



**GLADSTONE  
COMMERCIAL**

**Supplemental Financial & Operating  
Information for the Quarter Ended**  
*March 31, 2025     |     Nasdaq: GOOD*



# Legal Disclaimer

---

**Forward-Looking Statements:** This presentation may include forward-looking statements within the meaning of the Securities Act of 1933 or the Securities Exchange Act of 1934. Forward-looking statements are typically identified by words such as “estimate,” “may,” “might,” “believe,” “will,” “provided,” “anticipate,” “future,” “could,” “growth,” “plan,” “project,” “intend,” “expect,” “should,” “would,” “if,” “seek,” “possible,” “potential,” “likely” or the negative or variations of such terms or comparable terminology. These forward-looking statements include comments with respect to our objectives and strategies, and the future results of our operations and our business. By their nature, these forward-looking statements involve numerous assumptions, uncertainties and descriptions of opportunities, both general and specific. The risk exists that these statements may not be fulfilled. We caution readers of this presentation not to place undue reliance on these forward-looking statements as a number of factors could cause our future results to differ materially from these statements. Any results or performance implied by forward-looking statements may be influenced by certain factors including, but not limited to, fluctuations in interest rates and stock indices, the effects of competition in the areas in which we operate, the overall impact of public health emergencies, and changes in economic, political, regulatory and technological conditions as well as those factors delineated under the caption “Risk Factors” in our Forms 10-Q and Form 10-K, and other documents we file with the SEC from time to time. Therefore, we caution that the foregoing list is not exhaustive. Investors should not rely on forward-looking statements to make decisions and should carefully consider the aforementioned factors as well as other uncertainties and events. We undertake no obligation to revise or update any forward-looking statements, whether as a result of new information, future events or otherwise. You are advised to consult any additional disclosures that we may make directly to you or through reports that we have filed or in the future may file with the SEC, including subsequent annual reports on Form 10-K, quarterly reports on Form 10-Q and current reports on Form 8-K.

**Past or Present Performance Disclaimer:** This presentation includes information regarding past or present performance of the Company. Please note, past or present performance is not a guarantee of future performance or future results.

# Table of contents

## About Gladstone Commercial

Corporate overview	4
Portfolio and financial overview	5
Q1 2025 highlights (unaudited)	6

## Financial overview

Condensed consolidated statements of operations	8
Funds from Operations (FFO) and core FFO	9
Condensed consolidated balance sheets	10
Capital structure	11
Liquidity and debt overview	12
Debt summary	13
Select corporate covenants	14

## Portfolio Overview

Portfolio overview	16-19
--------------------	-------

# Corporate overview



Industrial building owned by Gladstone Commercial, located in Crandall, Georgia

## Corporate Headquarters

1521 Westbranch Drive  
Suite 100  
McLean, VA 22102  
703-287-5800

[www.gladstonecommercial.com](http://www.gladstonecommercial.com)

## Investor Relations

703-287-5893

[commercial@gladstonecompanies.com](mailto:commercial@gladstonecompanies.com)

## About Gladstone Commercial

Gladstone Commercial (Nasdaq: GOOD) is an established real estate investment trust (REIT) that invests in single tenant and anchored multi-tenant net leased assets. As of March 31, 2025, we owned approximately 17.3 million square feet of primarily industrial and office real estate nationwide. We partner with a variety of tenants—from middle market private businesses to investment grade rated companies. We acquire properties through third party purchases, sale leaseback transactions, and by partnering with developers in build-to-suit transactions.

As of March 31, 2025, total assets were approximately \$1.2 billion, representing investments in 141 properties. Our properties are leased to 107 tenants who represent 20 diversified industries across 27 states.

At March 31, 2025, our leases had an average remaining term of 6.8 years. In addition, approximately 53% of our tenants have an investment grade or investment grade equivalent credit rating.

# Portfolio and financial overview

## Portfolio data<sup>1</sup>

Total assets (\$mm)	\$	1,160
Properties		141
Tenants		107
Industries		20
States		27
Average remaining lease term (years)		6.8
Occupancy		98.4 %
Square footage owned (mm)		17.3

## Capitalization (\$mm)<sup>1</sup>






Common equity market capitalization <sup>2</sup>	\$	691
Preferred equity		199
Net total debt		741
<b>Total capitalization</b>	<b>\$</b>	<b>1,631</b>
Less: Cash and cash equivalents		(10)
<b>Total enterprise value</b>	<b>\$</b>	<b>1,621</b>
Net total debt / enterprise value		45.1%
Net total debt + preferred / enterprise value		57.3%
Net total debt / gross assets		44.9%

<sup>1</sup> As of March 31, 2025.

<sup>2</sup> Based on the closing common stock price per share on March 31, 2025 of \$14.98. Includes OP units and senior common shares convertible into shares of common stock.

<sup>3</sup> As of May 7, 2025, approximately \$80.6 million is available under the Company's revolving credit facility.

