

Gladstone Commercial Announces Intentions Regarding Redemption for Class A and Class B Preferred Stock

MCLEAN, Va., Dec. 16, 2010 /PRNewswire/ -- In respect of the impending dates after which shares of 7.75% Series A Cumulative Redeemable Preferred Stock (Nasdaq: GOODP) (the "Class A Preferred") and 7.50% Series B Cumulative Redeemable Preferred Stock (Nasdaq: GOODO) (the "Class B Preferred") of Gladstone Commercial Corporation (Nasdaq: GOOD) (the "Company") may be redeemed, the Company hereby announces that its investment adviser, Gladstone Management Corporation (the "Adviser"), has recommended to the board of directors of the Company (the "Board") that the Board not redeem shares of either the Class A Preferred or the Class B Preferred at this time. The Adviser's recommendation is not binding upon the Board. Should the Board decide to redeem any shares of Class A Preferred or Class B Preferred, the Company will publicly announce any such intention to redeem and will provide notice as called for in the Company's charter.

(Logo: <https://photos.prnewswire.com/prnh/20101005/GLADSTONECOMMERCIAL>)

Summary of Redemption Terms of the Class A Preferred and Class B Preferred

According to the terms of the Class A Preferred, the stock is not redeemable prior to January 30, 2011. On and after January 30, 2011, the Company, at its sole option upon providing not less than 30 nor more than 60 days' written notice, may redeem shares of the Series A Preferred, in whole or in part, for cash at a redemption price of \$25.00 per share, plus all accumulated and unpaid dividends, without interest.

According to the terms of the Class B Preferred, the stock is not redeemable prior to October 31, 2011. On and after October 31, 2011, the Company, at its sole option upon providing not less than 30 nor more than 60 days' written notice, may redeem shares of the Series A Preferred, in whole or in part, for cash at a redemption price of \$25.00 per share, plus all accumulated and unpaid dividends, without interest.

Gladstone Commercial Corporation is a publicly-traded real estate investment trust that focuses on investing in and owning triple-net leased industrial and commercial real estate properties and selectively making long-term mortgage loans. To sign up to receive notifications about Gladstone Commercial or its affiliated companies, please visit <http://www.gladstone.com>.

For further information contact Investor Relations at 703-287-5893.

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 Company'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, 2009, as filed with the SEC on February 24, 2010, and our Quarterly Report on Form 10-Q, as filed with the SEC on May 3, 2010 and November 1, 2010. The Company 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.

SOURCE Gladstone Commercial Corporation