

December 15, 2016

Gladstone Commercial Corporation Announces \$25.5 Million Office Property Acquisition in Philadelphia, PA

MCLEAN, Va., Dec. 15, 2016 (GLOBE NEWSWIRE) -- [Gladstone Commercial Corporation](#) (NASDAQ:GOOD) ("Gladstone Commercial") announced today that it completed the acquisition of a 103,334 square foot, single-tenant Class-A office building located in the Philadelphia, PA suburb of King of Prussia for \$25.5 million at an average cap rate of 8.7%.

The acquisition of this property, leased for 15 years to Radial, Inc. ("Radial"), illustrates Gladstone Commercial's commitment to acquiring mission-critical real estate leased to quality tenants. Radial provides logistics and related services to support traditional retailers' and consumer products companies' e-commerce business. Radial is the recently combined operations of eBay Enterprise and Innotrac. The property serves as Radial's corporate headquarters.

"This is our first acquisition in the King of Prussia submarket of Philadelphia, which continues our strategic expansion into both primary and strong secondary markets in the U.S.," said Matt Tucker, Managing Director of Gladstone Commercial. "The 15-year triple-net lease to Radial will provide attractive stable returns to our investors over the long term given the attributes of the real estate and strong macroeconomic drivers of the Philadelphia economy."

Bob Cutlip, President of Gladstone Commercial, agreed, "This transaction is an excellent acquisition in a sound market and continues our historical program of placing attractive fixed rate debt on our properties. This strategy protects our going-forward returns should interest rates rise."

About Gladstone Commercial Corporation (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. Gladstone Commercial's real estate portfolio consists of 96 properties located in 24 states, totaling approximately 11.0 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 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, 2015, as filed with the SEC on February 17, 2016. 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.

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

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Source: Gladstone Commercial Corporation

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