

GLADSTONE COMMERCIAL CORP

Form SC TO-I/A

August 15, 2006

As filed with the Securities and Exchange Commission on August 15, 2006

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE TO-I/A

**Tender Offer Statement under Section 14(d)(1) or 13(e)(1)
of the Securities Exchange Act of 1934**

Amendment No. 1

GLADSTONE COMMERCIAL CORPORATION

(Name of Subject Company Issuer and Filing Person Offeror)

**OPTIONS TO PURCHASE COMMON STOCK,
PAR VALUE \$0.001 PER SHARE**

(Title of Class of Securities)

376535 10 8

(CUSIP Number of Class of Securities)

DAVID GLADSTONE

CHIEF EXECUTIVE OFFICER AND CHAIRMAN OF THE BOARD

GLADSTONE COMMERCIAL CORPORATION

1521 WESTBRANCH DRIVE, SUITE 200

MCLEAN, VIRGINIA 22102

TELEPHONE: (703) 287-5800

(Name, address and telephone number of person authorized to receive
notices and communications on behalf of Filing Person)

Copies to:

DARREN K. DESTEFANO

COOLEY GODWARD LLP

ONE FREEDOM SQUARE

RESTON TOWN CENTER

11951 FREEDOM DRIVE

RESTON, VIRGINIA 20190

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**o CHECK THE BOX IF THE FILING RELATES SOLELY TO PRELIMINARY COMMUNICATIONS
MADE BEFORE THE COMMENCEMENT OF A TENDER OFFER.**

**CHECK THE APPROPRIATE BOXES BELOW TO DESIGNATE ANY TRANSACTIONS TO WHICH
THE STATEMENT RELATES:**

o Third-party tender offer subject to Rule 14d-1.

p Issuer tender offer subject to Rule 13e-4.

o Going-private transaction subject to Rule 13e-3.

o Amendment to Schedule 13D under Rule 13d-2.

**CHECK THE FOLLOWING BOX IF THE FILING IS A FINAL AMENDMENT REPORTING THE
RESULTS OF**

THE TENDER OFFER: o

Gladstone Commercial Corporation, a Maryland corporation (the Company), hereby amends and supplements the Tender Offer Statement on Schedule TO of the Company filed on July 12, 2006, with respect to the offer by the Company to amend the terms of all stock options currently outstanding (the Options) under the Company s 2003 Equity Incentive Plan, as amended, to accelerate the expiration date of the Options to December 31, 2006, upon the terms and subject to the conditions contained in the Offer to Amend Options dated July 12, 2006, as amended by the Supplement to Offer to Amend Options, and the related Letters of Transmittal, Summary of Terms of Offer to Amend

Options, Form of Election Form, Form of Notice of Change in Election from Accept to Reject, Form of Notice of Change in Election from Reject to Accept, Form of Confirmation of Amendment of Options and Form of Electronic Communication Reminder (which, together with any amendments or supplements thereto, collectively constitute the Offer), which were filed as exhibits to the Schedule TO or this amendment to Schedule TO.

ITEM 6. PURPOSES OF THE TRANSACTION AND PLANS OR PROPOSALS.

Item 6 is amended and restated in its entirety as follows:

- (a) Purposes. The information set forth in the Offer to Amend Options under Section 2 (Purpose of the Offer) is incorporated herein by reference.
- (b) Use of Securities Acquired. The information set forth in the Offer to Amend Options under Section 5 (Acceptance of Options for Amendment) and Section 9 (Accounting Consequences of the Offer) is incorporated herein by reference.
- (c) Plans. The information set forth in the Offer to Amend Options under Section 2 (Purpose of the Offer), Section 8 (Terms of 2003 Equity Incentive Plan; Options for Liquidity), Section 15 (Risk Factors) and the information set forth in the Summary of Terms is incorporated herein by reference. Except as set forth in these sections and as incorporated by reference as herein provided, there is no other information to be disclosed related to the Company s plans, proposals or negotiations that would otherwise be required to be disclosed pursuant to Item 1006(c) of Regulation M-A.

ITEM 8. INTEREST IN THE SECURITIES OF THE SUBJECT COMPANY

Item 8 is amended and restated in its entirety as follows:

- (a) Securities Ownership. The information set forth in the Supplement to Offer to Amend Options under Section 1 (Securities Ownership) is incorporated herein by reference.
- (b) Securities Transactions. The information set forth in the Offer to Amend Options under Section 8 (Terms of 2003 Equity Incentive Plan; Options for Liquidity) is incorporated herein by reference.

ITEM 10. FINANCIAL STATEMENTS

Item 10 is amended and restated in its entirety as follows:

- (a) Financial Information. Item 8 (Financial Statements and Supplementary Data) of Part II of the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2005 (filed on February 28, 2006) and Item 1 (Financial Statements (Unaudited)) of Part I of the Company s Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2006 (filed May 2, 2006) and June 30, 2006 (filed August 8, 2006) are incorporated herein by reference. The information set forth in the Offer to Amend Options under Section 14 (Information About Gladstone Commercial Corporation) and Section 16 (Additional Information) as well as the information set forth in the Supplement to Offer to Amend Options under Section 2 (Financial Information) is incorporated herein by reference.
- (b) Pro Forma Financial Information. Not applicable.

