOI may not be directly comparable to the way other REITs present Cash NOI.

EXHIBIT 99.2

American Finance Trust, Inc.
Supplemental Information

Quarter ended June 30, 2019 (unaudited)

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Please note that totals may not add due to rounding.

Forward-looking Statements:

This supplemental package includes “forward looking statements”. Forward-looking statements may be identified by the use of words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “pro forma,” “estimates,” “contemplates,” “aims,” “continues,” “would” or “anticipates” or the negative of these words and phrases or similar words or phrases. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: the factors included in (i) the Annual Report on Form 10-K for the year ended December 31, 2018 of American Finance Trust, Inc. (the “Company”) filed on March 7, 2019, including those set forth under the headings “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business,” and (ii) in future periodic reports filed by the Company under the Securities Exchange Act of 1934, as amended. While forward-looking statements reflect the Company’s good faith beliefs, they are not guarantees of future performance. The Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes after the date of this press release, except as required by applicable law. For a further discussion of these and other factors that could impact the Company’s future results, performance or transactions, see the section entitled “Risk Factors” in the Annual Report on Form 10-K for the year ended December 31, 2018 filed on March 7, 2019, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission. Prospective investors should not place undue reliance on any forward-looking statements, which are based only on information currently available to the Company (or to third parties making the forward-looking statements).

Non-GAAP Financial Measures

This section includes non-GAAP financial measures, including Funds from Operations ("FFO"), Adjusted Funds from Operations ("AFFO"), Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"), Net Operating Income ("NOI") and Cash Net Operating Income ("Cash NOI"). While NOI is a property-level measure, AFFO is based on total Company performance and therefore reflects the impact of other items not specifically associated with NOI such as, interest expense, general and administrative expenses and operating fees to related parties. Additionally, NOI as defined here, includes an adjustment for straight-line rent which is excluded from AFFO. A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measure, which is net income (loss), is provided below. Adjustments for unconsolidated partnerships and joint ventures are calculated to exclude the proportionate share of the non-controlling interest to arrive at FFO, AFFO and NOI attributable to stockholders.

Caution on Use of Non-GAAP Measures

FFO, AFFO, Adjusted EBITDA, NOI and Cash NOI should not be construed to be more relevant or accurate than the current GAAP methodology in calculating net income or in its applicability in evaluating our operating performance. The method utilized to evaluate the value and performance of real estate under GAAP should be construed as a more relevant measure of operational performance and considered more prominently than the non-GAAP measures.

Other REITs may not define FFO in accordance with the current National Association of Real Estate Investment Trusts ("NAREIT"), an industry trade group, definition (as we do), or may interpret the current NAREIT definition differently than we do, or may calculate AFFO differently than we do. Consequently, our presentation of FFO and AFFO may not be comparable to other similarly-titled measures presented by other REITs.

We consider FFO and AFFO useful indicators of our performance. Because FFO and AFFO calculations exclude such factors as depreciation and amortization of real estate assets and gains or losses from sales of operating real estate assets (which can vary among owners of identical assets in similar conditions based on historical cost accounting and useful-life estimates), FFO and AFFO presentations facilitate comparisons of operating performance between periods and between other REITs in our peer group.

As a result, we believe that the use of FFO and AFFO, together with the required GAAP presentations, provide a more complete understanding of our performance, including relative to our peers and a more informed and appropriate basis on which to make decisions involving operating, financing, and investing activities. However, FFO and AFFO are not indicative of cash available to fund ongoing cash needs, including the ability to pay cash dividends. Investors are cautioned that FFO and AFFO should only be used to assess the sustainability of our operating performance excluding these activities, as they exclude certain costs that have a negative effect on our operating performance during the periods in which these costs are incurred.

Funds from Operations and Adjusted Funds from Operations

Funds From Operations

Due to certain unique operating characteristics of real estate companies, as discussed below, NAREIT, an industry trade group, has promulgated a performance measure known as FFO, which we believe to be an appropriate supplemental measure to reflect the operating performance of a REIT. FFO is not equivalent to net income or loss as determined under GAAP.

We calculate FFO, a non-GAAP measure, consistent with the standards established over time by the Board of Governors of NAREIT, as restated in a White Paper and approved by the Board of Governors of NAREIT effective in December 2018 (the “White Paper”). The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding depreciation and amortization related to real estate, gains and losses from sales of certain real estate assets, gain and losses from change in control and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciation real estate held by the entity. Adjustments for consolidated partially-owned entities (including our Operating Partnership) and equity in earnings of unconsolidated affiliates are made to arrive at our proportionate share of FFO attributable to our stockholders. Our FFO calculation complies with NAREIT’s definition.

