

Gladstone Commercial Announces \$5.2 Million Industrial Acquisition in Indianapolis, IN

MCLEAN, Va., Jan. 09, 2020 (GLOBE NEWSWIRE) -- [Gladstone Commercial Corporation](#) (Nasdaq: GOOD) ("Gladstone Commercial") announced today that it completed the acquisition of a 64,800 square foot industrial building in Indianapolis, Indiana on January 8, 2020 for \$5.2 million. The initial capitalization rate for the acquisition was 6.72%, with an average capitalization rate of 7.24%. Gladstone Commercial issued common units in its operating partnership to fund a portion of the acquisition.

The property is 100% leased to three tenants with a weighted average lease term of 7.2 years. The property provides functional warehouse and distribution space for all three tenants as well as functional office space for the anchor tenant, Shambaugh & Son, LP ("Shambaugh"). Shambaugh, a wholly-owned subsidiary of investment grade rated EMCOR Group, Inc., currently occupies 70.4% of the building, is the largest MEP construction services contractor in Indiana, and is ranked the third largest specialty contractor in the United States. Shambaugh's weighted average remaining lease term is 8.5 years. The remainder of the building is leased by GW Services, LLC and Insta-Clean, LLC.

The acquisition of this industrial property is consistent with Gladstone Commercial's strategy of acquiring high-quality assets with credit-worthy tenants located in its targeted growth markets. This is Gladstone Commercial's fourth acquisition in the Indianapolis market, and third industrial acquisition in Indianapolis over the trailing 12 months. Additionally, the property is Gladstone Commercial's second industrial acquisition located in Indianapolis' Park 100 over the trailing 12 months.

"We are pleased to continue growing our industrial presence in the Indianapolis market, a premier industrial market in the Midwest. This anchored multi-tenant property is well located in Park 100, a large and established industrial park with great access to labor and major transportation routes," said Matt Tucker, Senior Managing Director and head of the Northeast/Midwest region for Gladstone Commercial.

Bob Cutlip, President of Gladstone Commercial, agreed, "This transaction continues our strategy of increasing our allocation to industrial buildings in target markets such as Indianapolis, as well as continuing our successful anchored multitenant program with a highly recognized lead 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.gladstone.com.

SOURCE: Gladstone Commercial Corporation



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