FORM 4	ŀ
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Check this box if no
longer subject to
Section 16. Form 4 or
Form 5 obligations
may continue. See
Instruction 1(b).

(Print or Type Pesponses)

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

OMB APPROVAL OMB Number: 3235-0287 Estimated average burden hours per response... 0.5

#### STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

	I of Type Responses)       2. Issuer Name and Ticker or Trading Symbol         ADSTONE DAVID       GLADSTONE INVESTMENT         CORPORATION\DE [GAIN]					-	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) _X_ Director10% Owner X_ Officer (give title below) Other (specify below)			
(Last) (First) 1521 WESTBRANCH DRIV	<sup>(Middle)</sup> E, SUITE 200	3. Date of Earliest Transaction (Month/Day/Year) 12/27/2007					CEO			
(Street) MCLEAN, VA 22102	4. If Amendment, Date Original Filed(Month/Day/Year)						6. Individual or Joint/Group Filing(Check Applicable Line) _X_Form filed by One Reporting Person Form filed by More than One Reporting Person			
(City) (State)	(Zip)	Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned								
1.Title of Security (Instr. 3)	Date (Month/Day/Year)	Execution Date, if		tion	4. Securities Acquired (A or Disposed of (D) (Instr. 3, 4 and 5)		(D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D)	7. Nature of Indirect Beneficial Ownership
		(wond) Day (rear)	Code	V	Amount	(A) or (D)	Price		or Indirect (I) (Instr. 4)	
Common Stock	12/27/2007		Р		5,000	А	\$ 10.0158	121,558	D	

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

Persons who respond to the collection of information SEC 1474 (9-02) contained in this form are not required to respond unless the form displays a currently valid OMB control number.

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

(e.g., puts, calls, warrants, options, convertible securities)															
1. Title of		3. Transaction	3A. Deemed	4.		5.		6. Date Exer	cisable	7. Tit			9. Number of	10.	11. Nature
Derivative	Conversion	Date	Execution Date, if	Transacti	ion	Numl	ber	and Expirati	on Date	Amou	unt of	Derivative	Derivative	Ownership	of Indirect
Security	or Exercise	(Month/Day/Year)	any	Code		of		(Month/Day	/Year)	Unde	rlying	Security	Securities	Form of	Beneficial
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)		Deriv	ative			Secur	rities	(Instr. 5)	Beneficially	Derivative	Ownership
	Derivative					Secur	ities			(Instr	. 3 and		Owned	Security:	(Instr. 4)
	Security					Acqu	ired			4)			Following	Direct (D)	
						(A) o	r						Reported	or Indirect	
						Dispo	osed						Transaction(s)	(I)	
						of (D	)						(Instr. 4)	(Instr. 4)	
						(Instr	· · · ·								
						4, and	15)								
											Amount				
								Date	Expiration		or				
								Exercisable		Title	Number				
								Excicisable	Date		of				
				Code	V	(A)	(D)				Shares				

### **Reporting Owners**

	Relationships						
Reporting Owner Name / Address	Director	10% Owner	Officer	Other			
GLADSTONE DAVID 1521 WESTBRANCH DRIVE SUITE 200 MCLEAN, VA 22102	Х		CEO				

## Signatures

Paula Novara, attorney-in-fact	12/27/2007
**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.