## Top 5 tenants<sup>1</sup> % of annualized straight line rent

	5%
	3%
	3%
	3%
	2%
<b>Top 5 Tenants total</b>	<b>16%</b>
<b>Top 5 Tenants average remaining lease term</b>	<b>5.0 years</b>
<b>Portfolio average remaining lease term</b>	<b>6.8 years</b>

## Corporate liquidity (\$mm)<sup>1</sup>

Cash and Cash Equivalents	\$	10.4
Availability Under Revolving Credit Facility <sup>3</sup>		70.1
<b>Total</b>	<b>\$</b>	<b>80.5</b>

# Q1 2025 highlights (unaudited)

---

## **FFO<sup>1</sup> and Core FFO<sup>2</sup>:**

**Generated FFO and Core FFO of \$15.3 million, or \$0.34 per diluted share.**

## **Acquisitions<sup>3</sup>**

**Purchased a 215,474 square foot, five property industrial portfolio in Houston, Texas for \$29.3 million, with a 10.0-year lease term. Purchased a 140,304 square foot industrial property in Dallas Fort Worth, Texas for \$44.0 million, with an 11.3-year lease term.**

## **Dividends:**

**Paid monthly common stock dividends totaling \$0.30 per common share for the quarter, or an annualized \$1.20 per common share, as well as continued payments of monthly senior common stock dividends, Series E preferred dividends, Series F preferred dividends, and Series G preferred dividends.**

## **Equity Issuances:**

**Issued common stock through our ATM program for net proceeds of \$27.7 million and issued Series F preferred stock for net proceeds of \$0.3 million.**

## **Select Expenditure Activity:**

**Paid \$1.2 million related to capital expenditures and \$0.1 million related to leasing commissions.**

<sup>1</sup> FFO is calculated as net income (computed in accordance with GAAP), excluding gains or losses from sales of property and impairment losses on property, plus depreciation and amortization of real estate assets, which we believe to be consistent with the NAREIT definition. FFO does not represent cash flows from operating activities in accordance with GAAP. FFO should not be considered an alternative to net income as an indication of our performance or to cash flows from operations as a measure of liquidity or ability to make distributions.

<sup>2</sup>Core FFO is FFO adjusted for gains from early extinguishment of debt and any other non-routine revenue or expense adjustments.

<sup>3</sup>Purchase prices do not include acquisition costs capitalized for GAAP purposes under ASU 2017-01, "Clarifying the Definition of a Business".





## *Financial Overview*



**GLADSTONE  
COMMERCIAL**

# Condensed consolidated statements of operations

(\$ in thousands, except per share amounts)

	For the three months ended (unaudited)		
	3/31/2025	12/31/2024	3/31/2024
Operating revenues			
Lease revenue	\$ 37,501	\$ 37,375	\$ 35,721
Total operating revenues	\$ 37,501	\$ 37,375	\$ 35,721
Operating expenses			
Depreciation and amortization	\$ 13,243	\$ 13,102	\$ 13,326
Property operating expenses	6,900	7,046	5,884
Base management fee	1,568	1,532	1,535
Incentive fee	640	926	1,171
Administration fee	622	618	630
General and administrative	885	816	1,047
Impairment charge	—	1,780	493
Total operating expense before incentive fee waiver	\$ 23,858	\$ 25,820	\$ 24,086
Incentive fee waiver	—	(846)	(771)
Total operating expenses	\$ 23,858	\$ 24,974	\$ 23,315
Other income (expense)			
Interest expense	\$ (9,138)	\$ (9,136)	\$ (9,497)
Gain on sale of real estate, net	—	3,674	283
Gain on debt extinguishment, net	—	—	300
Other income	631	254	34
Total other expense, net	\$ (8,507)	\$ (5,208)	\$ (8,880)
Net income	\$ 5,136	\$ 7,193	\$ 3,526
Net income available to non-controlling interests	(2)	(7)	(2)
Net income available to the company	\$ 5,134	\$ 7,186	\$ 3,524
Distributions attributable to Series E, F, and G preferred stock	(3,108)	(3,106)	(3,112)
Distributions attributable to senior common stock	(101)	(104)	(105)
Loss on extinguishment of Series F preferred stock	(10)	(9)	(3)
Net income available to common stockholders	\$ 1,915	\$ 3,967	\$ 304



# Funds from Operations (FFO) and core FFO

(\$ in thousands, except per share amounts)

