

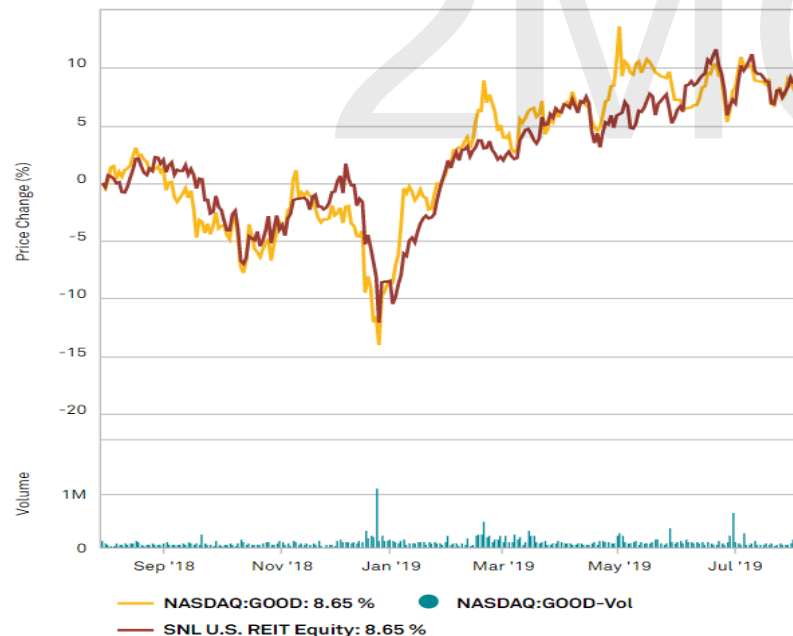


Gladstone Commercial Corporation

Market Data as of 8/2/19

NASDAQ:GOOD \$21.25 Ⓣ (0.47)% \$(0.10)

Last (Delayed)	21.25	Volume	25,592
VWAP (Delayed)	21.28	Avg 3M Daily Volume	122,335
Open	21.30	Shares Out.	31,003,979 (7/30/2019)
Previous Close	21.35		
Day High/Low	21.37 / 21.15	Float (%)	90.01
52 wk High/Low	22.83 / 16.89	Inst. Ownership (%)	47.34
Beta 3Y	0.59		
Market Cap. (\$M)	659.8	Shares Sold Short	216,777
Implied Market Cap. (\$M)	678.1	Short Int/ShOut (%)	0.70



Financial Highlights

Source: S&P Capital IQ

Period Ended	6/30/2019
Total Assets (\$000)	969,787
Total Liabilities (\$000)	620,104
Total Equity (\$000)	349,683
Total Revenue (\$000)	110,186
Book Value per Share (\$)	8.40
Net Income (\$000)	12,039
EBITDA (\$000)	84,801
Return on Assets (%)	2.37
Return on Equity (%)	3.52

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Funds From Operations

YEAR	FFO (\$)
2017 A	1.54
2018 A	1.59
2019 E	1.58
2020 E	1.65

I must admit that I struggle to write earnings updates for Gladstone Commercial because nothing really changes so there is not much to talk about. Their contractual revenues continue to come in as expected and they are slowly growing through external acquisitions.

One thing of note is that their acquisitions have been weighted toward industrial which should help their multiple from a mix perspective. Industrial REITs trade at significantly higher multiples than office REITs, so the more GOOD moves toward industrial, the more market favor they should garner.

Acquisitions are being funded with a mix of debt and equity issuance through an ATM.



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