The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, and straight-line amortization of intangibles, which implies that the value of a real estate asset diminishes predictably over time, especially if not adequately maintained or repaired and renovated as required by relevant circumstances or as requested or required by lessees for operational purposes in order to maintain the value disclosed. We believe that, because real estate values historically rise and fall with market conditions, including inflation, interest rates, unemployment and consumer spending, presentations of operating results for a REIT using historical accounting for depreciation and certain other items may be less informative. Historical accounting for real estate involves the use of GAAP. Any other method of accounting for real estate such as the fair value method cannot be construed to be any more accurate or relevant than the comparable methodologies of real estate valuation found in GAAP. Nevertheless, we believe that the use of FFO, which excludes the impact of real estate related depreciation and amortization, among other things, provides a more complete understanding of our performance to investors and to management, and when compared year over year, reflects the impact on our operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses, and interest costs, which may not be immediately apparent from net income.

Adjusted Funds From Operations

In calculating AFFO, we start with FFO, then we exclude certain income or expense items from AFFO that we consider to be more reflective of investing activities, such as fees related to the Listing, non-cash income and expense items and the income and expense effects of other activities that are not a fundamental attribute of our day to day operating business plan, such as amounts related to litigation arising out of the RCA Merger. These amounts include legal costs incurred as a result of the litigation, portions of which have been and may in the future be reimbursed under insurance policies maintained by us. Insurance reimbursements are deducted from AFFO in the period of reimbursement. We believe that excluding the litigation costs and any subsequent insurance reimbursements related to the RCA merger helps to provide a better understanding of the operating performance of our business. Other income and expense items also include early extinguishment of debt and unrealized gains and losses, which may not ultimately be realized, such as gains or losses on derivative instruments and gains and losses on investments. In addition, by excluding non-cash income and expense items such as amortization of above-market and below-market leases intangibles, amortization of deferred financing costs, straight-line rent, vesting and conversion of Class B Units and share-based compensation related to restricted shares and the multi-year outperformance agreement from AFFO, we believe we provide useful information regarding those income and expense items which have a direct impact on our ongoing operating performance. By providing AFFO, we believe we are presenting useful information that can be used to better assess the sustainability of our ongoing operating performance without the impact of transactions or other items that are not related to the ongoing performance of our portfolio of properties. AFFO presented by us may not be comparable to AFFO reported by other REITs that define AFFO differently.

In calculating AFFO, we exclude certain expenses which under GAAP are characterized as operating expenses in determining operating net income (loss). All paid and accrued merger, acquisition and transaction related fees and certain other expenses negatively impact our operating performance during the period in which expenses are incurred or properties are acquired will also have negative effects on returns to investors, but are not reflective of our on-going performance. Further, under GAAP, certain contemplated non-cash fair value and other non-cash adjustments are considered operating non-cash adjustments to net income (loss). In addition, as discussed above, we view gains and losses from fair value adjustments as items which are unrealized and may not ultimately be realized and not reflective of ongoing operations and are therefore typically adjusted for when assessing operating performance. Excluding income and expense items detailed above from our calculation of AFFO provides information consistent with management's analysis of our operating performance. Additionally, fair value adjustments, which are based on the impact of current market fluctuations and underlying assessments of general market conditions, but can also result from operational factors such as rental and occupancy rates, may not be directly related or attributable to our current operating performance. By excluding such changes that may reflect anticipated and unrealized gains or losses, we believe AFFO provides useful supplemental information. We believe that in order to facilitate a clear understanding of our operating results, AFFO should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. AFFO should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or ability to pay dividends.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, Net Operating Income and Cash Net Operating Income.

We believe that Adjusted EBITDA, which is defined as earnings before interest, taxes, depreciation and amortization adjusted for acquisition and transaction-related expenses, fees related to the Listing, other non-cash items such as the vesting and conversion of the Class B Units and including our pro-rata share from unconsolidated joint ventures, is an appropriate measure of our ability to incur and service debt. Adjusted EBITDA should not be considered as an alternative to cash flows from operating activities, as a measure of our liquidity or as an alternative to net income as an indicator of our operating activities. Other REITs may calculate Adjusted EBITDA differently and our calculation should not be compared to that of other REITs.