	For the three months ended (unaudited)		
	3/31/2025	12/31/2024	3/31/2024
Net income	\$ 5,136	\$ 7,193	\$ 3,526
Less: Distributions attributable to preferred and senior common stock	(3,209)	(3,210)	(3,217)
Less: Loss on extinguishment of Series F preferred stock	(10)	(9)	(3)
Net income available to common stockholders and Non-controlling OP Unitholders	\$ 1,917	\$ 3,974	\$ 306
Adjustments:			
Add: Real estate depreciation and amortization	\$ 13,243	\$ 13,102	\$ 13,326
Add: Impairment charge	—	1,780	493
Less: Gain on sale of real estate, net	—	(3,674)	(283)
Less: Gain on debt extinguishment, net	—	—	(300)
FFO available to common stockholders and Non-controlling OP Unitholders - basic	\$ 15,160	\$ 15,182	\$ 13,542
Add: Convertible senior common distributions	101	104	105
FFO available to common stockholders and Non-controlling OP Unitholders - diluted	\$ 15,261	\$ 15,286	\$ 13,647
FFO available to common stockholders and Non-controlling OP Unitholders - basic	\$ 15,160	\$ 15,182	\$ 13,542
Add: Write off shelf registration statement costs and prepaid ATM costs	—	—	183
Add: Asset retirement obligation expense	34	34	33
Add: Realized loss on interest rate hedging instruments	—	—	81
Core FFO available to common stockholders and Non-controlling OP Unitholders - basic	\$ 15,194	\$ 15,216	\$ 13,839
Add: Convertible senior common distributions	101	104	105
Core FFO available to common stockholders and Non-controlling OP Unitholders - diluted	\$ 15,295	\$ 15,320	\$ 13,944
Weighted average common shares outstanding and Non-controlling OP Units - basic	44,646,486	43,963,909	40,314,124
Weighted average common shares outstanding and Non-controlling OP Units - diluted	44,975,890	44,294,365	40,656,371
FFO per weighted average share of common stock and Non-controlling OP Unit - basic	\$ 0.34	\$ 0.35	\$ 0.34
FFO per weighted average share of common stock and Non-controlling OP Unit - diluted	\$ 0.34	\$ 0.35	\$ 0.34
Core FFO per weighted average share of common stock and Non-controlling OP Unit - basic	\$ 0.34	\$ 0.35	\$ 0.34
Core FFO per weighted average share of common stock and Non-controlling OP Unit - diluted	\$ 0.34	\$ 0.35	\$ 0.34
Distributions declared per share of common stock and Non-controlling OP Unit	\$ 0.30	\$ 0.30	\$ 0.30

# Condensed consolidated balance sheets

(\$ in thousands)	3/31/2025 (unaudited)	12/31/2024
<b>ASSETS</b>		
Real estate, at cost	\$ 1,279,538	\$ 1,211,793
Less: accumulated depreciation	329,448	319,646
Total real estate, net	950,090	892,147
Lease intangibles, net	102,668	95,107
Real estate and related assets held for sale, net	4,363	4,363
Cash and cash equivalents	10,383	10,956
Restricted cash	4,978	4,118
Funds held in escrow	5,547	5,367
Right-of-use assets from operating leases	3,899	3,961
Right-of-use assets from finance leases	2,938	—
Deferred rent receivable, net	45,579	45,324
Sales-type lease receivable, net	18,504	18,618
Other assets	11,494	14,387
<b>TOTAL ASSETS</b>	<b>\$ 1,160,443</b>	<b>\$ 1,094,348</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>LIABILITIES</b>		
Mortgage notes payable, net	\$ 267,326	\$ 269,579
Borrowings under revolver and term loan, net	399,421	349,848
Senior unsecured notes, net	73,999	73,958
Deferred rent liability, asset retirement obligation and other liabilities, net	66,304	59,621
<b>TOTAL LIABILITIES</b>	<b>\$ 807,050</b>	<b>\$ 753,006</b>
<b>MEZZANINE EQUITY</b>		
Series E and G redeemable preferred stock, net	\$ 170,041	\$ 170,041
<b>TOTAL MEZZANINE EQUITY</b>	<b>\$ 170,041</b>	<b>\$ 170,041</b>
<b>STOCKHOLDERS' EQUITY</b>		
Senior common stock	\$ 1	\$ 1
Common stock	45	44
Series F redeemable preferred stock	1	1
Additional paid in capital	811,915	784,389
Accumulated other comprehensive income	6,647	10,648
Distributions in excess of accumulated earnings	(635,393)	(623,912)
<b>TOTAL STOCKHOLDERS' EQUITY</b>	<b>\$ 183,216</b>	<b>\$ 171,171</b>
OP Units held by Non-controlling OP Unitholders	136	130
<b>TOTAL EQUITY</b>	<b>\$ 183,352</b>	<b>\$ 171,301</b>
<b>TOTAL LIABILITIES, MEZZANINE EQUITY AND EQUITY</b>	<b>\$ 1,160,443</b>	<b>\$ 1,094,348</b>

# Capital structure

- Institutional stock ownership increased from 26.8% in 2013 to 45.5% as of March 31, 2025<sup>1</sup>
- Balance sheet remains below 50% levered
- Weighted average interest rate on mortgage debt of just 4.29%

