

Gladstone Commercial Provides a Business Update

MCLEAN, VA / ACCESSWIRE / March 24, 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 98% of March cash base rents have been paid and collected, resulting in a first-quarter cash base rental collection of 98%.
- 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.
- Portfolio occupancy is in excess of 95% as of March 23, 2021.
- We continue to execute our leasing initiatives in the COVID-19 environment. On March 10, 2021, we announced a five-year lease extension through September 30, 2027, with T-Mobile USA, Inc. at our 69,287 square foot, class A office facility in Wichita, KS. On March 9, 2021, we announced a lease extension and expansion through December 31, 2032, with Sumitomo Electric Lightwave Corp., at our Raleigh, NC industrial building. This lease expansion reflects the team's ability to create value through converting the multi-tenant property to a single-tenant 123,574 square foot industrial building with a long-term lease.
- We continue to execute on our growth strategy. On January 22, 2021, we acquired a 180,152 square foot distribution building in Findlay, OH, for \$11.0 million. The average capitalization rate for the transaction is 8.4%. The property is 100% leased by American Plastics, a design, manufacturer, and distributor of plastic-injection molded storage products. American Plastics had approximately 14 years of remaining lease term at closing.
- We have continued to raise additional capital through our at-the-market programs to fund acquisitions and operating needs. Since July 1, 2020, we have issued 1.9 million shares of common stock for net proceeds of \$35.1 million and 0.2 million shares of Series E perpetual preferred stock for net proceeds of \$5.2 million.
- We continue to have ample liquidity and a strong capital structure. On February 11, 2021, we added a new \$65.0 million term loan component to our credit facility, inclusive of a \$15.0 million delayed funding component. The new term loan has a maturity date of February 2026. As of March 23, 2021, our current available liquidity is approximately \$28 million via our revolving credit facility and cash on hand.

We may receive additional rent relief requests during the COVID-19 pandemic. 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 December 31, 2020, Gladstone Commercial's real estate portfolio consisted of 121 properties located in 28 states, totaling approximately 15.4 million square feet. For additional information, please visit 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.

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