

Wade Gary L
 Form 4
 September 09, 2011

FORM 4

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

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person *
 Wade Gary L

2. Issuer Name and Ticker or Trading Symbol
 ADCARE HEALTH SYSTEMS INC
 [ADK]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction
 (Month/Day/Year)

Director 10% Owner
 Officer (give title below) Other (specify below)

4714 MERRIMONT AVENUE

08/08/2011

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)

SPRINGFIELD, OH 45503

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)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Price		
Common Stock	08/08/2011		G ⁽¹⁾	27,000	D \$ 0	178,240	D
Common Stock	08/29/2011		C	3,150	A \$ 2.38	181,390	D
Common Stock	09/01/2011		D	21,120	D \$ 4.97	160,270	D
Common Stock	09/01/2011		C	42,000	A \$ 2.38	202,270	D

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
						Date Exercisable	Expiration Date		
Warrants	\$ 2.5	08/29/2011		X ⁽²⁾	3,000	11/06/2006	12/08/2014	Common Stock	3,150 ⁽³⁾
Warrants	\$ 2.5	09/01/2011		X	40,000	01/31/2005	09/01/2011	Common Shares	42,000 ⁽³⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Wade Gary L 4714 MERRIMONT AVENUE SPRINGFIELD, OH 45503		X		

Signatures

Gary Wade by Carol Groeber power of attorney
09/09/2011

__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).
- (1) 27,000 shares were transferred to Mr. Wade's five children.
- (2) Warrants were called by the Company.
- (3) Warrants were subject to a 5% stock dividend given by the Company September 30, 2010.

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.