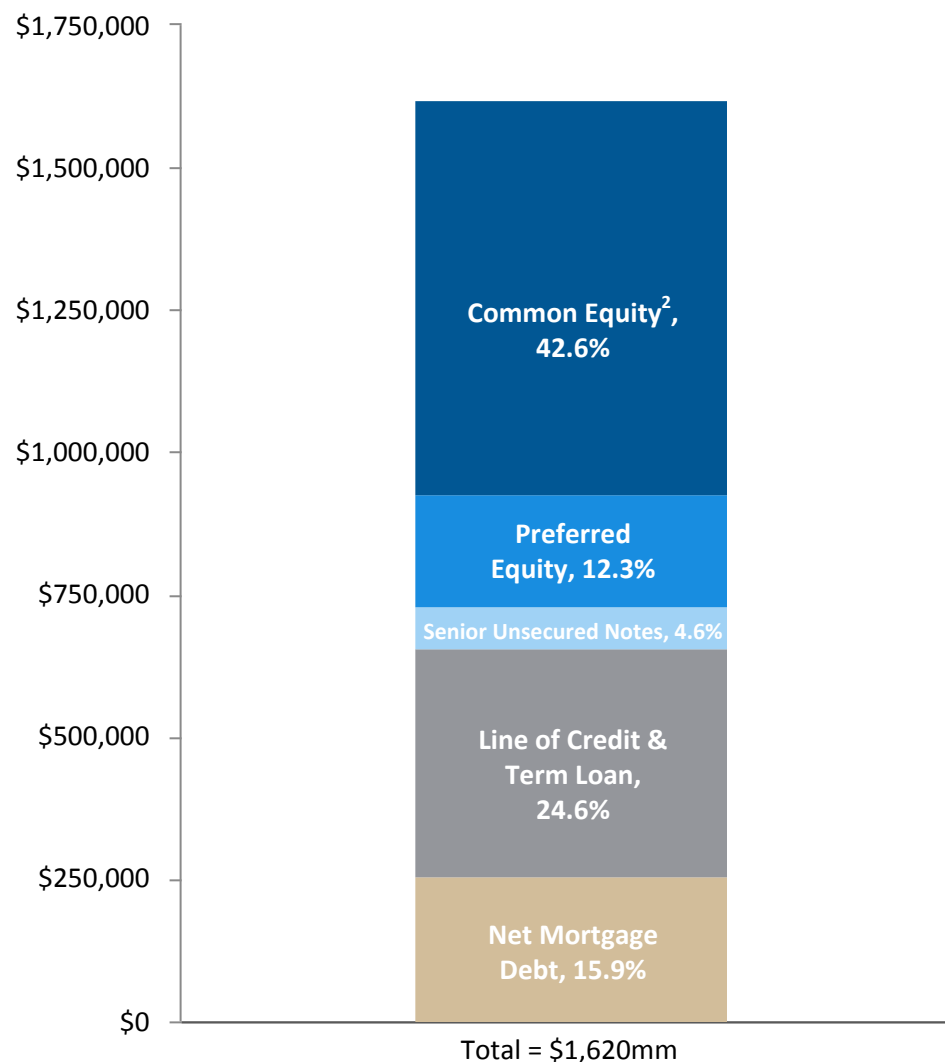
## Capital Structure Details

<i>(Dollars in \$000s, except stock price)</i>	Wtd. Average Rate	3/31/2025
Mortgage Notes Payable, Net	4.29%	\$ 267,326
Less: Cash & Cash Equivalents		(10,383)
<b>Net Mortgage Debt</b>		<b>\$ 256,943</b>
Line of Credit	SOFR+1.35%	\$ 51,300
Term Note, Net	SOFR+1.30%	348,121
Senior Unsecured Notes, Net	6.47%	73,999
<b>Line of Credit, Term Loan, Net, and Senior Unsecured Notes, Net</b>		<b>\$ 473,420</b>
<b>Total Debt, Net</b>		<b>\$ 730,363</b>
Series E - Preferred	6.625%	\$ 76,536
Series F - Preferred	6.00%	22,727
Series G - Preferred	6.00%	99,772
<b>Total Preferred Equity</b>		<b>\$ 199,035</b>
Diluted Common Shares Outstanding		46,126,549
Stock Price		\$ 14.98
<b>Implied Common Equity<sup>2</sup> Market Capitalization</b>		<b>\$ 690,976</b>
<b>Enterprise Value</b>		<b>\$ 1,620,374</b>

<sup>1</sup> Source: Nasdaq Online.

<sup>2</sup> Common Equity is based on the closing common stock price per share as of March 31, 2025 of \$14.98 and includes effect of OP units and convertible senior common stock.

