

November 17, 2016



HC Government Realty Trust, Inc. Announces SEC Qualification of Regulation A Offering Statement

Company Seeks to Raise Up to \$30 million Through Common Stock Offering to Expand Portfolio of Properties Leased by The United States of America

SARASOTA, Fla., Nov. 17, 2016 (GLOBE NEWSWIRE) -- HC Government Realty Trust Inc. ("HCGRT" or "the Company"), today announced that it has received a notice of qualification from the Securities and Exchange Commission of its Regulation A Offering Statement under Title IV of the JOBS Act to raise up to \$30 million through the sale of its common stock. The SEC qualified the Offering Statement on November 7, 2016 and the Company is offering a minimum of 300,000 and a maximum of 3,000,000 common shares at an offering price of \$10.00 per share.

Upon completion of the offering, the Company intends to operate as a real estate investment trust ("REIT"), focused on sourcing, acquiring, owning, and managing a portfolio of single-tenant properties leased by the United States of America through the U.S General Services Administration ("GSA"). The Company currently owns three properties. At the closing of the minimum offering amount, the Company has plans to acquire seven additional properties from its predecessor Holmwood Capital, LLC.

"The qualification of our proposed Regulation A offering is a significant milestone for our management team, Company and shareholders, as we look to capitalize on the untapped opportunity of investing in GSA properties," said Edwin M. Stanton, Director and Chief Executive Officer of HC Government Realty Trust Inc. "Backed by the full faith and credit obligation of the U.S. Government, we believe that GSA properties could present REIT investors with compelling risk-adjusted returns due to the superior credit of the tenant, significantly reduced default risk and high lease renewal rates for the properties in our target profile. There is a large, untapped market and we intend to capitalize on it by acquiring government leased assets, which should in turn, generate consistent returns for shareholders. We look forward to commencing with this offering, raising capital to fuel our strategy and driving value for years to come."

The Company's strategy is to acquire and operate GSA properties that fulfill mission-critical or direct citizen service functions primarily located across secondary or smaller markets. Target acquisitions fall within size ranges of 5,000-50,000 rentable square feet, and within

their first term after construction or retrofitted to post-9/11 standards. As of Fiscal Year 2014, the six largest customers of GSA-leased inventory were the Department of Justice, Department of Homeland Security, Social Security Administration, Department of the Treasury, Department of Health & Human Services, and the Department of Defense.

HCGRT intends to hold additional closings on at least a monthly basis until the full offering has been achieved. The Company has engaged Orchard Securities, LLC, a member of the Financial Industry Regulatory Authority ("FINRA"), as its Dealer-Manager. Orchard Securities will in turn, have the right to engage other FINRA member firms to assist in the offering. Cambria Capital, LLC will act as the Company's principal selling group member, and BB&T Capital Markets has been engaged to provide banking advisory services, including REIT financial and market analysis, offering structure analysis and formation transaction analysis. The Company intends to apply for quotation of its common stock on the OTCQX Marketplace by the OTC Markets Group, Inc., or OTCQX.

Robert R. Kaplan, Jr., President of HC Government Realty Trust Inc., added, "Our management team has extensive commercial real estate experience and long-established relationships with real estate owners, developers and operators. Throughout the years, we have focused on GSA properties, primarily due to the consistent and attractive returns they provide, along with the peace of mind knowing they are backed by the United States of America. In addition to the lack of risk of default as compared to other real estate investment structures, GSA leases tend to have long initial terms and high renewal rates, which substantially mitigate operational risk. We continue to identify strategic acquisition opportunities to enhance our portfolio and upon raising additional capital, will expedite our strategy to unlock value."

About HC Government Realty Trust, Inc.

HC Government Realty Trust, Inc. was formed in 2016 with the purpose of acquiring and operating GSA properties, which are full-faith credit obligations of the U.S. Government. GSA-leased real estate asset classes typically possess a highly stable tenant base, long-term lease structures and low risk of tenant turnover. The Company's initial portfolio consists of U.S. Government tenant agencies, including a number of the U.S. Government's largest and most essential agencies, such as the Drug Enforcement Administration, the Federal Bureau of Investigation, the Social Security Administration and the Department of Transportation. For more information, please visit our corporate website at www.hcgovtrust.com.

About this Press Release

This press release is neither an offer to sell nor a solicitation of an offer to buy any securities of the Company, including without limitation the common stock. Any such offer is made exclusively through the Company's final offering circular dated November 7, 2016, as the same may be amended or supplemented (the "Final Offering Circular"). The Final Offering Circular is available at: <https://www.sec.gov/cgi-bin/browse-edgar?company=hc+gove&match=contains&action=getcompany>.

Forward-Looking Statements

We make statements in this press release that are considered "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), which are usually identified by the use of words such as "anticipates," "believes," "estimates," "expects," "intends," "may," "plans," "projects," "seeks," "should,"

“will,” and variations of such words or similar expressions. We intend for these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and are including this statement in this press release for purposes of complying with those safe harbor provisions. These forward-looking statements reflect our current views about our plans, intentions, expectations, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions, expectations, strategies and prospects as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions, expectations or strategies will be attained or achieved. Furthermore, actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control. For further discussion of the factors that could affect outcomes, please refer to the risk factors set forth in the “Risk Factors” section of the Final Offering Circular. We assume no obligation to update publicly any forward looking statements, whether as a result of new information, future events or otherwise.

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Source: HC Government Realty Trust