December 23, 2019

Gladstone Commercial Announces $8 million Industrial Acquisition in Carrollton, GA

MCLEAN, Va., Dec. 23, 2019 (GLOBE NEWSWIRE) -- Gladstone Commercial Corporation (Nasdaq: GOOD) ("Gladstone Commercial") announced today that it completed the acquisition of a 117,000 square foot industrial building in Carrollton, Georgia on December 17, 2019, for $8 million. The initial capitalization rate for the acquisition was 6.6%, with an average capitalization rate of 7.4%.

The property, acquired in a sale/leaseback transaction, is 100% leased to Superior Recreation Products and guaranteed by PlayCore with a twelve year lease term. Superior Recreation Products utilizes the property to assemble and distribute its industry leading recreation and shade products. The property was newly constructed in 2019. The acquisition of the industrial property is consistent with Gladstone Commercial's growth strategy of acquiring high-quality assets in growth regions with credit-worthy tenants.

"The acquisition of the PlayCore facility continues our strategic expansion into our target markets. The facility serves as a mission-critical component of the tenant's business and is well located near Atlanta, along I-20. The investment is a great addition to our portfolio, improving the weighted average lease term and lowering the average property age within the portfolio," said Buzz Cooper, Senior Managing Director for Gladstone Commercial.

Bob Cutlip, President of Gladstone Commercial, agreed, "This transaction promotes our strategy of increasing our allocation to industrial buildings over the next few years and we are excited to add to the portfolio's weighted average lease term with high quality real estate occupied by a credit-worthy tenant."

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, 2019, Gladstone Commercial's real estate portfolio consisted of 109 properties located in 24 states, totaling approximately 13.1 million square feet. For additional information please visit www.gladstonecommercial.com.

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All statements contained in this press release, other than historical facts, may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Words such as "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates" and variations of these words and similar expressions are intended to identify forward-looking statements. Readers should not rely upon forward-looking statements because the matters they describe are subject to known and unknown risks and uncertainties that could cause the Gladstone Commercial's business, financial condition, liquidity, results of operations, funds from operations or prospects to differ materially from those expressed in or implied by such statements. Such risks and uncertainties are disclosed under the caption "Risk Factors" of the company's Annual Report on Form 10-K for the fiscal year ended December 31, 2018, as filed with the SEC on February 13, 2019 and certain other filings we make with the SEC. Gladstone Commercial cautions readers not to place undue reliance on any such forward-looking statements which speak only as of the date made. The company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

For Investor Relations inquiries related to any of the monthly dividend paying Gladstone funds, please visit www.gladstonecompanies.com.

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