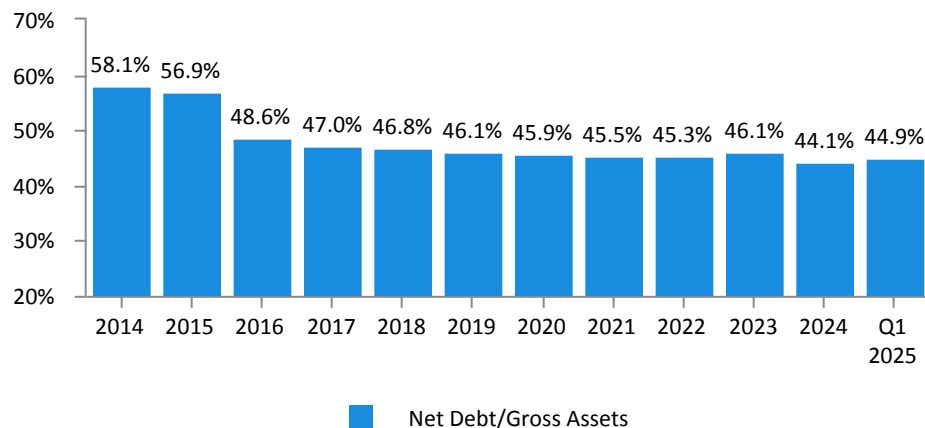
## Current capital structure as of March 31, 2025 (Dollars in \$000)



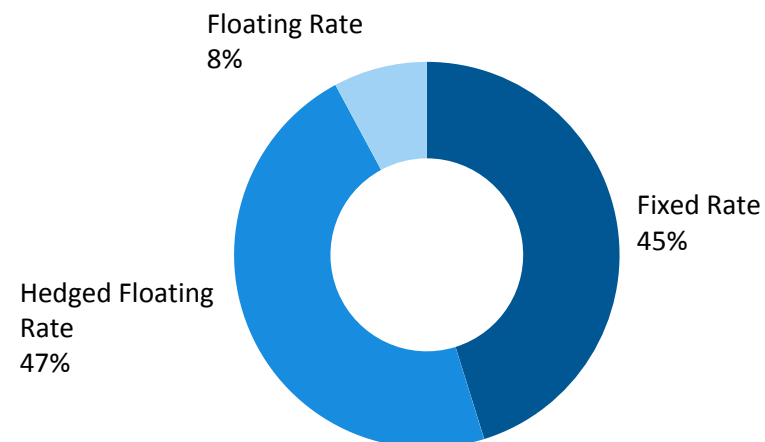


# Liquidity and debt overview

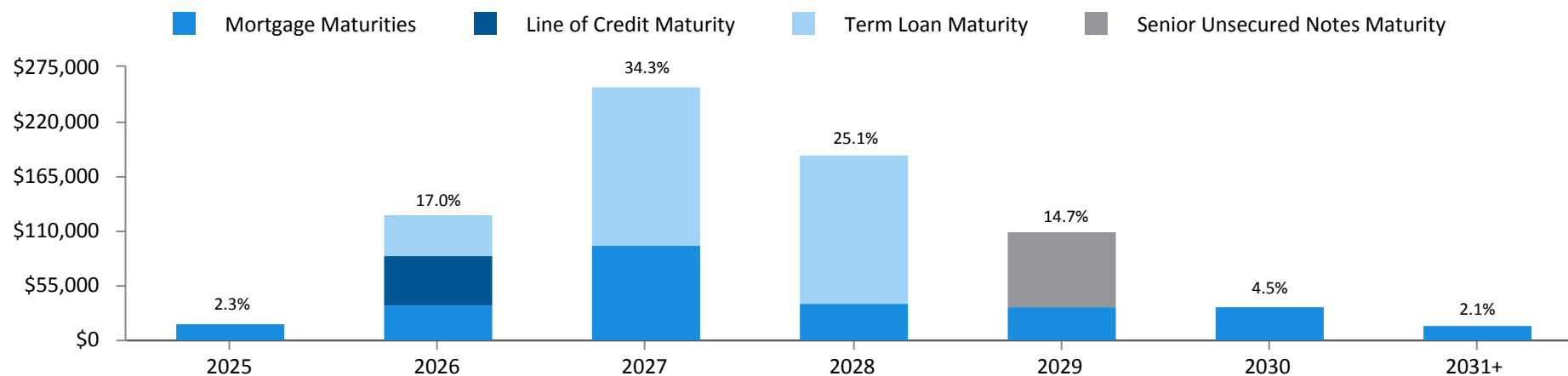
## Reducing Leverage<sup>1</sup>



## Fixed vs. Floating Debt<sup>1</sup>



## Scheduled debt maturity<sup>1</sup> (\$'000)



<sup>1</sup> As of March 31, 2025.