NOI is a non-GAAP financial measure equal to net income (loss), the most directly comparable GAAP financial measure, less discontinued operations, interest, other income and income from preferred equity investments and investment securities, plus corporate general and administrative expense, acquisition and transaction-related expenses, depreciation and amortization, other non-cash expenses and interest expense. NOI is adjusted to include our pro rata share of NOI from unconsolidated joint ventures. We use NOI internally as a performance measure and believe NOI provides useful information to investors regarding our financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level. Therefore, we believe NOI is a useful measure for evaluating the operating performance of our real estate assets and to make decisions about resource allocations. Further, we believe NOI is useful to investors as a performance measure because, when compared across periods, NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating costs and acquisition activity on an unlevered basis, providing perspective not immediately apparent from net income. NOI excludes certain components from net income in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. We believe that in order to facilitate a clear understanding of our operating results, NOI should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. NOI should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity.

Cash NOI, is a non-GAAP financial measure that is intended to reflect the performance of our properties. We define Cash NOI as net operating income (which is separately defined herein) excluding amortization of above/below market lease intangibles and straight-line adjustments that are included in GAAP lease revenues. We believe that Cash NOI is a helpful measure that both investors and management can use to evaluate the current financial performance of our properties and it allows for comparison of our operating performance between periods and to other REITs. Cash NOI should not be considered as an alternative to net income, as an indication of our financial performance, or to cash flows as a measure of liquidity or our ability to fund all needs. The method by which we calculate and present Cash NOI may not be directly comparable to the way other REITs present Cash NOI.

Key Metrics
As of and for the three months ended June 30, 2019

Financial Results (*Amounts in thousands, except per share data)*		
Revenue from tenants	$	79,109
Net income attributable to common stockholders	$	7,884
Basic and diluted net income per share attributable to common stockholders	$	0.07
Cash NOI [1]	$	62,683
Adjusted EBITDA [1]	$	53,196
AFFO attributable to common stockholders [1]	$	29,997
Dividends declared [2]	$	29,213

Balance Sheet and Capitalization (*Amounts in thousands, except ratios and percentages)*		
Gross asset value [3]	$	3,790,039
Net debt [4] [5]	$	1,492,340
Total consolidated debt [5]	$	1,583,505
Total assets	$	3,313,927
Liquidity [6]	$	147,613
Common shares outstanding as of June 30, 2019		106,246
Net debt to gross asset value		39.4%
Net debt to adjusted EBITDA (annualized based on quarterly results) [1]		7.9x
Weighted-average interest rate cost [7]		4.6%
Weighted-average debt maturity (years) [8]		4.1
Interest Coverage Ratio [1] [9]		2.7x

Real Estate Portfolio		**Single-Tenant Portfolio**		**Multi-Tenant Portfolio**		**Total Portfolio**
Portfolio Metrics:						
Real estate investments, at cost (in billions)	$	2.1	$	1.5	$	3.6
Number of properties		671		33		704
Square footage (in millions)		10.5		7.2		17.7
Annualized straight-line rent (in millions) [10]	$	161.7	$	87.9	$	249.6
Annualized straight-line rent per leased square foot	$	15.6	$	14.3	$	15.1
Occupancy [11]		99.1%		85.1%		93.4%
Weighted-average remaining lease term (years) [12]		11.3		4.9		9.0
% investment grade [13]		75.6%		—%		N/A
% of anchor tenants in multi-tenant portfolio that are investment grade [13] [14]		—%		37.7%		N/A
% of leases with rent escalators [15]		88.1%		68.5%		81.2%
Average annual rent escalator [15]		1.3%		1.4%		1.3%

[1] This Non-GAAP metric is reconciled below. Annualized results were adjusted for termination fee income of $7.6 million which was recorded in the second quarter of 2019.
[2] Represents dividends declared on shares of the Company’s common stock payable to holders of record on the applicable record date.
[3] Defined as total assets plus accumulated depreciation and amortization as of June 30, 2019.
[4] Represents total debt outstanding less cash and cash equivalents.
[5] Excludes the effect of deferred financing costs, net and mortgage premiums, net.
[6] Liquidity includes the amount available for future borrowings under the Company's credit facility of $56.4 million and cash and cash equivalents.The $56.4 million is exclusive of the $2.7 million in letters of credit posted against the amount available for future borrowing as of June 30, 2019. In accordance with the Company's credit facility, if the Company were to make any restricted payments or certain other payments, it would be required to have a combination of cash and amount available for future borrowings totaling $40.0 million following such payments.
[7] Weighted based on the outstanding principal balance of the debt as of June 30, 2019.
[8] Weighted based on the outstanding principal balance of the debt as of June 30, 2019 and does not reflect any changes to maturity dates subsequent to June 30, 2019. The maturity date of the Company's credit facility was automatically extended from April 2020 to April 2022 upon the listing of the Company's stock on the NASDAQ in July 2018. In addition, the Company has the right to extend the maturity date to April 2023.
[9] The interest coverage ratio is calculated by dividing adjusted EBITDA by cash paid for interest (interest expense less amortization of deferred financing

