

Brogdon Christopher F  
 Form 4  
 January 27, 2010

**FORM 4**

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

OMB APPROVAL

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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).

**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 \*  
 Brogdon Christopher F

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)

593 ATLANTA STREET

01/26/2010

(Street)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

ROSWELL, GA 30075

(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. Transaction Code (Instr. 8) | 4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4)        |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|--|
|                                 |                                      |  | Code                           | V Amount (A) or (D) Price   |   |  |  |
| Common Stock                    | 01/26/2010                           |  | P                              | 700 A \$ 3.95   | 304,841   | I  | By spouse                                |
| Common Stock                    |                                      |  |                                |   | 16,500  | I  | By spouse as UGMA custodian for daughter |
| Common Stock                    |                                      |  |                                |   | 78,561  | 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 |                                      | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|------------------------------------|--------------------------------------|--|---|-------------------------------|
|  |  |                                      |  |                                | (A) Acquired                       | (D) Disposed of (Instr. 3, 4, and 5) |  |   |                               |
| Warrant                                    | \$ 2.5   | 01/26/2010                           |  | P                              | 1,900                              |                                      | (1) 12/07/2014   | Common Stock  | 1,900                         |
| Warrant                                    | \$ 2.5   | 01/27/2010                           |  | P                              | 200                                |                                      | (1) 12/07/2014   | Common Stock  | 200                           |
| Warrant                                    | \$ 2.5   |                                      |  |                                |                                    |                                      | (1) 12/07/2014   | Common Stock  | 113,900                       |
| Warrant                                    | \$ 2.5   |                                      |  |                                |                                    |                                      | (1) 12/07/2014   | Common Stock  | 85,392                        |

## Reporting Owners

| Reporting Owner Name / Address                                   | Relationships |           |         |       |
|--|---------------|-----------|---------|-------|
|  | Director      | 10% Owner | Officer | Other |
| Brogdon Christopher F<br>593 ATLANTA STREET<br>ROSWELL, GA 30075 | X             | X         |         |       |

## Signatures

/s/ Christopher F.  
Brogdon  
01/28/2010  
Date

\*\*Signature of Reporting  
Person

## 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) The Warrants are currently exercisable.

### Remarks:

See attached footnote page.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.  
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