# Debt summary

		(\$ in thousands)	
Principal Maturity Date	Weighted Average Interest Rate as of 3/31/2025	Principal Balance Outstanding as of 3/31/2025	
2025	6.03%	\$	10,341
2026	4.11%		29,151
2027	4.35%		98,548
2028	4.15%		37,202
2029	5.38%		36,298
2030	3.23%		37,841
2031	3.24%		4,866
2032	3.40%		9,641
2037	4.63%		5,211
Contractual Mortgage Notes Payable:		4.29%	\$ 269,099
Premiums (Discounts), net:			(1)
Total Mortgage Notes Payable:		\$	269,098
Variable-Rate Line of Credit:			
2026	SOFR +1.35%	\$	51,300
Variable-Rate Term Loan Facility:			
2027	SOFR +1.30%	\$	160,000
2026	SOFR +1.30%		40,000
2028	SOFR +1.30%		150,000
Senior Unsecured Notes:			
2029	6.47%		75,000
Total Mortgage Notes Payable, Line of Credit, Term Loan Facility, Senior Unsecured Notes		5.28%	\$ 745,398

# Select corporate covenants

Description	(\$ in thousands)	
	Threshold	March 31, 2025
Consolidated Tangible Net Worth	> \$694,357	\$1,003,685
Leverage Ratio	< 60%	43%
Fixed Charge Coverage Ratio	> 1.50	1.89
Maximum Dividend Payout (FFO based)	< 95%	85%
Secured Indebtedness	< 40%	15%

Note: Covenants calculated as defined by our Credit Facility, as administered by KeyBank.





## *Portfolio Overview*



**GLADSTONE  
COMMERCIAL**

# Portfolio overview

## Geographic diversity

- 141 properties across the U.S., located in 27 states
- Focus on secondary growth markets with higher yields

## Tenant and property diversity

- Diverse base of 20 different industries
- Primarily industrial and office property types
- Focus on mid-size tenants occupying properties ranging from 30-150K SF (office) and 75-500K SF (industrial)

## High occupancy

- Occupancy has never fallen below 95%
- Current occupancy 98.4%
- 1.9% of annualized straight line rents expiring through the end of 2025
- Of 100+ assets with over \$1 billion invested since inception, only six tenant defaults

## Periodic capital recycling

- Sell non-core assets in non-core markets
- Sold 44 properties in non-core markets since mid-2016
- Re-deploy proceeds in growth markets

