

# **Gladstone Commercial Corporation Announces \$37.6 Million Office Portfolio Acquisitions in Columbus, OH and Salt Lake City, UT**

MCLEAN, Va., Dec. 04, 2017 (GLOBE NEWSWIRE) -- [Gladstone Commercial Corporation](#) (NASDAQ:GOOD) ("Gladstone Commercial") announced today that it completed the acquisition of a 204,587 square foot, Class-A, two office building portfolio in Columbus, OH and the Salt Lake City, UT suburb of South Jordan for \$37.6 million dollars. The initial capitalization rate for the acquisition was 8.18%, with an average capitalization rate of 9.23%.

The portfolio is 100% leased with a weighted average lease term of 8.6 years. Morgan Stanley Smith Barney Financing, LLC ("MSSBF") is the anchor tenant and leases 92% of the portfolio. MSSBF is a major U.S. operating subsidiary of Morgan Stanley (NYSE:MS), a Fortune 100 financial services firm with an investment grade rating of A+/A3 (S&P/Moody's). The acquisition of the portfolio is consistent with Gladstone Commercial's growth strategy of acquiring high-quality assets in strong secondary growth markets with credit-worthy tenants.

The Columbus asset is a fully leased three-story, 102,559 square foot office building. MSSBF is the anchor tenant, leasing 84% of the property through December 31, 2025. The balance of the property is occupied by Congressional Bank, a privately owned commercial bank, through July 31, 2020. The Columbus asset has a weighted average lease term of 7.0 years and has an attractive parking ratio of 6.1 parking spaces per 1,000 square feet. The property, constructed in 2007, is located in the Easton submarket, a live/work/play location with diverse retail amenities in the Easton Town Center and in close proximity to Columbus' I-270 beltway loop.

The Salt Lake City asset is a three-story, 102,028 square foot office building that is 100% leased to MSSBF until December 31, 2027. The property, built in 2007, also has an attractive parking ratio of 5.8 spaces per 1,000 square feet and is located in close proximity to retail amenities, multifamily housing, executive housing and only two blocks from the I-15 Freeway and a light rail station.

"This portfolio acquisition should provide accretive, long term returns to our investors and increases our weighted average lease term for the Gladstone Commercial portfolio," said Matt Tucker, Midwest and Northeast Regional Managing Director of Gladstone Commercial.

"These assets will add to our current Columbus and Salt Lake City portfolios, strengthening our presence in strong secondary growth markets in the U.S. These are the kind of locations with the live/work/play amenities that today's office tenants want," said Andrew White, Western Regional Managing Director of Gladstone Commercial.

Bob Cutlip, President of Gladstone Commercial, agreed. "This transaction is an excellent

acquisition in target markets providing strong near-term returns for our investors while providing excellent credit quality through the investment grade tenancy of Morgan Stanley.”

### **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 September 30, 2017, its real estate portfolio consisted of 97 properties located in 24 states, totaling approximately 11.2 million square feet. For additional information please visit [www.gladstonecommercial.com](http://www.gladstonecommercial.com).

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For Investor Relations inquiries related to any of the monthly dividend paying Gladstone funds, please visit [www.gladstone.com](http://www.gladstone.com).

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