RESEARCH UPDATE

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Market Statistics in USD	
Price	$ 10.89
52 week Range	$10.33 - $13.28
Daily Vol (3-mo. average)	459,288
Market Cap (M)	$ 529.0
Enterprise Value (M)	$1,537.1
Shares Outstanding: (M)	48.6
Float (M)	47.9

Financial Summary in USD	
Cash (M)	$ 10.8
Cash/Share	$ 0.22
Debt (M)	$ 870.5
Equity (M)	$ 148.0
Equity/Share	$ 3.05

Valuation in USD	
Valuation Range	$13.02 - $15.30
Stonegate Price Target	$ 14.12

FYE: Dec	2025	2026E	2027E
(all figures in M, expect per share information)			
Rev	$ 161.3	$ 171.3	$ 176.8
NOI	$ 132.7	$ 141.8	$ 145.6
EBITDA	$ 118.2	$ 127.2	$ 129.1
Net Income	$ 6.6	$ 5.1	$ 10.8
AFFO/Share	$ 0.80	$ 1.14	$ 1.22
EV/Revenue	9.4x	9.0x	8.7x
EV/EBITDA	12.8x	12.1x	11.9x
P/AFFO	13.3x	9.6x	8.9x



COMPANY DESCRIPTION

Gladstone Commercial Corp is a real-estate investment trust (REIT) that primarily focuses on acquiring, owning, and managing single tenant and anchored multi-tenant net-leased office and industrial properties. Gladstone's investment portfolio consists of real-estate properties that are leased to tenants with small- to medium-sized unrated businesses and larger rated businesses. GOOD IPO'd on the NASDAQ in 2003 under the trading symbol GOOD and is currently headquartered in McLean, Virginia.

GLADSTONE COMMERCIAL CORP (NASDAQGS: GOOD)

Company Updates

Results/Takeaway: GOOD reported revenue, FFO per share, and AFFO per share of $42.4M, $0.35, and $0.21, respectively. This compares to our/consensus estimates of $42.1M/$42.2M, $0.32/$0.35, and $0.27/$0.21. GOOD's leasing activity supports further internal growth, while Austin's upcoming vacancy and refinancing costs shape the earnings outlook. Revenue was $42.4M and FFO/core FFO was $0.35/share, compared with $44.0M and $0.38 in 2Q. The sequential decline reflected the prior quarter's termination fee, higher property and interest expenses, partially offset by lower G&A and incentive fees. Using the previously identified $1.9M fee, we calculate gross fee-adjusted 2Q FFO of approximately $0.34/share, broadly consistent with 3Q. The $6.5M Lake Mary office impairment reduced GAAP earnings but was excluded from FFO. We believe leasing supports the thesis, with office rollover influencing near-term growth.

Portfolio Activity & Repositioning: Rent capture remains the primary growth driver. GOOD leased or renewed 502,557 SF in 3Q, adding approximately $2.5M of annual straight-line rent, according to management. Management cited another $2.89M of incremental annual straight-line rent from post-quarter leasing, but cautioned that similarly sized increases would not necessarily recur next quarter. Occupancy rose 60 bps q/q to 99.3%, with 100% of cash rents collected through October. GOOD acquired Red Bud for $6.6M at a 9.16% cap rate. Industrial represented 69% of annualized straight-line rent. At Austin, management is discussing approximately 40,000 SF of expansion with an existing tenant. Management expects occupancy above 50% after GM exits, covering property expenses. Expected portfolio occupancy below 99% puts replacement leasing and associated CapEx in focus for 2027.

Balance Sheet / Liquidity: Quarter-end liquidity was $75.7M. Management cited $7.7M of cash and $70.2M of revolver availability, implying $77.9M. Following a $10.2M mortgage repayment, remaining maturities were $7.4M in 2026 and $99.9M in 2027. Fixed or hedged debt represented 93% of borrowings at quarter-end, limiting immediate rate exposure while leaving refinancing terms important to earnings. Management is considering revolver funding, term loans and private placements. ATM issuance generated $2.2M after no common issuance in 1H26. The acquisition pipeline exceeds $200M, but wider bid-ask spreads are limiting qualifying investments. No dispositions were planned before year-end. Management expects transaction activity to improve with new capital allocations in 2027, supporting measured deployment expectations.

Payout Ratios: The $0.30 quarterly dividend represented 86% of reported FFO versus 79% in 2Q, using rounded FFO/share. The prior termination fee explains much of the sequential change. CapEx and leasing commissions totaled $6.8M, highlighting cash requirements beyond FFO. Management provided no formal guidance and identified no unusual near-term earnings items. We believe rent capture, office spending and refinancing terms will determine further coverage improvement over the next several quarters.

Valuation: We use a combination of comp analysis, Revalued NAV (reNAV) per share analysis, and a Perpetual Growth Model based on the most recent FFO Payout Ratio to frame our valuation of GOOD. When we average these valuation methods it returns a range of $13.04 to $15.32 with a price target of $14.15.

Quarterly Results

	3Q26 results		Notes
	Reported	Model	
Total revenues	**42.4**	**42.1**	Revenues above our expectations
Property Operating Expenses	7.4	7.7	
NOI	**35.0**	**34.4**	
NOI Margin	**82.4%**	**81.7%**	Revenue upside and lower property expenses drove outperformance
D&A	15.4	15.3	
Other	10.0	4.7	
Total opex	25.5	19.9	
Operating Profit	**9.5**	**14.5**	
Operating margin	**22.4%**	**34.4%**	
EBITDA - adjusted	**31.5**	**29.7**	Above expectations
EBITDA margin	**74.2%**	**70.6%**	
EPS - Diluted	**$ (0.11)**	**$ 0.02**	
FFO/Share	**$ 0.35**	**$ 0.32**	
AFFO/Share	**$ 0.21**	**$ 0.27**	

	Y/Y Change		Notes
	3Q25	3Q26	
Total revenues	**40.8**	**42.4**	Revenue up 3.9% Y/Y
Cost of sales	7.4	7.4	
Gross (loss) profit	**33.4**	**35.0**	
Gross margin	**81.9%**	**82.4%**	
D&A	15.3	15.4	
Other	3.3	10.0	
Total opex	18.6	25.5	
Operating Profit	**14.8**	**9.5**	
Operating margin	**36.3%**	**22.4%**	
EBITDA - adjusted	**30.1**	**31.5**	
EBITDA margin	**73.7%**	**74.2%**	48bps change in EBITDA margin Y/Y
EPS - Diluted	**$ 0.02**	**$ (0.11)**	
FFO/Share	**$ 0.35**	**$ 0.35**	
AFFO/Share	**$ 0.09**	**$ 0.21**	

VALUATION SUMMARY

We use a combination of comp analysis, reNAV per share analysis, and a Perpetual Growth Model based on the most recent FFO Payout Ratio to frame our valuation of GOOD. When we average these valuation methods it returns a range of $13.04 to $15.32 with a price target of $14.15.

