

# AMERICAN HEALTHCARE REIT, INC.

## **FORM 8-K** (Current report filing)

Filed 09/15/16 for the Period Ending 09/15/16

Address	18191 VON KARMAN AVENUE SUITE 300 IRVINE, CA, 92612
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Industry	Specialized REITs
Sector	Financials
Fiscal Year	12/31

**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): **September 12, 2016**

**Griffin-American Healthcare REIT IV, Inc.**

(Exact name of registrant as specified in its charter)

**Maryland**

(State or other jurisdiction  
of incorporation)

**333-205960 (1933 Act)**

(Commission  
File Number)

**47-2887436**

(I.R.S. Employer  
Identification No.)

**18191 Von Karman Avenue, Suite 300  
Irvine, California**

(Address of principal executive offices)

**92612**

(Zip Code)

Registrant's telephone number, including area code: **(949) 270-9200**

**Not Applicable**

Former name or former address, if changed since last report

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 1.01 Entry into a Material Definitive Agreement.**

As previously reported in our Current Report on Form 8-K filed on August 17, 2016, we, through GAHC4 Iron MOB Portfolio, LLC, our wholly owned subsidiary, entered into a Purchase and Sale Agreement and Joint Escrow Instructions, or the Purchase Agreement, with Cullman POB Partners I, LLC, Cullman POB II, LLC and HCP Coosa MOB, LLC, or collectively, sellers, and Chicago Title Insurance Company, as escrow agent, for the purchase of sellers' leasehold interests in certain parcels of land located in Cullman, Alabama and Sylacauga, Alabama, and the three medical office buildings located thereon, or collectively, the Iron MOB Portfolio, for an aggregate purchase price of \$31,000,000, plus closing costs.

On September 12, 2016, we entered into a First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions, or the First Amendment, with sellers and Chicago Title Insurance Company. The material terms of the First Amendment provide for: (i) our waiver of our termination rights under Section 4 of the Purchase Agreement; (ii) our election not to assume any service contracts, unless otherwise provided in the Purchase Agreement; and (iii) our right to receive a credit from sellers at closing in the amount of \$250,000 for a rental rate discrepancy and certain capital expenditures disclosed during the due diligence period.

The material terms of the amendment discussed above are qualified in their entirety by the First Amendment attached as Exhibit 10.1 to this Current Report on Form 8-K and incorporated herein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit No.	Description
10.1	First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions by and between GAHC4 Iron MOB Portfolio, LLC, Cullman POB Partners I, LLC, Cullman POB II, LLC, HCP Coosa MOB, LLC and Chicago Title Insurance Company, dated September 12, 2016.

**SIGNATURES**

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

Griffin-American Healthcare REIT IV, Inc.

*September 15, 2016*

By: /s/ Jeffrey T. Hanson

Name: *Jeffrey T. Hanson*

Title: *Chief Executive Officer*

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## Exhibit Index

Exhibit No.	Description
10.1	First Amendment to Purchase and Sale Agreement and Joint Escrow Instructions by and between GAHC4 Iron MOB Portfolio, LLC, Cullman POB Partners I, LLC, Cullman POB II, LLC, HCP Coosa MOB, LLC and Chicago Title Insurance Company, dated September 12, 2016.

**FIRST AMENDMENT TO  
PURCHASE AND SALE AGREEMENT  
AND JOINT ESCROW INSTRUCTIONS**

THIS FIRST AMENDMENT TO PURCHASE AND SALE AGREEMENT AND JOINT ESCROW INSTRUCTIONS (this “Amendment”) is made and entered into as of September 12, 2016 (the “Execution Date”), by and among GAHC4 IRON MOB PORTFOLIO, LLC, a Delaware limited liability company (“Buyer”), CULLMAN POB PARTNERS I, LLC, a Delaware limited liability company (“Cullman I”), CULLMAN POB II, LLC, a Delaware limited liability company (“Cullman II”), and HCP COOSA MOB, LLC, a Delaware limited liability company (“Coosa”), and consented to by Chicago Title Insurance Company (“Escrow Agent”). Cullman I, Cullman II and Coosa are sometimes each referred to herein as a “Seller” and are sometimes collectively referred to herein as “Sellers.”

**RECITALS**

A. WHEREAS, each of Buyer, Sellers and Escrow Agent entered into that certain Purchase and Sale Agreement and Joint Escrow Instructions dated as of August 11, 2016 (the “Agreement”), for the purchase and sale of certain real property and improvements located in Cullman, Cullman County, Alabama and Sylacauga, Talladega County, Alabama (collectively, the “Property”) under the terms and conditions as more particularly described in the Agreement; and

B. WHEREAS Buyer and Sellers desire to amend the Agreement as set forth herein.

**AGREEMENT**

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Buyer and Sellers hereby agree, and instruct Escrow Agent, as follows:

1. **Recitals and Definitions**. The foregoing Recitals are true and correct and are hereby incorporated herein by reference. All terms used herein are as defined in the Agreement unless otherwise defined in the Amendment.
2. **Diligence Waivers**. Buyer hereby waives its termination right under Section 4.1.3 of the Agreement.
3. **Review of Title and Survey**. Buyer hereby waives its termination right under clause (i) of Section 4.2.2 of the Agreement.
4. **Assumed Service Contracts**. In accordance with Section 4.4 of the Agreement, Buyer hereby elects not to assume any of the Service Contracts listed on Exhibit F-1 to the Agreement, other than the two (2) Service Contracts referenced on Exhibit F-2 of the Agreement.

