May 22, 2017

HC Government Realty Trust, Inc. Raises Approximately $3.2 Million Through Regulation A Common Stock Offering, Surpassing Initial Funding Round Milestone

Company Expands Asset Portfolio with Seven Additional Properties Leased by The United States of America

SARASOTA, Fla., May 22, 2017 (GLOBE NEWSWIRE) -- HC Government Realty Trust Inc. ("HCGRT" or "the Company"), today announced that it has raised approximately $3.2 million through the sale of common stock as contemplated by its Regulation A Offering Statement under Title IV of the JOBS Act, which was qualified by the Securities and Exchange Commission ("SEC") on November 7, 2016. In addition, the Company is in the process of fulfilling another approximately $1 million in subscriptions at the present time.

The Company sold approximately 318,000 shares of its common stock to individual investors at a purchase price of $10.00 per share. The firm needed and sought to sell 300,000 shares for an aggregate purchase price of $3,000,000 to break impound and put investor dollars to work.

As noted in the Company's offering memorandum with the SEC, following the minimum amount raised as part of the offering, it will acquire seven additional properties from its predecessor Holmwood Capital, LLC. The newly acquired properties significantly expand the Company's portfolio which now includes eleven single-tenant, built/improved-to-suit properties leased by the United States of America through the U.S General Services Administration ("GSA"). Operating as a real estate investment trust ("REIT"), the Company intends to target an initial annual dividend of 5.5% ($0.55 per share at $10.00 per share). Upon completing the raise of up to $30 million through its SEC-qualified offering, the Company intends to apply for quotation of its common stock on the OTCQX Marketplace.

"We are pleased to have quickly completed our initial capital raise, a critical first step in our long-term plan to build the HC Government Realty Trust portfolio. With a dedicated focus on building a portfolio of smaller, regional-based GSA properties, we are seeking to provide investors with an attractive high yield real estate investment vehicle; one that delivers reduced risk as a result of our government leased assets backed by the full faith and credit obligation of the United States," said Edwin M. Stanton, Director and Chief Executive Officer of HC Government Realty Trust Inc.

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.

HCGRT intends to hold additional closings not less frequently than on a monthly basis until the full offering has been achieved. The Company has engaged SANDLAPPER Securities, LLC ("Sandlapper"), a member of the Financial Industry Regulatory Authority ("FINRA"), as its Dealer-Manager. "We are excited by the momentum and interest in this REIT since being engaged in March to lead the syndication," states Trevor L. Gordon, CEO of Sandlapper. "We believe that real estate investments continue to be an integral driver of diversity and income for clients in their portfolios, and it doesn't get any better than the full-faith and credit of the U.S. Government. This escrow break allows the Company to almost double the portfolio creating increased stability and investment cashflow."

Robert R. Kaplan, Jr., President of HC Government Realty Trust Inc., added, "As evidenced by the completion of our first financing round, investor enthusiasm for the business is growing. Built on a solid business plan, and led by a highly experienced and dedicated management team, we are looking forward to leveraging the power of Regulation A to create a premiere REIT that allows individual investors to capitalize on the investment opportunity of United States-backed real estate."

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 SANDLAPPER Securities, LLC
SANDLAPPER Securities, LLC (Member FINRA/SIPC), is an award winning independent securities brokerage firm with registered representatives located throughout the United States. SANDLAPPER principals and founders Trevor Gordon and Jack Bixler, along with their senior management team bring more than 100 years of financial service, advisory, and management experience to the organization. In 2013, the company was named the #1 small business in South Carolina by SC Biz News. In 2016, for the fourth year in a row, the company was named one of the 5,000 fastest-growing private companies in America and number one Financial Services Company based in South Carolina by Inc. magazine. For more information visit www.sandlappersecurities.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.

Media and Investor Relations Contact:
Glenn Wiener / Michael Glickman
Tel: 212-786-6011 / 917-397-2272
Email: gwiener@GWCco.com / mglickman@GWCco.com

Source: HC Government Realty Trust