Company Name	Symbol	Price [1]	Mrkt Cap	EV	Div Yield	BV/Share	EV/Revenue [2,3] 2025	EV/Revenue [2,3] 2026E	EV/Revenue [2,3] 2027E	EV/EBITDA [2,3] 2025	EV/EBITDA [2,3] 2026E	EV/EBITDA [2,3] 2027E	Price/AFFO [2,3] 2025	Price/AFFO [2,3] 2026E	Price/AFFO [2,3] 2027E
AH REALTY TRUST INC	AHRT	$ 6.78	$ 500.4	$ 1,543.3	8.5%	$ 9.39	9.1x	7.4x	7.2x	14.9x	12.8x	12.6x	8.9x	10.8x	10.8x
Broadstone Net Lease, Inc.	BNL	$ 18.03	$ 3,461.5	$ 6,436.5	6.5%	$ 14.95	12.5x	13.0x	11.9x	14.6x	15.0x	13.2x	11.7x	11.5x	11.1x
CTO Realty Growth, Inc.	CTO	$ 20.46	$ 793.0	$ 1,484.3	7.6%	$ 17.58	8.7x	8.2x	7.3x	13.0x	13.8x	10.6x	9.3x	9.1x	8.5x
Modivo S.A.	MDV	$ 24.85	$ 1,913.7	$ 2,986.9	N/A	$ 6.83	1.2x	1.0x	0.9x	15.9x	7.6x	6.0x	N/A	N/A	N/A
NNN REIT, Inc.	NNN	$ 41.63	$ 8,074.1	$ 13,065.3	5.9%	$ 23.47	13.2x	13.3x	12.6x	14.6x	14.6x	13.8x	11.5x	11.6x	11.3x
NETSTREIT Corp.	NTST	$ 18.64	$ 2,341.8	$ 3,472.7	5.0%	$ 15.95	13.9x	13.7x	11.3x	16.4x	16.7x	13.4x	13.5x	13.5x	12.8x
One Liberty Properties, Inc.	OLP	$ 21.94	$ 478.8	$ 1,002.3	8.2%	$ 14.06	9.1x	9.2x	9.1x	16.2x	13.7x	13.3x	10.6x	10.9x	10.6x
Alpine Income Property Trust, In	PINE	$ 16.89	$ 303.0	$ 723.4	7.7%	$ 19.37	12.6x	9.1x	8.2x	13.8x	11.7x	10.0x	8.8x	7.6x	7.7x
STAG Industrial, Inc.	STAG	$ 37.85	$ 7,298.3	$ 10,783.2	4.2%	$ 18.93	11.9x	11.8x	11.0x	16.3x	16.1x	14.9x	N/A	17.5x	16.4x
				Average	6.7%	$ 15.61	10.3x	9.6x	8.8x	15.1x	13.6x	12.0x	10.6x	11.6x	11.2x
				Median	7.1%	$ 15.95	11.9x	9.2x	9.1x	14.9x	13.8x	13.2x	10.6x	11.2x	11.0x
Gladstone Commercial Corpora	GOOD	$ 10.89	$ 529.0	$ 1,537.1	10.4%	$ 3.05	9.4x	9.0x	8.7x	12.8x	12.1x	11.9x	13.3x	9.6x	8.9x

(1) Previous day's closing price
(2) Estimates are from Capital IQ
(3) Forward estimates as of calendar year
Source: Company reports, CapitalIQ, Stonegate Capital Partners

We are using an EV/EBITDA and Price/AFFO framework to inform our GOOD valuation. Currently GOOD is trading at a FY26 EV/EBITDA of 11.9x compared to comps at an average of 12.0x. We are using our 2027E expected EBITDA, and an EV/EBITDA range of 12.5x to 13.5x with a midpoint of 13.0x which moves GOOD closer to comp companies. This arrives at a valuation range of $12.02 to $14.68 with a mid-point of $13.35. For our Price/AFFO analysis, GOOD is trading at a 2027E multiple of 8.9x compared to comps at an average of 11.2x We are using our 2027E expected AFFO, and a Price/AFFO range of 12.0x to 12.5x with a midpoint of 12.3x This arrives at a valuation range of $14.65 to $15.26 with a mid-point of $14.96.

EV/EBITDA			
2027E	12.50x	13.00x	13.50x
Adj EBITDA	129.1	129.1	129.1
TEV	1,614.0	1,678.6	1,743.1
Cash	10.8	10.8	10.8
Debt	870.5	870.5	870.5
Mezz Equity	170.0	170.0	170.0
Minority Int.	0.1	0.1	0.1
Mrkt Cap	584.1	648.7	713.3
S/O	48.6	48.6	48.6
Price	$ 12.02	$ 13.35	$ 14.68

Price/AFFO			
2027E	12.00x	12.25x	12.50x
AFFO/Sh.	1.22	1.22	1.22
Price	$ 14.65	$ 14.96	$ 15.26

For our NAV analysis we use a cap rate range of 7.00% and 8.00% Which we believe is reasonable given the Company's recent transactions. This arrives at a reNAV/Share range, after accounting for a discount to the re/NAV, of $13.02 to $17.30 with a mid-point of $15.01.

NAV			
2027E NOI	$ 145.6	$ 145.6	$ 145.6
Est. Cap Rate[1]	8.00%	7.50%	7.00%
Est. NAV	1,820.3	1,941.6	2,080.3
Cash	10.8	10.8	10.8
Debt	870.5	870.5	870.5
Mezz Equity	170.0	170.0	170.0
Minority Int.	0.1	0.1	0.1
Mrkt Cap	790.4	911.7	1,050.4
S/O	48.6	48.6	48.6
reNAV/Share	$ 16.27	$ 18.77	$ 21.62

(1) Estimate based on Company Reported Cap Rates

reNAV Sensitivity Analysis									
reNAV/Share	$ 16.27	$ 16.27	$ 16.27	$ 18.77	$ 18.77	$ 18.77	$ 21.62	$ 21.62	$ 21.62
Discount to NAV	75%	80%	85%	75%	80%	85%	75%	80%	85%
Price	$ 12.20	$ 13.02	$ 13.83	$ 14.08	$ 15.01	$ 15.95	$ 16.22	$ 17.30	$ 18.38

Finally, we look at a perpetual growth model to account for the recent reduction in dividends. Even when we apply the LTM reduced FFO payout ratio of 85% to our forward estimated 2027E FFO we still expect a payout per share of at least $1.22 which when used in a perpetual growth model returns a valuation range of $12.39 to $13.94 with a mid-point of $13.16. This conservative valuation approach still results in a premium to current price of 7.4% to 20.9% with a mid-point of 14.2%.

Perpetual Growth Model									
2027E AFFO	67.6	71.2	74.7	67.6	71.2	74.7	67.6	71.2	74.7
Payout Ratio (Low, LTM, High)		80%			85%			90%	
Forward Payout ($M)		56.9			60.5			64.1	
Forward S/O		49.7			49.7			49.7	
Payout Per Share		$ 1.15			$ 1.22			$ 1.29	
Discount Rate	12.50%	11.25%	10.00%	12.50%	11.25%	10.00%	12.50%	11.25%	10.00%
Growth Rate	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Price	$ 10.91	$ 12.39	$ 14.32	$ 11.60	$ 13.16	$ 15.22	$ 12.28	$ 13.94	$ 16.11

Business Overview

Gladstone Commercial Corp ("Good" or "The Company") is a real-estate investment trust (REIT) that primarily focuses on acquiring, owning, and managing single tenant and anchored multi-tenant industrial and office properties. The Company also has the capacity to make long-term industrial and commercial mortgage loans to companies of various industries across the United States. Gladstone's investment portfolio consists of real-estate properties that are leased to tenants with small- to medium-sized unrated businesses and larger rated businesses, occupied by companies controlled by buyout funds, and are purchased from and leased back to businesses that are seeking to raise capital. As of September 30, 2026, Gladstone owned 152 properties totaling 17.8 million square feet, located in 27 states. GOOD IPO'd on the NASDAQ in 2003 under the trading symbol GOOD and is currently headquartered in McLean, Virginia.

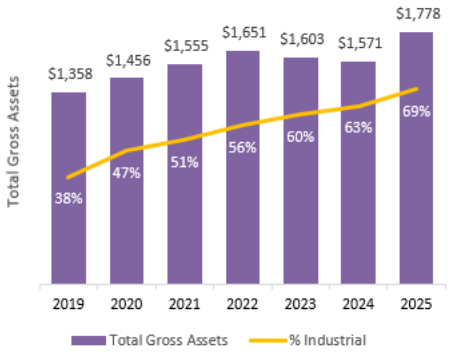
Exhibit 1: Current Portfolio

Portfolio data[1]	
Total assets ($mm)	$ 1,246
Properties	152
Tenants	110
Industries	21
States	27
Average remaining lease term (years)	7.1
Occupancy	99.3 %
Square footage owned (mm)	17.8

Source: Company Presentation

Acquisitions are a key component of Gladstone's business. Management is highly selective in its acquisitions, focusing on candidates with accretive returns that are in targeted growth markets and are accretive to the portfolio. As of September 30, 2026, GOOD's total assets were approximately $1.25B. The Company has continued executing the strategic shift it began in 2018, prioritizing industrial assets in attractive growth markets with long-term net leases to creditworthy tenants. As of September 30, 2026, industrial assets represented 69% of annualized straight-line rent, reflecting a meaningful portfolio repositioning away from office and toward industrial net lease exposure.

