

# Gladstone Commercial Provides a Business Update

**MCLEAN, VA / ACCESSWIRE / November 16, 2020** /[Gladstone Commercial Corporation](#) (NASDAQ:GOOD) ("we" or "Gladstone Commercial") is a real estate investment trust focused on acquiring, owning and operating net leased industrial and office properties across the United States. We are providing the following business update regarding our portfolio performance during the time of market volatility related to, among other factors, the global COVID-19 pandemic.

- Approximately 98% of November cash base rents and 100% of October cash base rents have been paid and collected. We collected 99% of third quarter cash base rents and 98% of second quarter cash base rents. The minor increase in uncollected base rent in November is attributable to our four childcare and early learning centers in Texas and Ohio operated by Crème de la Crème, which have been adversely impacted by the COVID-19 pandemic. We are in current negotiations with the operator regarding potentially amended lease terms. With the exception of the child care and learning centers previously mentioned, all cash base rental payments are paid and required deferred payments are current and consistent with payment by the respective tenants by March 2021.
- Our strong performance was reflected in our results for the third quarter ended September 30, 2020. Core FFO available to common shareholders and non-controlling OP unitholders for the three months ended September 30, 2020, totaled \$14.0 million, or \$0.40 per share. Portfolio occupancy is in excess of 95%, as of November 16, 2020. Core FFO available to common stockholders and non-controlling OP unitholders for the nine months ended September 30, 2020, totaled \$42.0 million, or \$1.20 per share.
- We continue to execute our capital recycling program with a goal of selectively disposing of non-core assets and redeploying the capital into accretive acquisitions. On October 29, 2020, we announced the sale of three adjacent single-story office buildings in Champaign, IL. We realized net proceeds of approximately \$13.2 million and a gain of approximately \$4.1 million upon the sale. We owned the assets for approximately 14 years and realized a leveraged internal rate of return of approximately 13.3% on its investment.
- We have continued to raise additional capital through our at-the-market trading programs to fund acquisitions and operating needs. Since July 1, 2020, we have issued 339,000 shares of common stock for net proceeds of \$6.2 million and 214,000 shares of Series E perpetual preferred stock for net proceeds of \$5.1 million.
- We continue to have ample liquidity and a strong capital structure. As of November 16, 2020, our current available liquidity is in excess of \$30 million via our revolving credit facility and cash on hand.
- In October we elevated three members of our senior management team to Executive Vice President and in combination with our Chief Financial Officer, we have recognized them as the future leaders of our company.

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 September 30, 2020, Gladstone Commercial's real estate portfolio consisted of 122 properties located in 28 states, totaling approximately 14.9 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.gladstonecompanies.com](http://www.gladstonecompanies.com).

**SOURCE:** Gladstone Commercial Corporation

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