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HC Government Realty Trust, Inc. Completes Acquisition of GSA Property in Norfolk, Virginia

SARASOTA, Fla., April 11, 2017 (GLOBE NEWSWIRE) -- HC Government Realty Trust Inc. ("HCGRT" or "the Company"), today announced that it completed the previously announced acquisition of a new real-estate holding in Norfolk, Virginia, the eleventh single-tenant, U.S General Services Administration ("GSA")-leased commercial property in its real estate portfolio.

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

A photo accompanying this announcement is available at http://www.globenewswire.com/NewsRoom/AttachmentNg/7fa04947-5dc3-4603-93af-a858d0917be4

The Norfolk property is a three-story, 53,917sq. ft. Social Security Administration (SSA) building located at 5850 Lake Herbert Drive, Norfolk, Virginia. The Property is 100% leased to the United States of America through June 2027 and the SSA has been the building's sole occupying agency since construction was completed as a build to-suit property in 2007. The aggregate purchase price of the property was $14,500,000. As with all GSA properties, the lease is backed by the full faith and credit obligation of the United States of America.

"We are pleased to have quickly completed our latest property acquisition, our first in the Commonwealth of Virginia and the fifth SSA building added to our growing real estate portfolio. Over the coming months, we intend to add additional properties to our holdings, as we are currently in discussions to acquire a number of GSA properties that meet our stringent investment criteria," said Edwin M. Stanton, Director and Chief Executive Officer of HC Government Realty Trust Inc. "We are confident in our ability to execute and believe 2017 will be a strong year for HCGRT, especially as we continue to raise capital and expand our reach throughout the United States."

Philip Kurlander, Director & Corporate Treasurer of HC Government Realty Trust Inc. added, "Properties such as the Norfolk SSA building align perfectly with our growth strategy and advance our plans to build a portfolio of stable and predictable income-producing assets, all backed by the full faith of the US Government."

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. HCGRT has identified more than 1,300 potential acquisition targets which 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. As of April 1, 2017, the Company's portfolio includes eleven proprieties totaling over 200,000 square feet of rentable space.

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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