ADCARE HEALTH SYSTEMS, INC Form 8-K July 03, 2013

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): June 27, 2013

AdCare Health Systems, Inc.

(Exact Name of Registrant as Specified in Charter)

Ohio (State or Other Jurisdiction of Incorporation) 001-33135 (Commission File Number) **31-1332119** (I.R.S. Employer Identification No.)

1145 Hembree Road

Roswell, Georgia 30076

(Address of Principal Executive Offices)

(678) 869-5116

(Registrant s telephone number, including area code)

Not applicable.

(Former Name or Former Address, if Changed Since Last Report)

	neck the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of e following provisions:
0	Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
0	Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
0	Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
0	Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 1.01	Entry into a Material Definitive Agreement.	
PrivateBank		
Third Modification Agr modified that certain Lo PrivateBank Credit Fa regarding the minimum	a wholly-owned subsidiaries (the PrivateBank Borrowers) of AdCare Health Systems, Inc. (the Company) entered into ement (the Modification) with The PrivateBank and Trust Company (PrivateBank), dated as of June 26, 2013, which in Agreement, dated March 30, 2012, between the PrivateBank Borrowers and PrivateBank (as amended, the lility). Pursuant to the Modification, PrivateBank waives certain financial covenants under the PrivateBank Credit Facility ixed charge coverage ratio and minimum EBITDAR of one of the PrivateBank Borrowers that is the operator of the ing facility located in Little Rock, Arkansas.	a
acquisition of the Glenv	e Company are also borrowers under: (a) a credit facility with PrivateBank used to fund the purchase price of the ew Health & Rehabilitation facility located in Georgia; and (b) a credit facility with PrivateBank used to fund the uisition of the Eaglewood Village facility and Woodland Manor facility located in Ohio.	
Keybank		
Loan Agreement and Pathat certain Secured Loand KeyBank. Pursuant Borrowers regarding fix	a wholly-owned subsidiaries of the Company (the KeyBank Borrowers) entered into a Second Amendment to Secured ment Guaranty (the KeyBank Second Amendment) with KeyBank National Association (KeyBank), which amended a Agreement, dated December 28, 2012 (as amended, the KeyBank Credit Facility), between the KeyBank Borrowers to the KeyBank Second Amendment: (i) KeyBank waives the failure of certain financial covenants of the KeyBank d charge coverage ratio and implied debt service coverage such that no default or events of default under the KeyBank lue to such failure; and (ii) KeyBank and the Company agreed to amend certain financial covenants regarding the ratio.	
Gemino		
On June 28, 2013, Georg	etown HC&R Nursing, LLC and Sumter N&R, LLC (collectively, the New Gemino Borrowers), each a wholly-owned	

on June 28, 2013, Georgetown HC&R Nursing, LLC and Sumter N&R, LLC (collectively, the New Gemino Borrowers), each a wholly-owned subsidiary of the Company, entered into a Joinder Agreement, Second Amendment and Supplement to Credit Agreement (the Joinder) with NW 61st Nursing, LLC (NW Nursing), a wholly-owned subsidiary of the Company, and Gemino Healthcare Finance, LLC (Gemino), pursuant to which the New Gemino Borrowers became additional borrowers under the Credit Agreement, dated May 30, 2013 (as so amended, the Credit Agreement) between Gemino and NW Nursing (together with the New Gemino Borrowers, the Borrowers). Pursuant to the Joinder, the New Gemino Borrowers granted a continuing security interest in, among other things, their accounts receivables, payment intangibles, chattel paper, general intangibles, collateral relating to any accounts or payment intangibles, commercial lockboxes and cash, as additional collateral under the Credit Agreement; however, the Joinder did not change the maximum amount that the

Borrowers may borrow under the Credit Agreement, which remains at \$1,000,000. In connection with the execution of the Joinder, the Borrowers issued an amended and restated revolving promissory note in favor of Gemino in the amount of \$1,500,000.

Item 2.03 Creation of a Direct Obligation or an Obligation Under an Off-Balance Sheet Arrangement of a Registrant.

The information set forth in Item 1.01 of this Current Report on Form 8-K is incorporated herein by this reference.

SIGNATURES

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: July 3, 2013 ADCARE HEALTH SYSTEMS, INC.

/s/ Boyd P. Gentry Boyd P. Gentry Chief Executive Officer

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