

# Gladstone Commercial Provides a Business Update

**MCLEAN, VA / ACCESSWIRE / July 6, 2021 /**[Gladstone Commercial Corporation](#)

(Nasdaq:GOOD) ("we" or "Gladstone Commercial") is a real estate investment trust ("REIT") 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 a time of market volatility related to, among other factors, the global COVID-19 pandemic.

- Approximately 100% of June cash base rents have been paid and collected. Portfolio occupancy is in excess of 95%, as of June 30, 2021.
- We remain within a small subset of U.S. equity REITs that have maintained their dividend rate and payment of distributions in tandem with this high level of rental collections during the COVID-19 pandemic.
- We continue to execute our growth strategy. On June 17, 2021, we announced the acquisition of a 25,200 square foot industrial service facility situated on 10.2 acres, in Baytown, Texas for \$8.125 million. The property is 100% leased by Mobile Mini, Inc., a wholly-owned subsidiary of a leading storage solutions provider, WillScot Mobile Mini (Nasdaq: WSC), with 12.7 years of remaining lease term. Constructed in 2019, Mobile Mini utilizes the property to store its modular mobile storage solutions and tank/pump products. The GAAP capitalization rate on the investment is 7.1%.
- Our leasing initiatives continue to be successful. On June 24, 2021, we announced a six-year lease extension through August 31, 2029, with Yanfeng US Automotive Interior Systems LLC at our 315,000 square foot industrial facility in Monroe, Michigan, a suburb of Detroit. The lease extension increased our straight-line rent by 9.6%. Yanfeng is a global leader in automotive interiors and occupies 100% of the building with expansion rights to accommodate growing demand.
- On July 1, 2021, we commenced a new lease through December 31, 2033, with Lyseon North America, Inc. at our 238,312 square foot industrial facility located at the Port of Catoosa outside of Tulsa, Oklahoma. The tenant, a wholly owned subsidiary of Topia Co., LTD., occupies 100% of the building, which was previously vacant. Lyseon will use the facility for manufacturing in support of their contract with Navistar's subsidiary IC bus.
- We have continued to raise additional capital through our equity capital markets initiatives to fund acquisitions and operating needs. On June 21, 2021, we announced a public offering of 6.00% Series G Cumulative Redeemable Preferred Stock, raising approximately \$96.7 million in net proceeds, which was used to fully redeem the previously outstanding 7.00% Series D Cumulative Redeemable Preferred Stock. With a decreased dividend rate of 1%, the execution will create significant annual savings and is expected to benefit core FFO performance. In addition, we have continued to raise equity capital through our ATM program. Since January 1, 2021, we have issued approximately 1 million shares of common stock for net proceeds of \$19.5 million.
- We continue to have ample liquidity and a strong capital structure. As of June 30, 2021, our current available liquidity was approximately \$33 million via our revolving

credit facility and cash on hand.

We have experienced successful rent collection during the COVID-19 pandemic; however, we may receive additional rent relief requests as the pandemic continues to adversely affect business operations. 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 March 31, 2021, Gladstone Commercial's real estate portfolio consisted of 120 properties located in 27 states, totaling approximately 15.5 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).

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