costs, net, change in accrued interest and amortization of mortgage premiums on borrowings) for the quarter ended June 30, 2019. Adjusted EBITDA and cash paid for interest are Non-GAAP metrics and are reconciled below.

[10] Calculated using the most recent available lease terms as of June 30, 2019.

[11] Only includes leases which have commenced and were taken possession by the tenant as of June 30, 2019.

[12] The weighted-average remaining lease term (years) is based on straight-line rent.

[13] As used herein, investment grade includes both actual investment grade ratings of the tenant or guarantor, if available, or implied investment grade. Implied investment grade may include actual ratings of tenant parent, guarantor parent (regardless of whether or not the parent has guaranteed the tenant's obligation under the lease) or by using a proprietary Moody's analytical tool, which generates an implied rating by measuring a company's probability of default. Ratings information is as of June 30, 2019. The weighted averages are based on straight-line rent. Single-tenant portfolio tenants are 45.0% actual investment grade rated and 30.6% implied investment grade rated.

[14] Anchor tenants are defined as tenants that occupy over 10,000 square feet of one of the Company's multi-tenant properties. Anchor tenants are 23.8% actual investment grade rated and 13.9% implied investment grade rated.

[15] Based on annualized straight-line rent as of June 30, 2019. Contractual rent increases include fixed percent or actual increases, or CPI-indexed increases.

Consolidated Balance Sheets
Amounts in thousands, except share and per share data

	June 30, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
Real estate investments, at cost:		
Land	$ 649,402	$ 629,190
Buildings, fixtures and improvements	2,513,374	2,441,659
Acquired intangible lease assets	419,367	413,948
Total real estate investments, at cost	3,582,143	3,484,797
Less: accumulated depreciation and amortization	(476,112)	(454,614)
Total real estate investments, net	3,106,031	3,030,183
Cash and cash equivalents	91,165	91,451
Restricted cash	18,352	18,180
Deposits for real estate acquisitions	81	3,037
Goodwill	—	1,605
Deferred costs, net	16,937	16,222
Straight-line rent receivable	41,512	37,911
Operating lease right-of-use assets	19,053	—
Prepaid expenses and other assets	15,977	19,439
Assets held for sale	4,819	44,519
Total assets	$ 3,313,927	$ 3,262,547
LIABILITIES AND STOCKHOLDERS' EQUITY		
Mortgage notes payable, net	$ 1,313,480	$ 1,196,113
Credit facility	257,700	324,700
Below market lease liabilities, net	85,427	89,938
Accounts payable and accrued expenses (including $1,251 and $2,634 due to related parties as of June 30, 2019 and December 31, 2018, respectively)	27,709	28,383
Operating lease liabilities	19,280	—
Derivative liabilities, at fair value	—	531
Deferred rent and other liabilities	7,764	13,067
Dividends payable	717	80
Total liabilities	1,712,077	1,652,812
7.50% Series A cumulative redeemable perpetual preferred stock, $0.01 par value, liquidation preference $25.00 per share, 3,380,000 shares authorized, 1,652,600 issued and outstanding as of June 30, 2019 and no shares issued and outstanding as of December 31, 2018	17	—
Common stock, $0.01 par value per share, 300,000,000 shares authorized, 106,245,619 and 106,230,901 shares issued and outstanding as of June 30, 2019 and December 31, 2018, respectively	1,063	1,063
Additional paid-in capital	2,453,814	2,412,915
Accumulated other comprehensive loss	—	(531)
Distributions in excess of accumulated earnings	(866,226)	(812,047)
Total stockholders' equity	1,588,668	1,601,400
Non-controlling interests	13,182	8,335
Total equity	1,601,850	1,609,735
Total liabilities and equity	$ 3,313,927	$ 3,262,547

Consolidated Statements of Operations
Amounts in thousands, except share and per share data