Exhibit 2: Industrial Asset Growth



Source: Company Presentation

Gladstone is led by an extensively experienced management team with a combined industry experience of over 130 years. Management's background involves buying, leasing, and owning office and industrial real estate, as well as a vast knowledge of lending and investing in middle market and larger operating companies. Still involved is founder and Chairman David Gladstone who has extensive experience including commercial lending, investing, and buyout scenarios, along with CEO and President Buzz Cooper who has been with the Company for over 20 years and whose experience includes asset and property acquisitions, buying loans from RTC and making real estate backed loans.

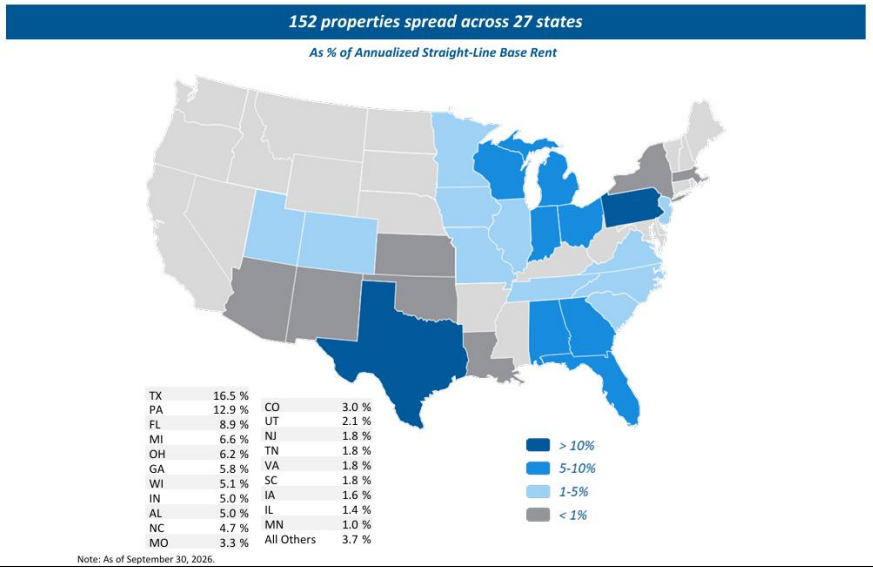
Market Strategy

Gladstone has a market strategy driven by a highly diversified portfolio, stable income streams, selective underwriting, predictable cash flows from quality assets, and matching long-term leases with long-term fixed rate debt. These elements are crucial to GOOD's investment philosophy and have allowed the Company to maintain a stable portfolio and strong balance sheet, which positions GOOD to continue making strategic acquisitions.

Highly Diversified Portfolio:

Gladstone prioritizes tenants that are diversified by geography, industry, property type, and by size, ranging from small private companies to large publicly traded corporations. These larger tenants include Hub Group, Golden Pet Manufacturing, General Motors (NYSE: GM), American Meat Companies, and Automatic Data Processing, Inc. (NasdaqGS: ADP). Midsize tenants occupying properties ranging from 30-150K SF (office) and 75-500K SF (industrial) are the portfolio's primary focus. GOOD's tenants represent 21 different industries such as automotive, telecommunications, diversified/conglomerate services, as well as building and real estate, which make up 20%, 7%, 11%, and 9% of annualized straight-line rent, respectively. Moreover, the group is geographically diverse, spreading across 27 U.S. states shown in exhibit 3. This diversity has aided GOOD in maintaining stability and mitigating risk.

Exhibit 3: Gladstone's Properties



Source: Company Presentation

Stable Income Streams:

The Company targets growth markets across the U.S. to accumulate assets in specific markets to create valuable portfolios. This strategy emphasizes submarkets with strong economic components, including population growth, a diverse industry base, constrained supply, and high barriers to entry. These promising growth markets present GOOD with a stable income stream that strengthens the portfolio.

Selective Underwriting:

Gladstone analyzes potential acquisitions by considering potential tenant strength based off financial statements, capital structures, credit ratings, management experience, industry fundamentals, and their ability to withstand downturns, as well as assessing markets poised for growth, asset quality, and focused transactions. This underwriting approach supports tenant selection and portfolio stability. As a result, GOOD's occupancy was 99.3% at September 30, 2026, and has never fallen below 95% since IPO in 2003.

Predictable Cash from Quality Assets:

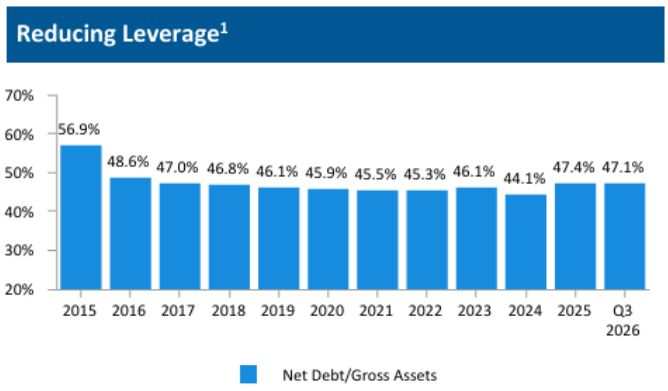
The portfolio contains quality assets with flexible configurations that are critical to their tenants' operations. Gladstone targets net leases with 7+ years remaining once acquired. These properties include single tenant and anchored multi-tenant office and industrial properties. Industrial properties have progressively become the management's priority and now make up 69% of the portfolio straight line rent.

Historically, GOOD acquires triple net (NNN) leases, which requires tenants to pay rent, plus all of the taxes, property insurance and maintenance/repair costs. The advantages of triple net leases include consistent cash flows with predictable returns and higher yields than comparable assets.

Matching Long-term Leases with Long-term Fixed Rate Debt:

Gladstone continues to manage interest-rate and refinancing risk by pairing long-duration leases with a largely fixed or hedged debt structure. As of September 30, 2026, net debt/gross assets was 47.1%, modestly below 47.4% at year-end 2025. Separately, covenant leverage was 45%, below the credit facility's 60% maximum. The Company amended, extended, and upsized its combined revolving credit and term-loan facility to $600M, including a $200M revolver and $400M of term-loan capacity. While leverage remains above the 2024 low, GOOD's balance sheet remains positioned to support continued capital recycling, selective industrial acquisitions, and progress toward its 70%+ industrial share of annualized straight-line rent target.

Exhibit 4: Deleveraging

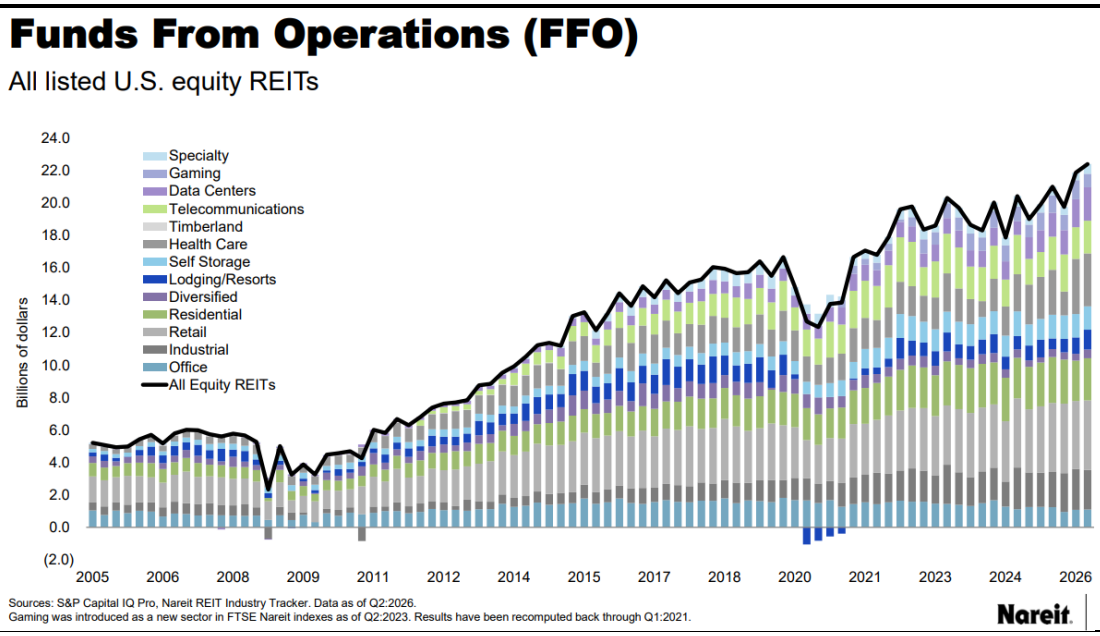


Source: Company Presentation

Industry Overview

U.S. equity REITs experienced reduction in funds from operations (FFO) as a result of the Covid-19 pandemic. However, REITs quickly rebounded and even surpassed pre-pandemic levels. This plays into the fact that REITs historically outperform private real estate and the overall market during and after recessions, shown in exhibit 5. Companies across all industries have instituted return-to-work policies after a movement to work from home in 2020, which will increase broad occupancy rates going forward and thus lead to stronger leasing and operational performance for REITs going forward.

