

AMERICAN HEALTHCARE REIT, INC.

FORM 8-K (Current report filing)

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

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 6, 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 Reports on Form 8-K filed on June 23, 2016, July 22, 2016, August 3, 2016 and August 17, 2016, we, through GAHC4 Rochester Hills MI MOB, LLC, our wholly owned subsidiary, entered into a Real Estate Purchase Agreement and Escrow Instructions, or the Purchase Agreement, a First Amendment to Real Estate Purchase Agreement and Escrow Instructions, a Second Amendment to Real Estate Purchase Agreement and a Third Amendment to Real Estate Purchase Agreement, respectively, with 6700 N. Rochester, LLC, or seller, and Chicago Title Insurance Company, as escrow agent, for the purchase of Rochester Hills MOB, located in Rochester Hills, Michigan, for a purchase price of \$8,300,000, plus closing costs, and to amend certain terms of the Purchase Agreement.

On September 6, 2016, we entered into a Fourth Amendment to Real Estate Purchase Agreement and Escrow Instructions, or the Fourth Amendment, with seller and Chicago Title Insurance Company. The material terms of the Fourth Amendment provide: (i) for an extension of the Due Diligence Period, as defined in the Purchase Agreement, to 6:00 p.m. Eastern Daylight Time on Tuesday, September 13, 2016, with all rights under Article 3 of the Purchase Agreement available to us; (ii) for an agreement with seller to equally share the fees to be paid to American National Insurance Co., or Existing Lender, and Existing Lender's servicer, Talmer Bank & Trust, or Servicer, in the aggregate amount of \$119,935.49, or the Existing Lender and Servicer Charge; provided, however, that we shall remain responsible for the Loan Assumption Related Fees, as defined in the Purchase Agreement; provided further, however, that to the extent the Existing Lender and Servicer Charge is required to be advanced prior to the closing, we shall advance such charge and seller shall give us a credit at the closing for its one-half share of such charge; and (iii) that in the event approval of the Loan Assumption, as defined in the Purchase Agreement, cannot be obtained within 60 days of the Loan Assumption Approval Period, as defined in the Purchase Agreement, despite our best efforts and through no act, omission or requirement of us, we shall be entitled to reimbursement from seller of one-half of any portion of the Existing Lender and Servicer Charge, which we will have advanced and has not been returned by Existing Lender and Servicer upon termination of the Loan Assumption proceedings, in addition to the remedies set forth in the Purchase Agreement.

The material terms of the amendment discussed above are qualified in their entirety by the Fourth 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	Fourth Amendment to Real Estate Purchase Agreement and Escrow Instructions by and between 6700 N. Rochester, LLC, GAHC4 Rochester Hills MI MOB, LLC and Chicago Title Insurance Company, dated September 6, 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 9, 2016

By: /s/ Jeffrey T. Hanson

Name: *Jeffrey T. Hanson*

Title: *Chief Executive Officer*

Exhibit Index

Exhibit No.	Description
10.1	Fourth Amendment to Real Estate Purchase Agreement and Escrow Instructions by and between 6700 N. Rochester, LLC, GAHC4 Rochester Hills MI MOB, LLC and Chicago Title Insurance Company, dated September 6, 2016

**FOURTH AMENDMENT TO REAL ESTATE PURCHASE AGREEMENT
AND ESCROW INSTRUCTIONS**

THIS FOURTH AMENDMENT TO REAL ESTATE PURCHASE AGREEMENT AND ESCROW INSTRUCTIONS (“**Fourth Amendment**”) is made and entered into effective as of September 6, 2016, by and among **6700 N. ROCHESTER, LLC**, a Michigan limited liability company (“**Seller**”); **GAHC4 Rochester Hills MI MOB, LLC**, a Delaware limited liability company (“**Buyer**”); and **CHICAGO TITLE INSURANCE COMPANY** (“**Escrow Agent**”).

Recitals

WHEREAS, Seller and Buyer entered into that certain Real Estate Purchase Agreement and Escrow Instructions, dated as of June 20, 2016, as amended by that certain First Amendment to Real Estate Purchase Agreement and Escrow Instructions, dated as of July 19, 2016, as further amended by that certain Second Amendment to Real Estate Purchase Agreement and Escrow Instructions, dated as of August 1, 2016, as further amended by that certain Third Amendment to Real Estate Purchase Agreement and Escrow Instructions, dated August 11, 2016 (collectively, the “**Purchase Agreement**”); and

WHEREAS, Seller and Buyer seek to amend the Purchase Agreement as set forth below.

Agreement

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer hereby agree as follows:

1. Recitals. The recitals set forth above are true and correct and are hereby incorporated in their entirety. Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Purchase Agreement.