ITEM 11. ADDITIONAL INFORMATION

Item 11 is amended and restated in its entirety as follows:

- (a) Agreements, Regulatory Requirements and Legal Proceedings. The information set forth in the Offer to Amend Options under Section 10 (Legal Matters; Regulatory Approvals) is incorporated herein by reference.
- (b) Other Material Information. The entire text of the Offer to Amend Options, the Supplement to Offer to Amend Options, the Forms of Electronic Letters of Transmittal and the Summary of Terms of Offer to Amend Options is incorporated herein by reference.

ITEM 12. EXHIBITS.

EXHIBIT

NUMBER

DESCRIPTION

- 99.(a)(1)(A) * Offer to Amend Options, dated July 12, 2006, as amended.
- 99.(a)(1)(B) * Form of Electronic Letter of Transmittal, dated July 12, 2006.
- 99.(a)(1)(C) * Summary of Terms of Offer to Amend Options.

**EXHIBIT
NUMBER**

DESCRIPTION

- 99.(a)(1)(D) * Form of Election Form.
- 99.(a)(1)(E) * Form of Notice of Change in Election from Accept to Reject.
- 99.(a)(1)(F) * Form of Notice of Change in Election from Reject to Accept.
- 99.(a)(1)(G) * Form of Confirmation of Amendment of Options.
- 99.(a)(1)(H) * Form of Electronic Communication Reminder.
- 99.(a)(1)(I) * Press Release, dated July 12, 2006, entitled Gladstone Commercial Corporation Announces Offer to Amend Stock Options.
- 99.(a)(1)(J) Gladstone Commercial Corporation Annual Report on Form 10-K for its fiscal year ended December 31, 2005, filed with the Securities and Exchange Commission on February 28, 2006 and incorporated herein by reference.
- 99.(a)(1)(K) Gladstone Commercial Corporation Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2006, filed with the Securities and Exchange Commission on May 2, 2006, and incorporated herein by reference.
- 99.(a)(1)(L) Gladstone Commercial Corporation Current Report on Form 8-K dated January 18, 2006, filed with the Securities and Exchange Commission on January 19, 2006, and incorporated herein by reference.
- 99.(a)(1)(M) Gladstone Commercial Corporation Current Report on Form 8-K dated January 26, 2006, filed with the Securities and Exchange Commission on February 1, 2006, and incorporated herein by reference.
- 99.(a)(1)(N) Gladstone Commercial Corporation Current Report on Form 8-K dated February 21, 2006, filed with the Securities and Exchange Commission on December 16, 2005, and amended on February 24, 2006, and incorporated herein by reference.
- 99.(a)(1)(O) Gladstone Commercial Corporation Current Report on Form 8-K dated March 17, 2006, filed with the Securities and Exchange Commission on March 22, 2006, and incorporated herein by reference.
- 99.(a)(1)(P) Gladstone Commercial Corporation Current Report on Form 8-K dated June 29, 2006, filed with the Securities and Exchange Commission on June 30, 2006, and incorporated herein by reference.
- 99.(a)(1)(Q) Definitive Schedule 14A relating to the Gladstone Commercial Corporation 2006 Annual Meeting of Stockholders held on May 24, 2006, filed with the Securities and Exchange Commission on March 24, 2006, and incorporated herein by reference.
- 99.(a)(1)(R) Gladstone Commercial Corporation Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2006, filed with the Securities and Exchange Commission on August 8, 2006, and incorporated herein by reference.

- 99.(a)(1)(S) Supplement to Offer to Amend Options, dated August 15, 2006.
- 99.(a)(1)(T) Form of Electronic Letter of Transmittal, dated August 15, 2006.
- 99.(b) Not applicable.
- 99.(d)(1) 2003 Equity Incentive Plan, as amended, filed with the Securities and Exchange Commission as an exhibit to Amendment No. 1 to the Company's Registration Statement on Form S-11 (333-106024) filed on July 22, 2003, and incorporated herein by reference.
- 99.(d)(2) Amendment No. 2 to the 2003 Equity Incentive Plan, as amended, filed with the Securities and Exchange Commission as an exhibit to the Company's Form 10-K (File No. 000-50363) filed on March 8, 2005, and incorporated herein by reference.
- 99.(g) Not applicable.
- 99.(h) Not applicable.

* Previously filed.

SIGNATURE

After due inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: August 15, 2006

**GLADSTONE COMMERCIAL
CORPORATION**

By: /s/ David Gladstone

Name: David Gladstone

Title: Chief Executive Officer and Chairman of
the Board