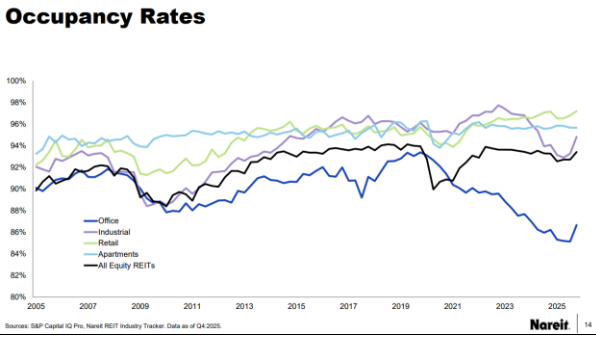
Exhibit 5: Equity REIT Funds from Operations (FFO) Growth



Source: NAREIT T-tracker (2Q25)

As of FY25, industrial occupancy remained among the highest across major property types, holding in the mid-90% range and continuing to outperform office by a wide margin. While higher rates and macro uncertainty have pressured transaction activity, the occupancy data still supports the relative durability of industrial fundamentals. In contrast, office occupancy remains meaningfully lower and continues to reflect structural pressure. This divergence reinforces GOOD's strategic shift toward higher industrial exposure, which we view as supportive of portfolio quality and cash flow stability.

Exhibit 6: Occupancy Rates by Industry



Source : NAREIT T-tracker (4Q25)

Risks

As with any investment, there are certain risks associated with GOODs operations as well as with the surrounding economic and regulatory environments common to the real estate industry.

Competition – GOOD operates in a highly competitive industry with low barriers to entry. The Company competes with other REITs and lenders, some of whom have greater access to financial resources. Should GOOD lose out on quality properties in potential growth markets to its competitors, its operations and ability to grow its portfolio are at risk.

Interest Rates – High interest rates have historically impacted the value of real estate. Considering REITs are significantly sensitive to volatile movements in interest rates as a result of their leverage, GOOD could see a reduction in the value of its assets as well as a rise in the cost of debt should rates remain volatile.

Tenants – Weakening economic conditions could cause GOOD's tenants to be unable to meet lease obligations. Any failure to meet these obligations would result in a significant impact on GOOD's operations.

Geography – The locations of GOOD's geographic markets pose environmental and economic risks. Immobile hard assets are subject to environmental disasters such as forest fires, tornadoes, and earthquakes which could damage the properties.

BALANCE SHEET

Gladstone Commercial Corporation
Consolidated Balance Sheets ($M)
Fiscal Year End: December

ASSETS	FY 2018	FY2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 Sep-26
Real Estate At Cost	946.6	1,057.0	1,128.7	1,225.3	1,287.3	1,221.4	1,211.8	1,279.5	1,347.2	1,400.4	1,390.4	1,390.4	1,392.7	1,418.7	1,427.6
Accumulated Depreciation	(178.3)	(207.5)	(228.5)	(266.7)	(287.0)	(299.7)	(319.6)	(329.4)	(339.3)	(350.2)	(359.5)	(359.5)	(370.5)	(381.6)	(393.0)
Total Real Estate, net	768.4	849.5	900.2	958.6	1,000.3	921.7	892.1	950.1	1,007.8	1,050.2	1,030.9	1,030.9	1,022.2	1,037.1	1,034.6
Lease Intangibles	111.4	115.5	117.4	114.5	111.6	101.0	95.1	102.7	114.2	120.3	115.6	115.6	112.6	113.2	111.2
Real Estate and Related Assets Held for Sale, N	4.2	4.0	8.5	-	3.0	28.8	4.4	4.4	2.8	-	11.3	11.3	11.1	-	-
Cash and Cash Equivalents	6.6	6.8	11.0	8.0	11.7	12.0	11.0	10.4	11.7	18.4	10.8	10.8	8.0	10.4	10.8
Restricted Cash	2.5	4.6	5.1	5.2	4.3	4.2	4.1	5.0	4.2	6.2	5.8	5.8	5.6	5.4	6.5
Funds Held in Escrow	6.0	7.2	9.1	7.3	8.8	7.5	5.4	5.5	5.7	5.9	5.3	5.3	2.1	2.3	2.4
Right-of-use Assets	-	5.8	5.6	5.4	5.1	4.9	4.0	6.8	6.8	6.7	6.6	6.6	6.5	6.4	6.3
Deferred Rents Receivable	34.8	37.2	36.6	39.1	38.9	41.0	45.3	45.6	46.4	47.0	47.9	47.9	48.8	49.2	48.9
Other Assets	4.9	8.9	4.5	5.4	17.7	12.4	33.0	30.0	10.4	10.3	12.7	12.7	14.3	19.0	25.1
Total Assets	**938.8**	**1,039.5**	**1,097.9**	**1,143.4**	**1,201.5**	**1,133.5**	**1,094.4**	**1,160.4**	**1,210.0**	**1,265.0**	**1,246.9**	**1,246.9**	**1,231.0**	**1,243.0**	**1,245.7**
LIABILITIES AND SHAREHOLDERS' EQUITY															
Mortgage Note Payable, Net	441.3	453.7	456.2	449.9	359.4	295.9	269.6	267.3	257.9	255.5	250.2	250.2	246.0	244.1	242.1
Borrowings Under Revolver	50.1	51.6	53.3	33.6	23.3	75.8	1.9	51.3	94.4	145.4	37.4	37.4	34.3	51.6	59.5
Borrowings under Term Loans, net	74.6	121.3	159.2	224.0	366.6	367.3	347.9	348.1	368.1	348.5	397.7	397.7	397.9	398.0	398.2
Borrowings Under Unsecured Term D Loan	-	-	-	-	-	-	-	-	-	19.9	-	-	-	-	-
Deferred Rent Liability, Net	17.3	19.3	20.6	26.8	40.0	29.3	22.0	22.3	20.6	19.1	17.2	17.2	16.3	16.9	16.3
Operating Lease Liabilities	-	5.8	5.7	5.5	5.3	5.1	4.1	4.0	3.9	3.9	6.8	6.8	6.7	6.7	6.6
Liabilities Related to Assets Held for Sale, Net	-	0.0	-	-	-	0.7	-	-	2.9	3.0	-	-	-	-	-
Asset Retirement Obligations	2.9	3.1	3.1	3.8	4.8	4.9	5.1	5.1	5.2	5.3	5.4	5.4	5.4	5.6	5.6
Accounts Payable and Accrued Expenses	2.7	5.6	4.5	6.7	9.6	13.6	13.2	15.8	20.0	15.2	11.0	11.0	14.1	16.0	22.9
Due to Adviser and Administrator	2.5	2.9	3.0	3.4	3.4	2.6	2.5	3.4	3.0	2.5	3.2	3.2	2.9	3.5	2.7
Senior Unsecured Notes, net	-	-	-	-	-	-	74.0	74.0	74.0	74.1	158.2	158.2	158.3	158.4	158.5
Other Liabilities	7.3	12.9	17.1	16.8	14.6	14.1	12.8	15.8	12.6	17.8	18.0	18.0	15.6	14.8	15.2
Total Liabilities	**598.8**	**676.3**	**722.6**	**770.5**	**826.9**	**809.2**	**753.0**	**807.1**	**862.6**	**910.0**	**905.0**	**905.0**	**897.4**	**915.4**	**927.6**
Mezzanine Equity	85.6	152.2	159.3	170.3	170.1	170.0	170.0	170.0	170.0	170.0	170.0	170.0	170.0	170.0	170.0
Total Mezzanine Equity	**85.6**	**152.2**	**159.3**	**170.3**	**170.1**	**170.0**	**170.0**	**170.0**	**170.0**	**170.0**	**170.0**	**170.0**	**170.0**	**170.0**	**170.0**
Senior Common Stock - Par Value	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Common Stock - Par Value	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Series F preferred stock - Par Value	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Additional Paid in Capital	560.0	571.2	626.5	671.1	721.3	730.3	784.4	811.9	820.6	842.0	841.6	841.6	841.3	840.8	842.9
Accumulated Other Comprehensive Income	(0.1)	(2.1)	(4.3)	(1.3)	11.6	7.8	10.6	6.6	4.3	3.7	3.3	3.3	6.0	9.8	18.0
Distributions in Excess of Accumulated Earning	(310.1)	(361.0)	(409.0)	(468.5)	(530.2)	(584.8)	(623.9)	(635.4)	(647.8)	(660.9)	(673.2)	(673.2)	(683.9)	(693.3)	(713.0)
Total Parent Net Equity	**249.7**	**208.1**	**213.2**	**201.3**	**202.8**	**153.3**	**171.2**	**183.2**	**177.2**	**184.8**	**171.8**	**171.8**	**163.5**	**157.4**	**148.0**
Minority interest	4.7	2.9	2.9	1.3	1.8	1.0	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.1
Total Consolidated Equity	**340.0**	**363.2**	**375.3**	**372.8**	**374.6**	**324.3**	**341.3**	**353.4**	**347.4**	**355.0**	**341.9**	**341.9**	**333.6**	**327.5**	**318.1**
Total Liabilities and Shareholders' Equity	**938.8**	**1,039.5**	**1,097.9**	**1,143.4**	**1,201.5**	**1,133.5**	**1,094.3**	**1,160.4**	**1,210.0**	**1,265.0**	**1,246.9**	**1,246.9**	**1,231.0**	**1,243.0**	**1,245.7**

