

March 19, 2019



HC Government Realty Trust, Inc. Receives \$24 Million Investment from Hale Partnership Capital Management, LLC and Related Entities



GSA Social Security Administration Building, 5850 Lake Herbert Drive, Norfolk, Virginia

SARASOTA, FL and CHARLOTTE, NC -- HC Government Realty Trust Inc. ("HCGRT"), today announced that it has received an investment of \$24 million in combined debt, preferred equity and common equity from Charlotte-based Hale Partnership Capital Management LLC and related entities. HCGRT currently owns and operates a portfolio of 16 single-tenant properties leased 100% to United States of America for occupancy by federal agencies including the FBI, DEA, DOT, USDA, VA and Social Security Administration (SSA).

As part of the transaction, Steve Hale, Founder of Hale Partnership, was appointed Chief Executive Officer and Jacquelyn Piscetelli was appointed Chief Financial Officer, effective immediately. Robert R. Kaplan, Jr., will stay on as President of HCGRT. In addition to the management changes, Brad Garner, Matthew Hultquist, Steve Hale, and Jeff Stewart have joined HCGRT's Board of Directors

Hale made the following statement about today's announcement:

"Our firm and investment partners are delighted to invest \$24 million into HC Government Realty Trust and its high-quality portfolio of properties, which are long-term leased with

stable cash flows. We are excited to lead the next phase of growth for this platform.”

Rob Kaplan, President of HC Government Realty Trust, made the following statement about today’s announcement:

“We are delighted that Hale Partnership has chosen to invest in our company and the portfolio we have built and operated over the last 2+ years. We especially look forward to this new collaboration with the talented team at Hale Partnership. Our vision in founding HC Government Realty Trust was to generate significant shareholder value by building a diverse portfolio of single-tenant properties leased to the United States of America. Hale Partnership’s investment should accelerate the growth of the platform decidedly.”

The transaction was approved by HCGRT’s Board of Directors on March 13, 2019, and closed on March 19, 2019.

Contacts:

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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 Hale Partnership Capital Management, LLC

Hale Partnership Capital Management, LLC is headquartered in Charlotte, North Carolina. For more information, please visit the corporate website at <http://halepartnership.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 December 18, 2017, 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.