2. Due Diligence Period. Seller and Buyer have agreed to extend the Due Diligence Period to Tuesday, September 13, 2016. Accordingly, Section 3.2 of the Purchase Agreement is hereby deleted in its entirety and replaced with the following:

3.2 Due Diligence Period. Buyer shall have until 6:00 p.m. EDT on Tuesday, September 13, 2016 (the “**Due Diligence Period**”) to physically inspect the Property, review the economic data, conduct appraisals, perform examinations of the physical condition of the Improvements, conduct environmental inspections of the Property, as permitted in Section 3.1, supra, and to otherwise conduct such due diligence review of the Property and all of the items to be furnished by Seller to Buyer pursuant to Section 3.3, infra, and all records and other materials related thereto as Buyer deems appropriate.

3. Loan Assumption Related Fees. Notwithstanding anything to the contrary contained in Section 1.6 of the Purchase Agreement and notwithstanding Buyer’s obligation to pay the Loan Assumption Related Fees (as defined in Section 1.6 of the Purchase Agreement), Seller and Buyer have agreed to equally share the following fees: (i) the fee to be paid to the Existing Lender of One Hundred Thousand and No/100 Dollars (\$100,000.00); and (ii) the

fee to be paid to the Existing Lender's servicer, Talmer Bank & Trust (" **Servicer** "), of Nineteen Thousand Nine Hundred Thirty Five and 49/100 Dollars (\$19,935.49) (the aggregate fee of \$119,935.49 as recited in items (i)-(ii) shall be referred to as the " **Existing Lender and Servicer Charge** "). Excluding the Existing Lender and Servicer Charge, Buyer shall solely remain responsible for the Loan Assumption Related Fees. To the extent the Existing Lender and Servicer Charge is required to be advanced prior to Closing, Buyer shall advance the same and Seller shall give Buyer a credit at Closing for its one-half share of the Existing Lender and Servicer Charge. In the event that, despite Buyer's best efforts, full and final approval of the Loan Assumption cannot be obtained by the sixtieth (60th) day of the Loan Assumption Approval Period and provided that the failure to obtain full and final approval of the Loan Assumption is not due to any act, omission or requirement of Buyer, then in addition to the remedies set forth in Section 1.6 of the Purchase Agreement, Buyer shall be entitled to collect from Seller one-half of any portion of the Existing Lender and Servicer Charge advanced which is not returned by Existing Lender and Servicer upon termination of the pursuit of the Loan Assumption.

4. Ratifications. Except as specifically herein amended, all terms, provisions, conditions and exhibits contained in the Purchase Agreement are hereby confirmed, ratified and restated and shall remain unmodified and in full force and effect. In the event that any provision of this Fourth Amendment shall conflict with the terms, provisions, conditions, and exhibits of the Purchase Agreement, the terms of this Fourth Amendment shall govern and control.

5. Counterparts; Signatures. This Fourth Amendment may be executed in any number of counterparts and by each of the undersigned on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts when taken together shall constitute but one and the same Fourth Amendment. Signatures to this Fourth Amendment transmitted in .pdf (portable document format), via electronic mail or other electronic means shall be treated as originals in all respects for purposes of this Fourth Amendment. Seller and Buyer further agree that the acknowledgement of this Fourth Amendment by Escrow Agent is not required for this Fourth Amendment to be binding and effective as between Seller and Buyer.

6. Successors and Assigns. This Fourth Amendment shall be binding upon and shall inure to the benefit of the parties hereto and their respective successors and assigns.

{Signatures appear on the following pages}

IN WITNESS WHEREOF, the parties have executed this Fourth Amendment as of the date indicated in the preamble above.

BUYER:

GAHC4 ROCHESTER HILLS MI MOB, LLC,
a Delaware limited liability company

By: Griffin-American Healthcare REIT IV Holdings,
LP, Its Sole Member

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

By: /s/ Mathieu Streiff
Name: Mathieu Streiff
Title: Executive Vice President and
General Counsel

[*Signature Page to Fourth Amendment – Signatures Continue on Following Pages*]

SELLER:

6700 N. ROCHESTER, LLC,
a Michigan limited liability company

By: /s/ Stacy Richards

Name: Stacy Richards

Its: Member

[Signature Page to Fourth Amendment – Signatures Continue on Following Page]

The undersigned Escrow Agent acknowledges the foregoing Fourth Amendment:

CHICAGO TITLE INSURANCE COMPANY

By: /s/ Daniel Tsakonas
Name: Daniel Tsakonas
Its: Escrow Officer

[Signature Page to Fourth Amendment]