Source: Company Reports, Stonegate Capital Partners

INCOME STATEMENT

Gladstone Commercial Corporation
Consolidated Statements of Income (in $M, except per share amounts)
Fiscal Year End: December

	FY 2018	FY2019	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 Sep-26	Q4 E Dec-26	FY 2026E	Q1 E Mar-27	Q2 E Jun-27	Q3 E Sep-27	Q4 E Dec-27	FY 2027E
Revenue	$ 106.8	$ 114.4	$ 133.2	$ 137.7	$ 149.0	$ 147.6	$ 149.4	$ 37.5	$ 39.5	$ 40.8	$ 43.5	$ 161.3	$ 41.9	$ 44.0	$ 42.4	$ 43.0	$ 171.3	$ 43.3	$ 44.2	$ 44.5	$ 44.8	$ 176.8
Total Revenues	**106.8**	**114.4**	**133.2**	**137.7**	**149.0**	**147.6**	**149.4**	**37.5**	**39.5**	**40.8**	**43.5**	**161.3**	**41.9**	**44.0**	**42.4**	**43.0**	**171.3**	**43.3**	**44.2**	**44.5**	**44.8**	**176.8**
Property Operating Expenses	11.5	12.6	26.0	27.1	26.8	25.9	25.4	6.9	7.3	7.4	7.1	28.6	7.0	7.2	7.4	7.9	29.6	7.6	7.9	7.9	7.8	31.2
Net Operating Income	**95.3**	**101.8**	**107.1**	**110.6**	**122.1**	**121.7**	**124.0**	**30.6**	**32.3**	**33.4**	**36.4**	**132.7**	**34.9**	**36.8**	**35.0**	**35.1**	**141.8**	**35.7**	**36.3**	**36.7**	**37.0**	**145.6**
Depreciation and Amortization	47.6	52.0	55.4	60.3	61.7	57.9	55.8	13.2	14.2	15.3	15.5	58.2	14.8	15.0	15.4	15.5	60.7	15.5	15.5	15.5	15.5	62.0
Base Management Fee	5.1	5.2	5.6	5.9	6.3	6.4	6.1	1.6	1.6	1.7	1.7	6.6	1.7	1.7	1.8	1.8	7.0	1.9	1.9	1.9	1.9	7.4
Incentive Fee, net	3.0	3.7	4.3	4.8	5.3	-	2.2	0.6	-	-	0.6	1.2	-	0.6	0.2	0.2	1.0	0.5	0.5	0.5	0.5	2.0
Administration Fee	1.6	1.7	1.6	1.4	1.9	2.4	2.6	0.6	0.6	0.7	0.6	2.6	0.7	0.6	0.7	0.7	2.6	0.8	0.8	0.8	0.8	3.0
General and Administrative	2.4	3.2	3.3	3.2	3.7	4.4	3.9	0.9	1.4	0.9	0.8	4.0	1.0	1.2	0.9	0.9	3.9	1.0	1.0	1.1	1.1	4.1
Other	-	1.8	3.6	-	12.1	19.3	6.8	-	0.0	-	-	0.0	-	-	6.5	-	6.5	-	-	-	-	-
Total Operating Expenses	59.7	67.6	73.9	75.7	90.9	90.2	77.4	17.0	17.9	18.6	19.3	72.8	18.2	19.1	25.5	19.1	81.8	19.6	19.6	19.7	19.7	78.5
Operating Income	**35.7**	**34.2**	**33.3**	**34.9**	**31.2**	**31.5**	**46.6**	**13.6**	**14.4**	**14.8**	**17.1**	**59.9**	**16.7**	**17.8**	**9.5**	**16.1**	**60.0**	**16.1**	**16.7**	**17.0**	**17.3**	**67.1**
Interest Expense	(26.2)	(28.3)	(26.8)	(26.9)	(32.5)	(37.3)	(37.4)	(9.1)	(10.1)	(10.7)	(12.0)	(41.9)	(11.5)	(11.4)	(11.6)	(11.6)	(46.1)	(11.5)	(11.5)	(11.5)	(11.5)	(46.1)
Gain/Loss on Sale of Real Estate	2.8	3.0	8.1	(1.1)	10.1	7.7	14.2	-	0.4	(0.0)	-	0.4	1.8	1.9	-	-	3.7	0.5	0.5	0.5	0.5	2.0
Other Income	0.1	0.7	0.4	2.9	0.5	3.0	0.6	0.6	(0.1)	0.0	0.3	0.9	(0.0)	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.2
Net Income	**12.3**	**9.5**	**15.0**	**9.7**	**9.3**	**4.9**	**24.0**	**5.1**	**4.6**	**4.1**	**5.4**	**19.3**	**7.0**	**8.3**	**(2.1)**	**4.5**	**17.7**	**5.1**	**5.7**	**6.0**	**6.3**	**23.2**
Non-Controlling Interest	(0.0)	0.1	(0.0)	0.0	0.0	0.1	(0.0)	-	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	-	0.0	0.0	0.0	-	-	-	-	-
Distributions to D,E,F, & G Preferred Stock	(10.4)	(10.8)	(11.0)	(11.5)	(11.9)	(12.3)	(12.4)	(3.1)	(3.1)	(3.1)	(3.0)	(12.3)	(3.0)	(3.0)	(3.0)	(3.0)	(12.1)	(3.0)	(3.0)	(3.0)	(3.0)	(12.0)
Offering Cost Write Off	-	(2.7)	-	(2.1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Distributions Attributable to Senior Common	(0.9)	(0.9)	(0.8)	(0.7)	(0.5)	(0.4)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)
Loss on Extinguishment of Series F Stock	-	-	-	-	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	0.0	0.0	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Gain on Repurchase of Series G Stock	-	-	-	-	0.0	0.0	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income To Common Stkhldrs	**1.0**	**(4.8)**	**3.1**	**(4.6)**	**(3.0)**	**(7.7)**	**11.1**	**1.9**	**1.5**	**1.0**	**2.2**	**6.6**	**3.8**	**5.1**	**(5.2)**	**1.4**	**5.1**	**2.0**	**2.6**	**2.9**	**3.3**	**10.8**
Dividend Per Share	**$ 1.50**	**$ 1.50**	**$ 1.50**	**$ 1.50**	**$ 1.50**	**$ 1.20**	**$ 1.20**	**$ 0.30**	**$ 0.30**	**$ 0.30**	**$ 0.30**	**$ 1.20**	**$ 0.30**	**$ 0.30**	**$ 0.30**	**$ 0.30**	**$ 1.20**	**$ 0.30**	**$ 0.30**	**$ 0.30**	**$ 0.30**	**$ 1.20**
Funds From Operations (FFO) to Common ($M)	**46.8**	**46.9**	**55.0**	**57.6**	**61.1**	**59.2**	**60.0**	**15.3**	**15.4**	**16.4**	**17.8**	**64.9**	**16.9**	**18.3**	**16.9**	**17.0**	**69.1**	**17.1**	**17.7**	**18.0**	**18.4**	**71.2**
FFO Per Share	**$ 1.63**	**$ 1.53**	**$ 1.61**	**$ 1.58**	**$ 1.57**	**$ 1.46**	**$ 1.41**	**$ 0.34**	**$ 0.33**	**$ 0.35**	**$ 0.37**	**$ 1.37**	**$ 0.35**	**$ 0.38**	**$ 0.35**	**$ 0.35**	**$ 1.42**	**$ 0.35**	**$ 0.36**	**$ 0.36**	**$ 0.37**	**$ 1.43**
