BRUBAKER TERRY LEE

Form 4

December 31, 2008

FORM 4

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

OMB Number:

3235-0287

Check this box

if no longer subject to Section 16. STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Expires: January 31, 2005
Estimated average

OMB APPROVAL

Form 4 or Form 5 obligations

may continue.

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

burden hours per response... 0.5

See Instruction 1(b).

(Print or Type Responses)

Common

Stock

12/30/2008

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading **BRUBAKER TERRY LEE** Issuer Symbol GLADSTONE CAPITAL CORP (Check all applicable) [GLAD] (Last) (First) (Middle) 3. Date of Earliest Transaction _X__ Director 10% Owner X_ Officer (give title Other (specify (Month/Day/Year) below) below) 1521 WESTBRANCH 12/30/2008 COO DRIVE, SUITE 200 (Street) 4. If Amendment, Date Original 6. Individual or Joint/Group Filing(Check Filed(Month/Day/Year) Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting MCLEAN, VA 22102 Person (City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1. Title of 2. Transaction Date 2A. Deemed 3. 4. Securities Acquired 5. Amount of 6. Ownership 7. Nature of Security (Month/Day/Year) Execution Date, if Transaction(A) or Disposed of (D) Securities Form: Direct Indirect (Instr. 3) Code (Instr. 3, 4 and 5) Beneficially (D) or Beneficial (Month/Day/Year) (Instr. 8) Owned Ownership Indirect (I) (Instr. 4) Following (Instr. 4) Reported (A) Transaction(s) or (Instr. 3 and 4)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474

(9-02)

D

195,324

Price

7.435

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

Code V Amount (D)

700

D

S

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transacti Code (Instr. 8)			ate	7. Title Amoun Under	int of lying ities	8. Price of Derivative Security (Instr. 5)	9. Nu Deriv Secur Bene
	Derivative Security				Securities Acquired			(Instr.	3 and 4)		Owne Follo
					(A) or Disposed						Repo Trans
					of (D) (Instr. 3, 4, and 5)						(Instr
					4, and 3)				Amount		
						Date Exercisable	Expiration Date	Title	or Number of		
				Code V	(A) (D)				Shares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
· · · · · · · · · · · · · · · · · · ·	Director	10% Owner	Officer	Other			
BRUBAKER TERRY LEE 1521 WESTBRANCH DRIVE SUITE 200 MCLEAN, VA 22102	X		COO				

Signatures

Paula Novara, attorney-in-fact

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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