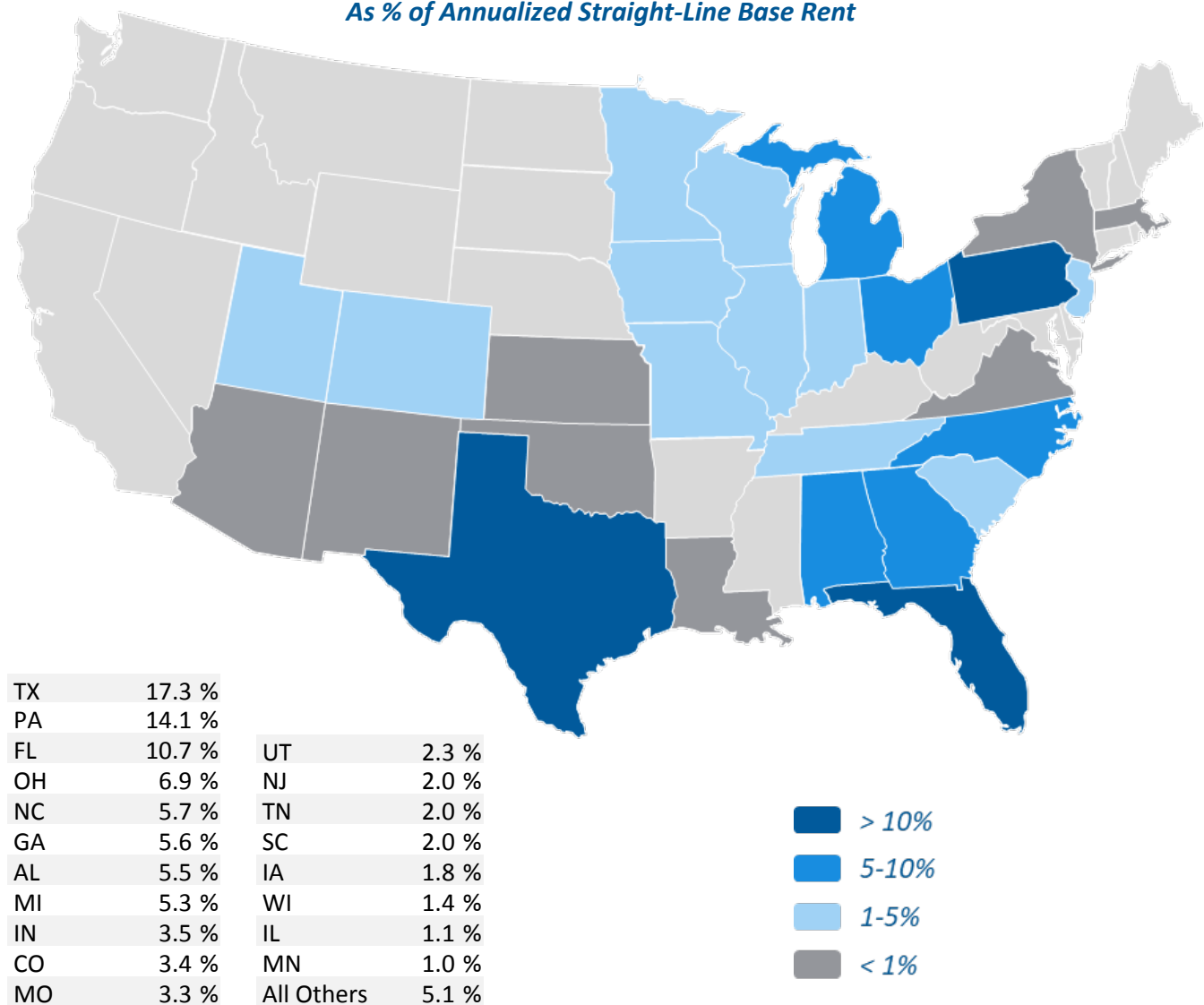


Note: As of March 31, 2025.

# Diversified portfolio

141 properties spread across 27 states

As % of Annualized Straight-Line Base Rent

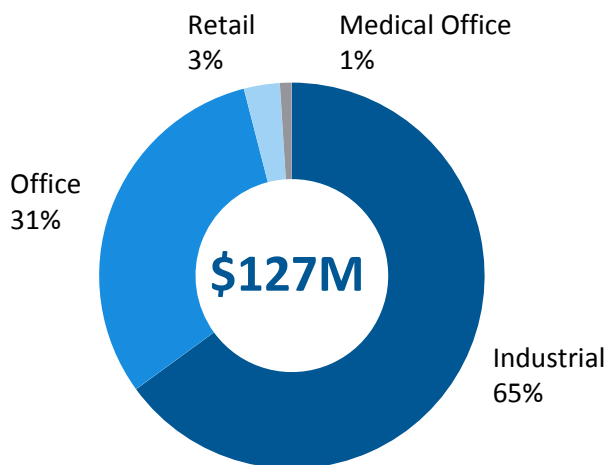


Note: As of March 31, 2025.

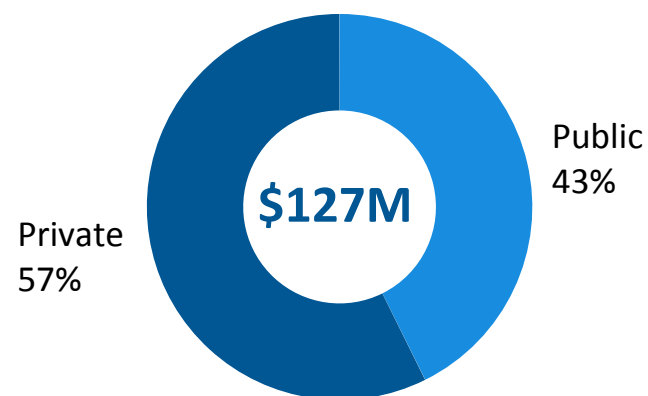


# High quality, diversified portfolio

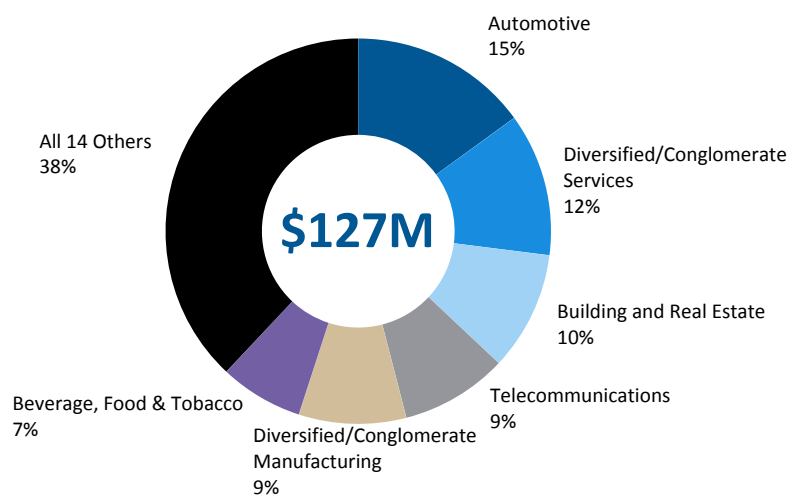
Property type diversification  
(by annualized straight line rent)