Core FFO to Common ($M)	**47.1**	**50.3**	**55.4**	**58.7**	**61.8**	**59.9**	**60.5**	**15.3**	**16.1**	**16.4**	**17.9**	**65.7**	**17.0**	**18.3**	**16.9**	**17.0**	**69.2**	**17.1**	**17.8**	**18.1**	**18.4**	**71.3**
Core FFO Per Share	**$ 1.64**	**$ 1.64**	**$ 1.63**	**$ 1.61**	**$ 1.59**	**$ 1.47**	**$ 1.42**	**$ 0.34**	**$ 0.35**	**$ 0.35**	**$ 0.37**	**$ 1.39**	**$ 0.35**	**$ 0.38**	**$ 0.35**	**$ 0.35**	**$ 1.42**	**$ 0.35**	**$ 0.36**	**$ 0.36**	**$ 0.37**	**$ 1.44**
Adj. Funds From Operations (AFFO) to Common ($M)	**42.8**	**38.4**	**46.7**	**48.6**	**51.7**	**44.4**	**37.2**	**12.9**	**13.2**	**4.1**	**12.3**	**37.6**	**14.7**	**15.7**	**10.1**	**14.7**	**55.6**	**14.5**	**15.1**	**15.4**	**15.7**	**60.7**
AFFO Per Share	**$ 1.49**	**$ 1.25**	**$ 1.37**	**$ 1.33**	**$ 1.33**	**$ 1.09**	**$ 0.88**	**$ 0.29**	**$ 0.28**	**$ 0.09**	**$ 0.25**	**$ 0.80**	**$ 0.30**	**$ 0.32**	**$ 0.21**	**$ 0.30**	**$ 1.14**	**$ 0.29**	**$ 0.30**	**$ 0.31**	**$ 0.31**	**$ 1.22**
Basic EPS	**0.03**	**(0.16)**	**0.09**	**(0.13)**	**(0.08)**	**(0.18)**	**0.27**	**0.04**	**0.03**	**0.02**	**0.05**	**0.14**	**0.08**	**0.11**	**(0.11)**	**0.03**	**0.11**	**0.04**	**0.05**	**0.06**	**0.07**	**0.22**
Diluted EPS	**0.03**	**(0.16)**	**0.09**	**(0.13)**	**(0.08)**	**(0.19)**	**0.27**	**0.04**	**0.03**	**0.02**	**0.05**	**0.15**	**0.08**	**0.11**	**(0.11)**	**0.03**	**0.11**	**0.04**	**0.05**	**0.06**	**0.06**	**0.22**
WTD Shares Out - Basic	28.7	30.7	34.0	36.5	39.0	40.3	41.9	44.6	46.2	46.9	48.4	46.5	48.4	48.4	48.5	48.8	48.5	49.0	49.2	49.5	49.7	49.4
WTD Shares Out - Diluted	28.7	30.7	34.0	36.5	39.0	40.7	42.3	45.0	46.2	47.2	48.8	46.9	48.8	48.4	48.8	49.1	48.8	49.3	49.6	49.8	50.1	49.7
EBITDA	**86.1**	**89.9**	**97.2**	**96.9**	**103.4**	**100.1**	**117.2**	**27.5**	**28.9**	**30.1**	**32.9**	**119.5**	**33.2**	**34.6**	**25.0**	**31.6**	**124.4**	**32.1**	**32.8**	**33.1**	**33.4**	**131.3**
Adjusted EBITDA	**$ 83.3**	**$ 88.0**	**$ 92.3**	**$ 95.2**	**$ 105.0**	**$ 108.6**	**$ 109.2**	**$ 26.9**	**$ 28.6**	**$ 30.1**	**$ 32.6**	**$ 118.2**	**$ 31.5**	**$ 32.7**	**$ 31.5**	**$ 31.6**	**$ 127.2**	**$ 31.6**	**$ 32.2**	**$ 32.5**	**$ 32.8**	**$ 129.1**
Margin Analysis																						
NOI Margin	89.3%	89.0%	80.5%	80.3%	82.0%	82.5%	83.0%	81.6%	81.6%	81.9%	83.8%	82.3%	83.2%	83.7%	82.4%	81.6%	82.8%	82.5%	82.1%	82.3%	82.5%	82.3%
Operating Margin	33.4%	29.9%	25.0%	25.3%	21.0%	21.3%	31.2%	36.4%	36.4%	36.3%	39.3%	37.2%	39.8%	40.4%	22.4%	37.3%	35.0%	37.1%	37.8%	38.2%	38.7%	38.0%
EBITDA Margin	78.0%	76.9%	69.4%	69.1%	70.5%	73.6%	73.1%	71.7%	72.5%	73.7%	75.0%	73.3%	75.1%	74.4%	74.2%	73.3%	74.2%	73.0%	72.8%	73.0%	73.2%	73.0%
Net Income Margin	11.5%	8.3%	11.3%	7.1%	6.2%	3.3%	16.1%	13.7%	11.7%	10.1%	12.4%	12.0%	16.6%	18.8%	-4.9%	10.4%	10.3%	11.8%	12.9%	13.5%	14.2%	13.1%
Growth Rate Y/Y																						
Total Revenue	12.7%	7.1%	16.4%	3.4%	8.2%	-0.9%	1.2%	5.0%	6.7%	4.1%	16.3%	8.0%	11.8%	11.3%	3.9%	-1.0%	6.2%	3.2%	0.5%	5.0%	4.2%	3.2%
NOI	9.4%	6.8%	5.3%	3.2%	10.5%	-0.3%	1.8%	2.6%	3.3%	2.7%	20.0%	7.1%	14.0%	14.1%	4.6%	-3.6%	6.8%	2.3%	-1.4%	4.8%	5.3%	2.7%
Operating Income	34.8%	-4.2%	-2.5%	4.8%	-10.5%	0.8%	48.0%	10.0%	29.8%	38.6%	37.9%	28.7%	22.2%	23.4%	-35.9%	-6.1%	0.1%	-3.6%	-5.9%	78.9%	8.0%	11.9%
Net Income	107.6%	-22.6%	57.1%	-35.0%	-4.7%	-46.9%	388.4%	45.7%	189.6%	-64.7%	-25.1%	-19.8%	35.7%	78.5%	-149.9%	-16.6%	-8.4%	-27.1%	-30.9%	-391.7%	41.5%	31.1%
FFO	3.1%	-6.2%	5.6%	-2.4%	-0.4%	-7.1%	-3.3%	1.1%	-6.5%	-7.6%	5.9%	-2.5%	2.4%	13.1%	-0.3%	-5.5%	3.1%	-0.3%	-5.4%	4.8%	6.1%	1.2%
Adj.FFO	-5.7%	-16.1%	9.8%	-3.2%	-0.2%	-17.6%	-19.4%	2.9%	-4.9%	-36.7%	9.1%	-9.1%	4.8%	13.6%	139.5%	19.3%	42.3%	-2.6%	-5.9%	48.8%	4.6%	7.2%
Adj. EBITDA	552.1%	5.7%	4.9%	3.1%	10.3%	3.5%	0.5%	2.5%	5.7%	5.3%	19.4%	8.3%	17.0%	14.2%	4.5%	-3.1%	7.6%	0.4%	-1.5%	3.3%	4.1%	1.5%
Payout Ratio																						
FFO Payout Ratio	92.0%	98.1%	93.0%	95.3%	95.9%	82.4%	85.2%	88.4%	89.8%	86.6%	82.1%	87.4%	86.3%	79.4%	86.9%	86.8%	84.7%	86.6%	83.9%	82.9%	81.8%	83.8%
Core FFO Payout Ratio	91.4%	91.6%	92.4%	93.5%	94.8%	81.4%	84.4%	88.2%	86.0%	86.4%	81.9%	86.3%	86.1%	79.2%	86.7%	86.6%	84.6%	86.4%	83.7%	82.7%	81.7%	83.6%
AFFO Payout Ratio	100.6%	119.9%	109.4%	113.0%	113.4%	109.8%	136.3%	104.5%	105.3%	345.9%	119.2%	149.9%	99.7%	92.7%	144.4%	99.9%	105.3%	102.3%	98.5%	97.1%	95.5%	98.3%