5. **Amendment to Article 7.** Article 7 of the Agreement is amended to add a new Section 7.5.7 as follows:  
  
7.5.7. **CapEx and Rental Rate Credit.** Buyer shall receive a credit from Sellers at Closing in the amount of TWO HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$250,000.00) for (i) a discrepancy in the Coosa Valley rental rate, and (ii) certain necessary capital expenditures disclosed during the Due Diligence Period.
6. **Consent of the Escrow Agent.** The Escrow Agent hereby joins in the execution of this Amendment for purposes of consenting to and accepting the terms of this Amendment.
7. **Counterparts.** This Amendment may be executed in as many counterparts as may be deemed necessary and convenient, and by the different parties hereto on separate counterparts, each of which, when so executed, shall be deemed an original, but all such counterparts shall constitute one and the same instrument. Originals transmitted by facsimile or electronic mail shall be considered original in all respects.
8. **Governing Law.** This Amendment and the legal relations between the parties hereto shall be governed by and construed and enforced in accordance with the laws of the State of Alabama, without regard to its principles of conflicts of law.
9. **Entire Agreement.** The Agreement, as amended by this Amendment, including all exhibits attached and incorporated herein by reference, constitutes the entire agreement between Buyer and Sellers pertaining to the subject matter hereof and supersedes all prior discussions, agreements, understandings, letters of intent, negotiations and discussions, whether oral or written, of the parties, and there are no warranties, representations or other agreements, express or implied, made to either party by the other party in connection with the subject matter hereof except as specifically set forth in the Representation Documents.
10. **Modification; Waiver.** No supplement, modification, waiver or termination of or under this Amendment or any obligation hereunder shall be binding unless executed in writing by the party against whom enforcement is sought. No waiver of any provision of this Amendment shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided. Except as otherwise specifically set forth in this Amendment, the excuse or waiver of the performance by a party of any obligation of the other party under this Amendment shall only be effective if evidenced by a written statement signed by the party so excusing or waiving. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by Sellers or Buyer of the breach of any covenant of this Amendment shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Amendment.
11. **Binding Effect.** Subject to and without waiver of the provisions of the Agreement or otherwise, all of the rights, duties, benefits, liabilities and obligations of the parties under this Amendment shall inure to the benefit of, and be binding upon, their respective successors and assigns. Except as specifically set forth or referred to herein, nothing

herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity, other than the parties hereto and their successors or permitted assigns, any rights or remedies under or by reason of this Amendment.

12. **Miscellaneous**. All other terms and conditions of the Agreement not specifically modified or supplemented by this Amendment shall remain unchanged and in full force and effect, and the Agreement, as supplemented by this Amendment, is hereby ratified and confirmed. Capitalized terms used herein but not otherwise defined shall have the meanings assigned to them in the Agreement.

*[Remainder of Page Left Blank Intentionally]*



IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the day and year first above written.

**BUYER:**

**GAHC4 IRON MOB PORTFOLIO, LLC** , a  
Delaware limited liability company

By: **Griffin-American Healthcare REIT IV  
Holdings, LP** , a Delaware limited partnership, its  
Sole Member,

By: **Griffin-American Healthcare REIT  
IV, Inc.** , a Maryland corporation, its  
General Partner,

By: /s/ Cora Lo  
Name: Cora Lo  
Its: Secretary

**SELLERS:**

**CULLMAN POB PARTNERS, LLC** ,  
a Delaware limited liability company

By: /s/ Glenn Preston  
Name: Glenn Preston  
Title: SVP

**CULLMAN POB II, LLC** ,  
a Delaware limited liability company

By: /s/ Glenn Preston  
Name: Glenn Preston  
Title: SVP

**HCP COOSA MOB, LLC** ,  
a Delaware limited liability company

By: /s/ Glenn Preston  
Name: Glenn Preston  
Title: SVP

Signature Page to Amendment

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The undersigned Escrow Agent hereby accepts the foregoing Amendment.

**ESCROW AGENT:**

**CHICAGO TITLE INSURANCE COMPANY**

By: /s/ Neal J. Miranda

Name: Neal J. Miranda, VP & Senior Counsel

HCP-SSGA to AHI #16002033 (AL-3)

Signature Page to Amendment