

**GLADSTONE COMMERCIAL CORPORATION**  
**THIRD AMENDED AND RESTATED**  
**CHARTER OF THE COMPENSATION COMMITTEE**  
**OF THE BOARD OF DIRECTORS**

**Adopted: June 7, 2013**

**Purpose:**

The purpose of the Compensation Committee (the “*Committee*”) of the Board of Directors of Gladstone Commercial Corporation, a Maryland corporation (the “*Company*”), shall be to (i) review, negotiate and approve the investment advisory and management agreement (the “*Advisory Agreement*”) with Gladstone Management Corporation (“*GMC*”) and the administration agreement (the “*Administration Agreement*”) with Gladstone Administration LLC (“*Gladstone Administration*”); (ii) review, negotiate and approve the trademark license agreement with GMC and (iii) perform such other functions as may be deemed necessary or convenient in the efficient and lawful discharge of the foregoing.

**Composition:**

The Committee shall be comprised of a minimum of two (2) members of the Board of Directors, one of whom shall be designated as Chairman of the Committee. Each member of the Committee shall satisfy the independence requirements of the Nasdaq Global Select Market and each of the members of the Committee shall satisfy the “non-employee director” standard within the meaning of Rule 16b-3 of the Securities Exchange Act of 1934, as amended. The members of the Committee will serve at the discretion of the Board of Directors. Each such member shall hold office until his or her resignation or until otherwise determined by the Board.

**Functions and Authority:**

The operation of the Committee shall be subject to the Bylaws of the Company, as in effect from time to time, and Section 2-411 of the Maryland General Corporation Law. The Committee shall have the full power and authority of the Board of Directors to carry out the following responsibilities:

1. Recommend to the Board of Directors the type of compensation to be paid to the directors and to any officers, employees and consultants who are directly compensated by the company outside of the terms of the Advisory or Administration Agreements; provided that, with respect to the compensation of the Chief Executive Officer of the Company, such Chief Executive Officer shall not be present during voting or deliberations by the Committee on his or her compensation.

2. Review and discuss the Compensation Discussion and Analysis (the “*CD&A*”) required to be included in the Company’s proxy statement and Annual Report on Form 10-K by the rules and regulations of the Securities and Exchange Commission (the “*SEC*”) with management, and, based on such review and discussion, determine whether or not to recommend to the Board of Directors that the CD&A be so included.

3. Produce the annual Compensation Committee Report for inclusion in the Company’s proxy statement in compliance with SEC rules and regulations.

4. Monitor the Company’s compliance with the requirements under the Sarbanes–Oxley Act of 2002 relating to loans to directors and officers.

5. Negotiate the terms of the Company’s Advisory and Administration Agreements with GMC and Gladstone Administration, or any other external adviser or administrator.

6. Negotiate the terms of the Company’s trademark license agreement with GMC.

7. Perform such other functions and have such other powers as may be necessary or convenient in the efficient discharge of the foregoing.

8. To report to the Board of Directors from time to time, or whenever it shall be called upon to do so.

When the Committee determines necessary or appropriate, the Committee shall have the power, in its sole discretion, to retain or obtain the advice of a compensation consultant, outside legal counsel or other advisor; provided, however, that in connection with the engagement of such consultant (other than in-house legal counsel), the Committee must consider, prior to engaging such consultant, all factors relevant to that consultant’s independence from management, including, without limitation, the following:

- (i) The provision of other services to the Company by the consultant’s employer;
- (ii) The amount of fees received from the Company by the consultant’s employer, as a percentage of total revenue of the consultant’s employer;
- (iii) The policies and procedures of the consultant’s employer that are designed to prevent conflicts of interest;
- (iv) Any business or personal relationship of the consultant with a member of the Committee;
- (v) Any stock of the Company owned by the consultant; and
- (vi) Any business or personal relationship of the consultant or the consultant’s employer with an executive officer of the Company.

The Committee shall be directly responsible for the appointment, compensation and oversight of the work of any compensation consultant, legal counsel or other advisor, and shall receive appropriate funding from the Company, as determined by the Committee, for the payment of compensation to such consultant.

**Meetings:**

The Committee will hold at least one regular meeting per year and additional meetings as the Committee deems appropriate. The Chairman of the Board of Directors and the President of the Company may attend any meeting of the Committee, except for portions of the meetings where his, her or their presence would be inappropriate, as determined by the Committee.

**Minutes and Reports:**

Minutes of each meeting of the Committee shall be kept and distributed to each member of the Committee, members of the Board of Directors who are not members of the Committee and the Secretary of the Company. The Committee shall report to the Board of Directors from time to time, or whenever so requested by the Board of Directors.