

Gladstone Commercial Corporation Provides a Business Update

MCLEAN, Va., Sept. 17, 2020 (GLOBE NEWSWIRE) -- [Gladstone Commercial Corporation](#) (Nasdaq: GOOD) (“we” or “Gladstone Commercial”) is providing the following business update regarding portfolio performance during this time of market volatility related to the global COVID-19 pandemic.

- We believe we have continued to outperform the FTSE NAREIT All Equity REIT Index constituents for industrial and office rental collections during the COVID-19 environment. Approximately 99% of September cash base rent has been paid and collected. September rental collections remain consistent with 99% of August and July cash base rents that were paid and collected and 98% of June, May and April cash base rents that were paid and collected. The remaining 1-2% of cash base rents are associated with the previously agreed upon deferral agreements. All deferred amounts are to be paid back by the respective tenants with commencement in July 2020 and ending in March 2021.
- We remain within a small subset of U.S. equity REITs that have maintained their dividend rate and payment of distributions in tandem with this high level of rental collections during the COVID-19 pandemic. Portfolio occupancy is in excess of 95% as of September 17, 2020.
- We continue to execute our growth strategy. On September 2, 2020 we announced the acquisition of a 153,600 square foot distribution building in Terre Haute, Indiana on September 1, 2020 for \$10.6 million. The property is 100% leased by Clabber Girl Corporation (“Clabber Girl”) with a full guaranty from Clabber Girl’s publicly traded parent company, B&G Foods (NYSE: BGS). Clabber Girl is the top manufacturer of branded retail baking powder, baking soda and corn starch. The GAAP capitalization rate on the investment is 8.0%.
- Our leasing initiatives continue to be successful in the COVID-19 environment. On September 8, 2020 we announced a lease extension through August-2032 with Haier US Appliance Solutions at our 504,400 square foot build-to-suit industrial facility in Crandall, GA. The lease extension was in exchange for our investing in capital improvements at the property to support Haier’s operations to import and distribute appliance components through the Appalachian Regional Port via rail from the Port of Savannah. The transaction is evidence of our initiative to acquire mission critical industrial facilities at select inland port locations throughout the U.S.
- We have continued to raise additional capital through our at-the-market programs to fund acquisitions and operating needs. Since July 1, 2020 we have issued 215,000 shares of common stock for net proceeds of \$4.0 million and 137,000 shares of Series E perpetual preferred stock for net proceeds of \$3.2 million.

- We continue to have ample liquidity and a strong capital structure. As of September 17, 2020, our current available liquidity is in excess of \$35 million via our revolving credit facility and cash on hand.

We may receive additional rent relief requests during the COVID-19 pandemic. However, we are unable to quantify the outcomes of potential future negotiation of relief packages, the success of any tenant's financial prospects or the amount of relief requests that we will ultimately receive or grant.

About Gladstone Commercial (Nasdaq: GOOD)

Gladstone Commercial is a real estate investment trust focused on acquiring, owning and operating net leased industrial and office properties across the United States. As of June 30, 2020, Gladstone Commercial's real estate portfolio consisted of 122 properties located in 28 states, totaling approximately 15.1 million square feet. For additional information please visit www.gladstonecommercial.com

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any such forward-looking statements which speak only as of the date made. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For Investor Relations inquiries related to any of the monthly dividend paying Gladstone funds, please visit www.gladstonecompanies.com.

SOURCE: Gladstone Commercial Corporation



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