	Three Months Ended			
	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue from tenants	$ 79,109	$ 71,541	$ 75,092	$ 74,888
Operating expenses:				
Asset management fees to related party	6,335	6,038	5,848	5,849
Property operating	13,137	12,836	14,059	13,497
Impairment charges	4	823	11,023	1,172
Acquisition, transaction and other costs [1]	1,892	854	1,616	1,549
Listing fees	—	—	—	4,988
Vesting and conversion of Class B Units	—	—	—	15,786
Equity-based compensation [2]	3,268	3,021	2,935	2,240
General and administrative	6,441	6,061	5,876	6,086
Depreciation and amortization	30,924	32,086	32,638	35,332
Goodwill impairment	1,605	—	—	—
Total operating expenses	63,606	61,719	73,995	86,499
Operating income (loss) before gain on sale of real estate investments	15,503	9,822	1,097	(11,611)
Gain on sale of real estate investments	14,365	2,873	2,186	1,328
Operating income (loss)	29,868	12,695	3,283	(10,283)
Other (expense) income:				
Interest expense	(21,995)	(18,440)	(17,623)	(17,017)
Other income	667	2,545	794	9
Total other expense, net	(21,328)	(15,895)	(16,829)	(17,008)
Net income (loss)	**8,540**	**(3,200)**	**(13,546)**	**(27,291)**
Net (income) loss attributable to non-controlling interests	(14)	3	22	46
Preferred stock dividends	(642)	(30)	—	—
Net income (loss) attributable to common stockholders	**$ 7,884**	**$ (3,227)**	**$ (13,524)**	**$ (27,245)**
Basic and Diluted Net Loss Per Share:				
Net income (loss) per share attributable to common stockholders — Basic and Diluted	$ 0.07	$ (0.03)	$ (0.13)	$ (0.26)
Weighted-average shares outstanding — Basic	106,075,741	106,076,588	106,096,401	105,905,281
Weighted-average shares outstanding — Diluted	106,394,277	106,076,588	106,096,401	105,905,281

[1] For the three months ended June 30, 2019, includes litigation costs related to the Merger of $0.2 million. For the three months ended March 31, 2019, December 31, 2018 and September 30, 2018, includes litigation costs related to the Merger of $0.3 million, $0.4 million and $0.4 million, respectively, which were previously classified as general and administrative expenses.

[2] For the three months ended June 30, 2019, includes equity-based compensation expense related to the Company's restricted common shares of $0.3 million. For the three months ended March 31, 2019, December 31, 2018 and September 30, 2018, includes equity-based compensation related to the Company's restricted common shares of $0.3 million, $0.3 million and $0.1 million, respectively, that was previously classified as general and administrative expenses.

American Finance Trust, Inc.

Supplemental Information

Quarter ended June 30, 2019 (Unaudited)

Non-GAAP Measures

Amounts in thousands

	Three Months Ended			
	June 30, 2019	**March 31, 2019**	**December 31, 2018**	**September 30, 2018**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
EBITDA:				
Net income (loss)	$ 8,540	$ (3,200)	$ (13,546)	$ (27,291)
Depreciation and amortization	30,924	32,086	32,638	35,332
Interest expense	21,995	18,440	17,623	17,017
EBITDA [1]	**61,459**	**47,326**	**36,715**	**25,058**
Impairment charges	4	823	11,023	1,172
Acquisition, transaction and other costs [2]	1,892	854	1,616	1,549
Listing fees	—	—	—	4,988
Vesting and conversion of Class B Units	—	—	—	15,786
Equity-based compensation [3]	3,268	3,021	2,935	2,240
Gain on sale of real estate investments	(14,365)	(2,873)	(2,186)	(1,328)
Other income	(667)	(2,545)	(794)	(9)
Goodwill impairment	1,605	—	—	—
Adjusted EBITDA [1]	**53,196**	**46,606**	**49,309**	**49,456**
Asset management fees to related party	6,335	6,038	5,848	5,849
General and administrative	6,441	6,061	5,876	6,086
NOI [1]	**65,972**	**58,705**	**61,033**	**61,391**
Amortization of market lease and other intangibles, net	(1,723)	(1,839)	(6,054)	(5,766)
Straight-line rent	(1,566)	(1,196)	(2,119)	(2,589)
Cash NOI [1]	**$ 62,683**	**$ 55,670**	**$ 52,860**	**$ 53,036**
Cash Paid for Interest:				
Interest expense	$ 21,995	$ 18,440	$ 17,623	$ 17,017
Amortization of deferred financing costs, net and change in accrued interest	(3,062)	(1,329)	(1,461)	(1,734)
Amortization of mortgage premiums on borrowings	839	794	1,097	857
Total cash paid for interest	**$ 19,772**	**$ 17,905**	**$ 17,259**	**$ 16,140**

[1] For the three months ended June 30, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations.