Source: Company Reports, Stonegate Capital Partners estimates

CASH FLOW STATEMENT

Gladstone Commercial Corporation
Consolidated Cash Flow Statements ($M)
Fiscal Year End: December

CASH FLOW	FY 2018	FY2019	FY 2020	FY 2021	FY 2022	Q1 Mar-23	Q2 Jun-23	Q3 Sep-23	Q4 Dec-23	FY 2023	Q1 Mar-24	Q2 Jun-24	Q3 Sep-24	Q4 Dec-24	FY 2024	Q1 Mar-25	Q2 Jun-25	Q3 Sep-25	Q4 Dec-25	FY 2025	Q1 Mar-26	Q2 Jun-26	Q3 Sep-26
Operating Activities																							
Net Income	12.3	9.5	15.0	9.7	9.3	2.4	(3.8)	1.8	4.6	4.9	3.5	1.6	11.7	7.2	24.0	5.1	4.6	4.1	5.4	19.3	7.0	8.3	(2.1)
Depreciation and Amortization	47.6	52.0	55.4	60.3	61.7	15.5	16.2	12.5	13.7	57.9	13.3	16.0	13.3	13.1	55.8	13.2	14.2	15.3	15.5	58.2	14.8	15.0	15.4
Impairment Charges	-	1.8	3.6	-	12.1	-	6.8	6.8	5.7	19.3	0.5	-	4.6	1.8	6.8	-	0.0	-	-	0.0	-	-	6.5
Gain on Debt Extinguishment, net	-	-	-	-	-	-	-	-	(2.8)	(2.8)	(0.3)	-	-	-	(0.3)	-	-	-	-	-	-	-	-
Gain/loss on Sales of Real Estate, Net	(2.8)	(3.0)	(8.1)	1.1	(10.1)	-	0.5	(4.7)	(3.5)	(7.7)	(0.3)	0.0	(10.3)	(3.7)	(14.2)	-	(0.4)	0.0	-	(0.4)	(1.8)	(1.9)	-
Amortization of Deferred Financing Costs	1.4	1.6	1.5	1.6	3.5	0.4	0.4	0.4	0.4	1.6	0.5	0.4	0.4	0.4	1.6	0.4	0.5	0.5	1.0	2.4	0.7	0.6	0.6
Amortization of Deferred Rent Asset	(0.7)	(1.4)	(1.9)	(3.3)	(4.2)	(1.8)	(2.4)	(1.6)	(1.7)	(7.5)	(1.6)	(2.0)	(1.6)	(1.6)	(6.8)	(1.5)	(1.5)	(1.6)	(1.4)	(6.0)	(1.4)	(1.1)	(0.6)
Amortization of Discount and Premium on Assumed Debt, Net	(0.0)	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.0)
Asset Retirement Obligation Expense	0.1	0.1	0.1	0.1	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0
Amortization of ROU Asset from Opp. Leases and Opp. Lease Liabilities, Net	-	0.1	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	(0.1)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.1)	(0.1)	0.1	18.6	18.6	18.6	56.0	0.0	0.0	0.0
Cash Flow from operating activities before working capital changes	**58.0**	**60.9**	**65.7**	**69.7**	**72.4**	**16.6**	**17.7**	**15.2**	**16.4**	**65.9**	**15.7**	**16.2**	**18.1**	**17.1**	**67.0**	**17.5**	**36.0**	**18.4**	**20.5**	**92.4**	**19.4**	**20.9**	**20.0**
Increase/ (Decrease) in Other Assets	(0.4)	(2.0)	2.9	0.6	(0.6)	0.9	(1.7)	3.0	(0.8)	1.5	1.8	(2.6)	(4.8)	6.9	1.3	(0.4)	(1.0)	0.8	0.1	(0.4)	(0.3)	(1.4)	1.8
Increase in Deferred Rent Receivables	(2.5)	(1.5)	(1.9)	(2.9)	(1.3)	(0.9)	(0.5)	(1.1)	(0.6)	(3.2)	(1.1)	(1.1)	(2.4)	(0.9)	(5.5)	(0.4)	(0.8)	(0.8)	(1.1)	(3.0)	(0.9)	(0.6)	0.3
Accounts Payable and Accrued Expenses	0.5	1.5	(1.7)	2.8	1.6	(0.5)	1.7	1.1	(2.3)	(0.0)	(0.7)	1.9	0.2	(1.4)	(0.0)	1.0	3.2	(1.6)	(1.7)	0.8	2.3	(1.8)	3.0
Changes in amount due to Adviser and Administrator	0.2	0.4	0.1	0.5	(0.1)	(0.9)	0.2	(0.1)	0.0	(0.8)	0.4	0.7	(0.6)	(0.5)	(0.0)	0.8	(0.4)	(0.5)	0.8	0.7	(0.4)	0.6	(0.8)
Other Liabilities	0.2	2.1	1.8	1.4	(0.9)	0.2	(0.7)	(0.4)	0.2	(0.7)	(0.6)	(1.0)	(1.3)	1.9	(1.0)	(0.8)	(1.0)	3.5	(1.3)	0.5	(1.1)	0.1	(0.6)
Tenant Inducement Payment	-	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Leasing Commissions Paid	(0.4)	(1.2)	(1.5)	(2.0)	(1.9)	(0.4)	(0.9)	(0.0)	(1.0)	(2.3)	(0.3)	(0.4)	(3.8)	(0.2)	(4.8)	(0.1)	(0.2)	(0.9)	(1.6)	(2.8)	(1.0)	(0.3)	(2.8)
Cash flow generated/(absorbed) from operating Activities	**55.6**	**60.2**	**65.5**	**70.1**	**69.2**	**14.9**	**15.8**	**17.8**	**11.9**	**60.4**	**15.0**	**13.6**	**5.5**	**22.8**	**57.0**	**17.7**	**35.8**	**18.9**	**15.7**	**88.2**	**17.9**	**17.6**	**20.9**
Investing Activities																							
Acquisition of Real Estate and Related Intangible Assets	(42.4)	(130.3)	(127.9)	(100.2)	(113.0)	-	(5.4)	(12.2)	(12.5)	(30.0)	-	(12.0)	(10.2)	(5.2)	(27.4)	(73.7)	(79.3)	(54.8)	-	(207.9)	-	(23.0)	(6.7)
Improvements of Existing Real Estate	(4.3)	(7.6)	(6.4)	(5.3)	(6.8)	(2.0)	(4.0)	(0.4)	(0.3)	(6.7)	(0.8)	(3.1)	(5.2)	(3.6)	(12.8)	(1.2)	(6.0)	(10.2)	(3.6)	(21.0)	(0.6)	(1.5)	(4.0)
Proceeds from Sale of Real Estate	12.8	6.3	35.8	8.8	39.5	-	4.4	17.8	14.8	37.0	18.6	2.4	14.1	2.5	37.6	-	4.8	2.8	-	7.6	2.0	12.7	-
Receipts from Lenders for Funds Held in Escrow	1.8	2.7	1.3	4.0	5.9	3.2	0.2	0.3	1.3	5.0	2.5	0.0	-	0.5	3.0	-	-	-	0.8	0.8	-	-	-
Payments to Lenders for Funds Held in Escrow	(2.4)	(3.9)	(3.2)	(2.1)	(7.5)	(0.3)	(2.7)	(0.3)	(0.3)	(3.7)	(0.3)	(0.2)	(0.2)	(0.2)	(0.8)	(0.2)	(0.2)	(0.2)	(0.2)	(0.7)	-	-	-
Receipts from Tenants for Reserves	2.7	4.8	2.4	3.8	1.8	0.5	(0.2)	0.1	0.7	1.0	0.4	0.2	0.2	0.2	1.0	0.7	0.2	1.6	0.6	3.1	0.3	0.1	0.3
