
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported):

November 13, 2007

Gladstone Commercial Corporation

(Exact name of registrant as specified in its charter)

Maryland

0-50363

020681276

(State or other jurisdiction
of incorporation)

(Commission
File Number)

(I.R.S. Employer
Identification No.)

1521 Westbranch Drive, Suite 200, McLean, Virginia

22102

(Address of principal executive offices)

(Zip Code)

Registrant's telephone number, including area code:

703-287-5800

Not Applicable

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

Item 1.01 Entry into a Material Definitive Agreement.

On November 13, 2007, Gladstone Commercial Corporation, through its wholly-owned subsidiary, Gladstone Commercial Limited Partnership, exercised an option under its existing credit agreement with KeyBank National Association to increase the current maximum availability under the credit agreement from \$75 million to \$95 million through the execution of an Accordion Agreement. The credit agreement was originally established on December 29, 2006.

A copy of the Accordion Agreement is filed herewith as Exhibit 10.1.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibit 10.1 – Accordion Agreement by and among Gladstone Commercial Corporation, Gladstone Commercial Limited Partnership, KeyBank National Association, and certain other parties, dated as of November 13, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

November 16, 2007

Gladstone Commercial Corporation

By: Harry Brill

Name: Harry Brill

Title: Chief Financial Officer

Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	Accordian Agreement by and among Gladstone Commercial Corporation, Gladstone Commercial Limited Partnership, KeyBank National Associaton, and certain other parties, dated as of November 13, 2007

November 13, 2007

KeyBank National Association
127 Public Square
Cleveland, Ohio 44114-1306

Attn: Real Estate Capital Services

Ladies and Gentlemen:

Pursuant to the provisions of Section 2.10 of the Senior Secured Revolving Credit Agreement dated as of December 29, 2006, as from time to time in effect (as amended from time to time, the "Credit Agreement"), by and among Gladstone Commercial Limited Partnership (the "Borrower"), Gladstone Commercial Corporation, as a guarantor, KeyBank National Association ("KeyBank"), for itself and as Agent, and the other Banks from time to time party thereto, the Borrower hereby requests and certifies as follows:

1. Request for Increase. The Borrower hereby requests an increase in the Total Commitment from \$75,000,000.00 to \$95,000,000.00 pursuant to Section 2.10 of the Credit Agreement (the "Increase").

2. Certifications. In connection with the Increase, each of the Borrower and each Guarantor certifies that:

(a) as of the date hereof and as of the effective date of the Increase, both immediately before and after giving effect to the Increase, there exists and shall exist no Default or Event of Default;

(b) as of the date hereof, the representations and warranties made by or on behalf of the Borrower and the Guarantors in the Loan Documents or after the date thereof were true and correct in all material respects when made, are true and correct in all material respects as of the date hereof, and shall be true and correct in all material respects as of the effective date of the Increase, (except to the extent of any changes resulting from transactions permitted by the Credit Agreement that singly or in the aggregate have not had or could not reasonably be expected to have a Material Adverse Effect, and except to the extent such representations relate expressly to an earlier date, which representations were true and correct only as of such specified date) both immediately before and after giving effect to the Increase, as though such representations and warranties were made on and as of that date; and

(c) Borrower has paid all fees required by Section 2.10 of the Credit Agreement.

3. New Commitments. Borrower hereby acknowledges and agrees that (a) as of the effective date of the Increase and following satisfaction of all conditions thereto as provided in Section 2.10 of the Credit Agreement, the amount of each Bank's Commitment shall be the amount set forth on Schedule A attached hereto and the Total Commitment under the Credit Agreement will be include the Increase, and (b) in connection with the Increase, (x) KeyBank shall be issued a replacement Note in the principal face amount of \$35,000,000.00 and (y) Branch Banking and Trust Company ("BB&T") shall be issued a replacement Note in the principal face amount of \$25,000,000.00, and upon acceptance of such note by KeyBank and by BB&T each such note will be a "Note" under the Credit Agreement. Lenders will promptly return the current Notes marked "Cancelled".

4. Other Conditions. All other conditions to the Increase set forth in Section 2.8 of the Credit Agreement have been satisfied.

5. Definitions. Terms defined in the Credit Agreement are used herein with the meanings so defined.

IN WITNESS WHEREOF, we have hereunto set our hands this ___day of November, 2007.

**GLADSTONE COMMERCIAL LIMITED
PARTNERSHIP**, a Delaware limited partnership

By: GCLP Business Trust II, a Massachusetts
business trust, its sole general partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

GLADSTONE COMMERCIAL CORPORATION, a Maryland corporation

By:

Name:
Title:

(SEAL)

GLADSTONE LENDING LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

CMS06-3 LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

GCC NORFOLK LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

MPI06 MASON OH LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

WPI07 TULSA OK LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

APML07 HIALEAH FL LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

EI07 TEWKSBURY MA LLC, a Delaware limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its Manager

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

NJT06 STERLING HEIGHTS MI LLC,

a Michigan limited liability company

By: Gladstone Commercial Limited Partnership, a Delaware limited partnership, its General Partner

By: GCLP Business Trust II, a Massachusetts business trust, its General Partner

By:___
Name: David Gladstone
Title: Trustee

By:
Name: George Stelljes III
Title: Trustee

(SEAL)

ACKNOWLEDGED:

KEYBANK NATIONAL ASSOCIATION,

as Agent

By: ___
Name: ___
Title: ___

Schedule A

BANKS AND COMMITMENTS

<u>NAME AND ADDRESS</u>	<u>COMMITMENT</u>	<u>COMMITMENT PERCENTAGE</u>
KeyBank National Association Cleveland, OH 44114-1306 Attn: Real Estate Division LIBOR Lending Office same as above	\$ 35,000,000.00	36.84%
Branch Banking and Trust Company 8200 Greensboro Drive, Suite 1000 McLean, Virginia 22102 Attn: Robert J. Madeja LIBOR Lending Office same as above	\$ 25,000,000.00	26.32%
Emigrant Realty Finance LLC 6 East 43 rd Street, 22 nd Floor New York, New York 10017 Attn: Michael A. Walsh Facsimile: (212) 850-4608 LIBOR Lending Office same as above	\$ 20,000,000.00	21.05%
First Horizon Bank 1650 Tysons Boulevard, Suite 1150 McLean, Virginia 22102 Attn: Kenneth W. Rub LIBOR Lending Office same as above	\$ 15,000,000.00	15.79%
TOTAL	\$ 95,000,000.00	100.00%