[2] For the three months ended June 30, 2019, includes litigation costs related to the Merger of $0.2 million. For the three months ended March 31, 2019, December 31, 2018 and September 30, 2018, includes litigation costs related to the Merger of $0.3 million, $0.4 million and $0.4 million, respectively, which were previously classified as general and administrative expenses.

[3] For the three months ended June 30, 2019, includes equity-based compensation expense related to the Company's restricted common shares of $0.3 million. For the three months ended March 31, 2019, December 31, 2018 and September 30, 2018, includes equity-based compensation related to the Company's restricted common shares of $0.3 million, $0.3 million and $0.1 million, respectively, that was previously classified as general and administrative expenses.

American Finance Trust, Inc.
Supplemental Information
Quarter ended June 30, 2019 (Unaudited)

Non-GAAP Measures
Amounts in thousands, except per share data

	Three Months Ended			
	June 30, 2019	March 31, 2019	December 31, 2018	September 30, 2018
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Funds from operations (FFO):				
Net income (loss) attributable to common stockholders (in accordance with GAAP)	$ 7,884	$ (3,227)	$ (13,524)	$ (27,245)
Impairment charges	4	823	11,023	1,172
Depreciation and amortization	30,924	32,086	32,638	35,332
Gain on sale of real estate investments	(14,365)	(2,873)	(2,186)	(1,328)
Proportionate share of adjustments for non-controlling interest to arrive at FFO	(27)	(49)	(67)	(59)
FFO attributable to common stockholders [1]	**24,420**	**26,760**	**27,884**	**7,872**
Acquisition, transaction and other costs [2]	1,892	854	1,616	1,549
Litigation cost reimbursements related to the Merger [3]	(115)	(1,833)	—	—
Listing fees	—	—	—	4,988
Vesting and conversion of Class B Units	—	—	—	15,786
Amortization of market lease and other intangibles, net	(1,723)	(1,839)	(6,054)	(5,766)
Straight-line rent	(1,566)	(1,196)	(2,119)	(2,589)
Amortization of mortgage premiums on borrowings	(839)	(794)	(1,097)	(857)
Equity-based compensation [4]	3,268	3,021	2,935	2,240
Amortization of deferred financing costs, net and change in accrued interest	3,062	1,329	1,461	1,734
Goodwill impairment [5]	1,605	—	—	—
Proportionate share of adjustments for non-controlling interest to arrive at AFFO	(7)	1	6	(29)
AFFO attributable to common stockholders [1]	**$ 29,997**	**$ 26,303**	**$ 24,632**	**$ 24,928**
Weighted-average common shares outstanding	**106,394**	**106,077**	**106,096**	**105,905**
Net income (loss) per share attributable to common stockholders — Basic and Diluted	$ 0.07	$ (0.03)	$ (0.13)	$ (0.26)
FFO per common share	$ 0.23	$ 0.25	$ 0.26	$ 0.07
AFFO per common share	$ 0.28	$ 0.25	$ 0.23	$ 0.24
Dividends declared [6]	$ 29,213	$ 29,207	$ 19,487	$ 29,319

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[1] FFO and AFFO for the three months ended June 30, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations. While such termination payments occur infrequently, they represent cash income for accounting and tax purposes and as such management believes they should be included in both FFO and AFFO, consistent with what the Company believes to be general industry practice.

[2] Includes litigation costs related to the Merger which were included as an adjustment in the calculation above beginning in the fourth quarter of 2018, and were not presented as an adjustment in our Quarterly Reports on Form 10-Q for the quarters ended March 31, 2018, June 30, 2018 and September 30, 2018.

[3] Included in "Other income" in the Company's consolidated statement of operations.

[4] Includes expense related to the amortization of the Company's restricted common shares and LTIP Units related to its multi- year outperformance agreement, which were previously presented in separate lines within the table above.

[5] This is a non-cash item and is added back as it is not considered a part of operating performance.

