



**Part II Organizational Action** *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_  
Internal Revenue Code §301(c)(2) provides that the portion of the common stock distribution which is not a dividend shall be applied against and reduce the adjusted basis of the shares.

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**18** Can any resulting loss be recognized? ▶ No tax loss is recognized by stockholders as a result of receiving the distribution payments.

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**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_  
These actions are effective on the dates of distribution identified above.

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

**Sign Here**  
Signature ▶ /s/ Brian S. Peay Date ▶ January 15, 2019

<b>Paid Preparer Use Only</b>	Print your name ▶ <u>Brian S. Peay</u>	Preparer's signature	Title ▶ <u>Chief Financial Officer</u>	Check <input type="checkbox"/> if self-employed	PTIN
	Print/Type preparer's name		Date		
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

**Griffin-American Healthcare REIT III, Inc.**  
**EIN: 46-1749436**  
**Form 8937**

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PART II, Question 15: Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis.

The distributions reduced the basis of the security as follows:

<u>Record Date</u>	<u>Distribution Payable Date</u>	<u>Distribution Per Share Per Day</u>	<u>Per Share Per Day Reduction of Basis</u>
December 1 - 31, 2017	1/2/2018	\$ 0.001643836	\$ 0.001189757
January 1 - 31, 2018	2/1/2018	\$ 0.001643836	\$ 0.001189757
February 1 - 28, 2018	3/1/2018	\$ 0.001643836	\$ 0.001189757
March 1 - 31, 2018	4/2/2018	\$ 0.001643836	\$ 0.001189757
April 1 - 30, 2018	5/1/2018	\$ 0.001643836	\$ 0.001189757
May 1 - 31, 2018	6/1/2018	\$ 0.001643836	\$ 0.001189757
June 1 - 30, 2018	7/2/2018	\$ 0.001643836	\$ 0.001189757
July 1 - 31, 2018	8/1/2018	\$ 0.001643836	\$ 0.001189757
August 1 - 31, 2018	9/4/2018	\$ 0.001643836	\$ 0.001189757
September 1 - 30, 2018	10/1/2018	\$ 0.001643836	\$ 0.001189757
October 1 - 31, 2018	11/1/2018	\$ 0.001643836	\$ 0.001189757
November 1 - 30, 2018	12/3/2018	\$ 0.001643836	\$ 0.001189757