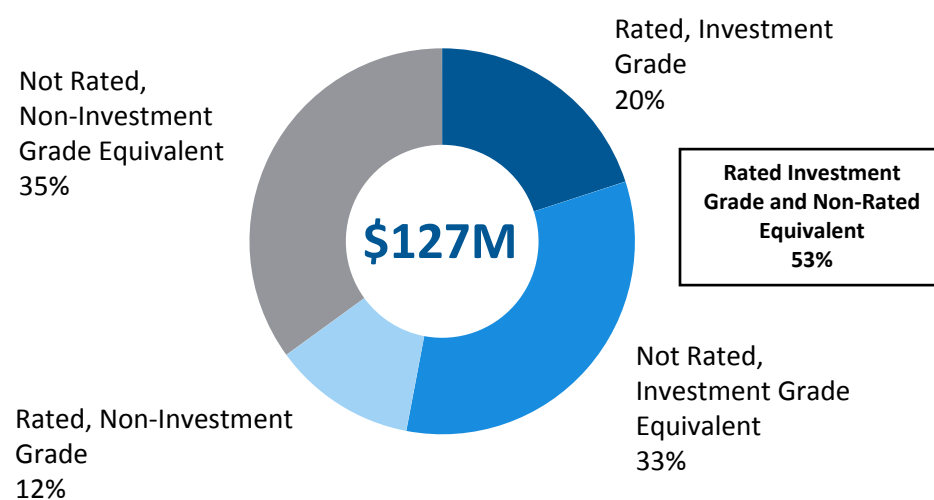
Publicly-traded vs. privately-held tenants  
(as % of annualized straight line rent)



Industry diversification  
(based on annualized straight line rent)



Tenant credit ratings  
(as % of annualized straight line rent)



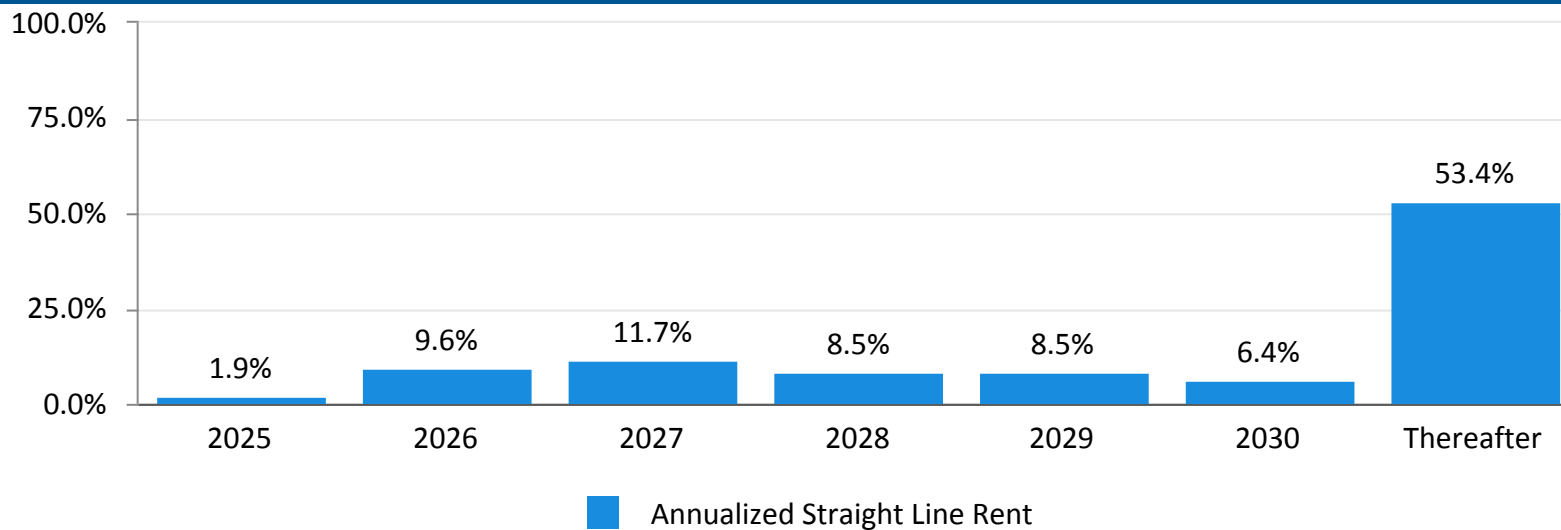
Note: As of March 31, 2025.

# Smooth lease rollover

## Existing portfolio - contractual expirations

Year of Lease Expiration	SF of Leases Expiring	Number of Expiring Leases	Annualized Straight Line Rent (in thousands)	% of Annualized Straight Line Rent
2025	791,355	3	\$ 2,420	1.9 %
2026	1,683,479	9	12,186	9.6 %
2027	1,081,647	12	14,860	11.7 %
2028	1,822,647	15	10,788	8.5 %
2029	1,647,579	17	10,744	8.5 %
2030	1,056,673	13	8,167	6.4 %
Thereafter	8,889,969	64	67,798	53.4 %
<b>Total</b>	<b>16,973,349</b>	<b>133</b>	<b>\$ 126,963</b>	<b>100.0 %</b>

## Rent expiring



Note: As of March 31, 2025.



**GLADSTONE**