[6] Represents dividends declared to common stockholders. In January 2019, the Company declared a dividend for December 2018, January 2019 and February 2019 resulting in only 11 months of declared dividends during the year ended December 31, 2018. Notwithstanding the changes to the declaration dates, the Company paid 12 months of dividends during the year ended December 31, 2018.

Debt Overview
As of June 30, 2019
Amounts in thousands, except ratios and percentages

Year of Maturity	Number of Encumbered Properties	Weighted-Average Debt Maturity (Years) [3]	Weighted-Average Interest Rate [3][4]	Total Outstanding Balance [5]	Percent
Non-Recourse Debt					
2019 (remainder)	—	—	—%	1,882	
2020	245	1.3	4.5%	539,245	
2021	119	1.9	5.3%	251,518	
2022	—	—	—%	2,311	
2023	—	—	—%	2,643	
Thereafter	261	7.5	4.3%	528,207	
Total Non-Recourse Debt	**625**	**4.2**	**4.6%**	**1,325,806**	**84%**
Recourse Debt [1]					
Credit Facility [2]		3.8	4.5%	257,700	
Total Recourse Debt		**3.8**	**4.5%**	**257,700**	**16%**
Total Debt		**4.1**	**4.6%**	**$ 1,583,506**	**100%**

[1] Recourse debt is debt that is guaranteed by the Company.
[2] The maturity date of the Company's credit facility was automatically was extended from April 2020 to April 2022 upon the listing of the Company's stock on the Nasdaq. The Company has the right to extend the maturity date to April 2023.
[3] Weighted based on the outstanding principal balance of the debt.
[4] As of June 30, 2019, the Company’s total combined debt was 83.7% fixed rate and 16.3% floating rate.
[5] Excludes the effect of deferred financing costs, net and mortgage premiums, net.

Future Minimum Base Lease Rents Due to the Company
As of June 30, 2019
Amounts in thousands

	Future Minimum Base Rent Payments [1]
2019 (remainder)	$ 118,145
2020	232,495
2021	222,380
2022	211,339
2023	198,882
Thereafter	1,307,107
Total	**$ 2,290,348**

[1] Represents future minimum base rent payments on a cash basis due to the Company over the next five years and thereafter. These amounts exclude contingent rent payments, as applicable, that may be collected from certain tenants based on provisions related to sales thresholds and increases in annual rent based on exceeding certain economic indexes among other items.

Top Ten Tenants (by annualized straight-line rent)
As of June 30, 2019
Amounts in thousands, except percentages

Tenant / Lease Guarantor	Property Type	Tenant Industry	Annualized SL Rent [1]	SL Rent Percent	Remaining Lease Term [2]	Investment Grade [3]
SunTrust Bank	Retail	Retail Banking	$ 19,776	8%	10.1	Yes
Sanofi US	Office	Healthcare	17,143	7%	13.5	Yes
Mountain Express	Retail	Gas/Convenience	13,237	5%	19.2	No
AmeriCold	Distribution	Refrigerated Warehousing	12,720	5%	8.2	Yes
Stop & Shop	Retail	Grocery	8,770	4%	7.5	Yes
Tenants 6 - 10	Various	Various	31,994	13%	11.5	4 of 5 - Yes
Subtotal			103,640	41%	11.8	
Remaining portfolio			145,958	59%		
Total Portfolio			**$ 249,598**	**100%**		

[1] Calculated using the most recent available lease terms as of June 30, 2019.
[2] Based on straight-line rent as of June 30, 2019.
[3] The top ten tenants are 53.2% actual investment grade rated and 28.8% implied investment grade rated (see page 6 for definition of Investment Grade).

Diversification by Property Type
As of June 30, 2019
Amounts in thousands, except percentages

	Total Portfolio			
Property Type	**Annualized SL Rent [1]**	**SL Rent Percent**	**Square Feet**	**Sq. ft. Percent**
Retail *(including Power and Lifestyle Centers)*	$ 194,642	78%	11,881	67%
Distribution	28,857	12%	4,351	25%
Office	26,099	10%	1,442	8%
Total	**$ 249,598**	**100%**	**17,674**	**100%**

	Retail Properties [2]			
Tenant Type	**Annualized SL Rent [1]**	**SL Rent Percent**	**Square Feet**	**Sq. ft. Percent**
Single-Tenant:				
Service-oriented	$ 92,220	47%	3,077	29%
Traditional retail	14,563	7%	1,543	14%
Multi-Tenant:				
Experiential/e-commerce defensive	43,178	23%	2,445	23%
Other traditional retail	44,681	23%	3,685	34%
Total	**$ 194,642**	**100%**	**10,750**	**100%**

[1] Calculated using the most recent available lease terms as of June 30, 2019.
[2] Square feet represents total rentable square feet of retail properties occupied as of June 30, 2019.

