

GLADSTONE COMMERCIAL CORP
Form 8-K
March 31, 2014

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):

March 28, 2014

Gladstone Commercial Corporation

(Exact name of registrant as specified in its charter)

Maryland

001-33097

020681276

(State or other jurisdiction
of incorporation)

(Commission
File Number)

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

1521 Westbranch Drive, Suite 100, 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))

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Item 1.01 Entry into a Material Definitive Agreement.

On March 28, 2014, Gladstone Commercial Corporation, through its wholly owned subsidiary Gladstone Commercial Limited Partnership, and certain of its other wholly owned subsidiaries (collectively, the "Company") amended its Credit Agreement (the "Line of Credit") with KeyBank National Association and certain other lenders.

The amendment:

- extends the maturity date 12 months to August 7, 2017;
- reduces the capitalization rate used in the calculation of consolidated total asset value and unencumbered asset value from 8.75% to 8.50%;
- values new property acquisitions in the calculation of consolidated total asset value and unencumbered asset value at cost for 12 months rather than 6 months; and
- reduces the applicable margin for the LIBOR and base rate loans by 25 basis points at each pricing level.

As of March 28, 2014, \$24.1 million of borrowings were outstanding under the Line of Credit, leaving availability of \$18.7 million.

Additionally, as part of the amendment, the Company paid modification fees in the aggregate of 25 basis points on the \$60.0 million commitment.

This description of the Line of Credit is not complete and is qualified by the full text of the First Amendment to the Line of Credit, a copy of which is filed as Exhibit 10.1 to this Current Report on Form 8-K and which is incorporated by reference in this report.

Item 9.01 Financial Statements and Exhibits.

Financial Statements and Exhibits.

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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.

Gladstone Commercial Corporation

March 31, 2014

By: /s/Danielle Jones

Name: Danielle Jones
Title: Chief Financial Officer & Treasurer

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Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	First Amendment to Credit Agreement, dated as of March 28, 2014, by and among Gladstone Commercial Limited Partnership, as borrower, Gladstone Commercial Corporation and certain of its wholly owned subsidiaries, as guarantors, each of the financial institutions initially a signatory thereto together with their successors and assignees, as lenders, and KeyBank National Association, as lender and administrative agent.