Payments to Tenants from Reserves	(2.7)	(2.5)	(2.0)	(3.8)	(2.5)	-	-	(2.2)	0.6	(1.5)	(1.7)	(0.3)	4.1	(4.5)	(2.3)	(0.8)	(0.2)	(1.7)	(0.7)	(3.3)	(0.4)	(0.4)	0.7
Deposit on Future Acquisitions	-	(1.5)	(0.3)	-	-	(0.7)	0.1	0.2	0.4	-	(0.3)	0.3	-	-	-	(0.5)	(1.0)	-	1.5	-	-	(0.1)	0.1
Deposits Refunded or Applied Against Real Estate Investments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1.5	-	(1.5)	-	-	-	-
Cash flow generated by Investing Activities	**(34.4)**	**(132.0)**	**(100.3)**	**(94.8)**	**(82.5)**	**0.7**	**(7.6)**	**3.3**	**4.7**	**1.1**	**18.5**	**(12.7)**	**2.8**	**(10.4)**	**(1.7)**	**(75.6)**	**(80.2)**	**(62.5)**	**(3.1)**	**(221.4)**	**1.3**	**(12.3)**	**(9.6)**
Financing Activities																							
Proceeds from Share Issuance	18.6	134.5	63.6	144.7	49.7	4.6	4.1	1.0	0.4	10.2	0.2	11.2	39.5	4.5	55.4	28.4	10.6	23.2	(0.0)	62.2	-	-	2.2
Offering Costs Paid	(0.3)	(3.4)	(1.0)	(4.6)	(1.1)	(0.1)	(0.3)	(0.1)	(0.0)	(0.5)	(0.0)	(0.2)	(0.5)	(0.1)	(0.8)	(0.4)	(0.2)	(0.3)	(0.0)	(0.9)	(0.0)	0.0	(0.0)
Redemption of Series F Preferred Stock	-	-	-	-	(0.2)	(0.1)	(0.1)	(0.2)	(0.1)	(0.5)	(0.1)	(0.3)	(1.0)	(0.4)	(1.7)	(0.6)	(1.8)	(1.7)	(0.5)	(4.5)	(0.4)	(0.5)	(0.2)
Retirement of Senior Common Stock	(0.0)	-	-	-	-	(0.1)	-	-	0.0	(0.1)	-	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase of Series G1 Preferred Stock	-	-	-	-	(0.2)	(0.0)	-	-	-	(0.0)	-	-	-	-	-	-	-	-	-	-	-	-	-
Repurchase of Common Stock	-	-	-	-	-	-	(1.0)	-	-	(1.0)	-	-	-	-	-	-	-	-	-	-	-	-	-
Redemption of Series D Perpetual Preferred Stock	-	(56.6)	-	(87.7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Borrowings Under Mortgage Notes Payable	14.1	69.7	52.6	21.5	62.9	-	-	9.0	-	9.0	-	-	-	15.2	15.2	-	-	-	-	-	-	-	-
Payments for Deferred Financing Costs	(0.4)	(2.5)	(0.6)	(0.8)	(5.4)	(0.1)	(0.0)	(0.3)	(0.0)	(0.4)	-	(0.0)	-	(1.3)	(1.4)	(0.0)	(0.2)	(0.6)	(5.0)	(5.8)	(0.1)	-	-
Receipts from Lenders for Funds Held in Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3.4	-	-
Payments to lenders for Funds Held in Escrow	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(0.2)	(0.2)	(0.2)
Principal Repayment on Mortgage Notes Payable	(27.9)	(57.4)	(50.7)	(28.5)	(153.7)	(5.0)	(6.3)	(46.3)	(12.4)	(70.1)	(19.8)	(2.3)	(2.3)	(17.2)	(41.6)	(2.4)	(9.6)	(2.4)	(5.5)	(19.9)	(4.4)	(2.0)	(2.1)
Borrowings on Term-loan / (Senior Secured Notes)	-	47.3	37.7	65.0	150.0	-	-	-	-	-	-	-	-	75.0	75.0	-	20.0	-	168.3	188.3	-	-	-
Repayment on Term Loan	-	-	-	-	(5.0)	-	-	-	-	-	-	-	-	(20.0)	(20.0)	-	-	-	(53.3)	(53.3)	-	-	-
Borrowings on Unsecured Term Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20.0	20.0	-	-	-
Repayment on Unsecured Term Loan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(20.0)	(20.0)	-	-	-
Borrowings on Revolving Credit Facility	88.6	165.4	142.7	69.9	111.8	13.0	21.2	58.9	30.5	123.6	19.9	21.6	26.6	15.3	83.4	85.1	81.1	77.6	21.8	265.6	18.9	43.7	26.1
Repayment on Revolving Credit Facility	(59.4)	(163.6)	(141.2)	(90.3)	(122.1)	(10.0)	(9.0)	(26.4)	(25.7)	(71.1)	(19.7)	(16.4)	(54.5)	(66.7)	(157.3)	(35.7)	(38.0)	(26.6)	(129.8)	(230.1)	(22.0)	(26.4)	(18.2)
Increases in Security Deposits	0.1	(0.2)	(0.0)	0.1	0.5	-	0.3	(0.1)	(0.0)	0.1	(0.0)	0.2	0.0	(0.0)	0.2	0.3	(0.1)	0.2	0.9	1.4	-	0.0	-
Distributions Paid for Common, Senior Common and Preferred Stock	(54.6)	(58.9)	(63.8)	(67.6)	(71.1)	(15.1)	(15.2)	(15.2)	(15.2)	(60.6)	(15.2)	(15.3)	(16.1)	(16.3)	(62.8)	(16.5)	(16.9)	(17.1)	(17.6)	(68.2)	(17.6)	(17.6)	(17.6)
Cash flow generated/(absorbed) by financing Activities	**(21.2)**	**74.2**	**39.4**	**21.8**	**16.2**	**(12.8)**	**(6.4)**	**(19.6)**	**(22.5)**	**(61.4)**	**(34.7)**	**(1.4)**	**(8.3)**	**(11.9)**	**(56.3)**	**58.2**	**44.9**	**52.3**	**(20.7)**	**134.7**	**(22.3)**	**(3.0)**	**(9.9)**
Net Cash flow in the quarter	**0.002**	**2.4**	**4.6**	**(2.9)**	**2.8**	**2.8**	**1.8**	**1.5**	**(5.9)**	**0.1**	**(1.2)**	**(0.5)**	**0.1**	**0.5**	**(1.1)**	**0.3**	**0.5**	**8.7**	**(8.0)**	**1.5**	**(3.1)**	**2.3**	**1.4**
Cash and Cash Equivalents																							
Beginning Cash balance	9.080	9.1	11.5	16.1	13.2	16.0	18.8	20.6	22.1	16.0	16.1	14.9	14.4	14.5	16.1	15.1	15.4	15.9	24.6	15.1	16.6	13.5	15.8
Ending Cash balance	9.0820	11.5	16.1	13.2	16.0	18.8	20.6	22.07	16.1	16.1	14.9	14.4	14.5	15.1	15.1	15.4	15.9	24.6	16.6	16.6	13.5	15.8	17.2

Source: Company Reports, Stonegate Capital Partners

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