Diversification by Geography
As of June 30, 2019
Amounts in thousands, except percentages

	Total Portfolio			
Region	Annualized SL Rent [1]	SL Rent Percent	Square Feet	Sq. ft. Percent
Alabama	$ 13,901	5.6%	1,277	7.1%
Arizona	352	0.1%	22	0.1%
Arkansas	2,284	0.9%	85	0.5%
Colorado	542	0.2%	32	0.2%
Connecticut	1,640	0.7%	84	0.5%
Delaware	176	0.1%	5	0.1%
District of Columbia	235	0.1%	3	0.1%
Florida	19,776	7.9%	1,188	6.7%
Georgia	24,556	9.8%	1,862	10.5%
Idaho	331	0.1%	14	0.1%
Illinois	7,756	3.1%	673	3.8%
Indiana	1,409	0.6%	59	0.3%
Iowa	2,584	1.0%	149	0.8%
Kansas	3,202	1.3%	264	1.5%
Kentucky	7,262	2.9%	511	2.9%
Louisiana	4,930	2.0%	310	1.8%
Maine	202	0.1%	12	0.1%
Maryland	1,099	0.4%	21	0.1%
Massachusetts	6,069	2.4%	589	3.3%
Michigan	5,724	2.3%	338	1.9%
Minnesota	11,218	4.5%	752	4.3%
Mississippi	3,269	1.3%	168	1.0%
Missouri	5,890	2.4%	486	2.7%
Montana	1,243	0.5%	44	0.2%
Nebraska	514	0.2%	12	0.1%
Nevada	6,548	2.6%	396	2.2%
New Jersey	18,655	7.5%	818	4.6%
New Mexico	336	0.1%	27	0.2%
New York	2,351	0.9%	172	1.0%
North Carolina	16,854	6.8%	1,440	8.1%
North Dakota	1,222	0.5%	170	1.0%
Ohio	16,106	6.5%	840	4.8%
Oklahoma	8,735	3.5%	849	4.8%
Pennsylvania	8,974	3.6%	510	2.9%
Rhode Island	2,419	1.0%	149	0.8%
South Carolina	13,083	5.2%	1,415	8.0%
South Dakota	339	0.1%	47	0.3%
Tennessee	3,840	1.5%	264	1.5%
Texas	11,725	4.7%	795	4.5%
Utah	189	0.1%	6	—%
Virginia	2,936	1.2%	179	1.0%
West Virginia	1,175	0.5%	39	0.2%
Wisconsin	6,629	2.7%	532	3.0%
Wyoming	1,318	0.5%	66	0.4%
Total	**$ 249,598**	**100.0%**	**17,674**	**100.0%**

[1] Calculated using the most recent available lease terms as of June 30, 2019.

Lease Expirations
As of June 30, 2019
Amounts in thousands, except ratios and percentages

Year of Expiration	Number of Leases Expiring	Annualized SL Rent [1]	Annualized SL Rent Percent	Leased Square Feet	Percent of Leased Square Feet Expiring
		(In thousands)		*(In thousands)*	
2019 (Remaining)	54	$ 3,965	1.6%	231	1.4%
2020	97	8,077	3.2%	501	3.0%
2021	81	16,667	6.7%	1,435	8.7%
2022	82	12,167	4.9%	1,138	6.9%
2023	118	16,707	6.7%	1,182	7.2%
2024	81	18,365	7.4%	1,386	8.4%
2025	62	17,996	7.2%	1,395	8.5%
2026	38	14,542	5.8%	962	5.8%
2027	92	32,696	13.1%	3,516	21.3%
2028	71	9,208	3.7%	717	4.3%
2029	106	20,099	8.1%	1,015	6.2%
2030	13	4,985	2.0%	497	3.0%
2031	29	8,542	3.4%	340	2.1%
2032	13	20,575	8.2%	844	5.1%
2033	62	8,034	3.2%	273	1.7%
2034	4	1,020	0.4%	33	0.2%
Thereafter (>2034)	207	35,953	14.4%	1,039	6.2%
Total	**1,210**	**$ 249,598**	**100.0%**	**16,504**	**100.0%**

[1] Calculated using the most recent available lease terms as of June 30, 2019.