

BOSTON OMAHA CORP

FORM 8-K (Current report filing)

Filed 03/06/18 for the Period Ending 03/06/18

Address	1411 HARNEY ST. SUITE 200 OMAHA, NE, 68102
Telephone	857-256-0079
CIK	0001494582
Symbol	BOMN
SIC Code	6510 - Real Estate Operators (No Developers) and Lessors
Industry	Advertising & Marketing
Sector	Consumer Cyclical
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): March 6, 2018

BOSTON OMAHA CORPORATION (formerly known as REO PLUS, INC.)
(Exact name of registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
Incorporation)

001-38113
(Commission File Number)

27-0788438
(IRS Employer Identification Number)

(Address and telephone number of principal executive offices, including zip code)

1411 Harney St., Suite 200
Omaha, Nebraska 68102

(857) 256-0079

(Former name or address, if changed since last report)
Not Applicable

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of Registrant under any of the following provisions (see General Instruction A.2. below):

- 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))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

ITEM 1.01 ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT

On March 6, 2018, Boston Omaha Corporation (the “Company”) completed the initial closing of its previously announced sale of Class A common stock, issuing 3,300,000 shares of Class A common stock. The Company received \$76,890,000 in gross proceeds from the sale of the Class A common stock (the “Initial Closing”). A second closing, expected in May 2018, is subject to the receipt of stockholder approval to authorize additional shares and certain regulatory approvals. The second closing is anticipated to raise approximately \$73,110,000 in gross proceeds from the sale of 3,137,768 shares of Class A common stock.

On February 22, 2018 the Company entered into that certain Class A Common Stock Purchase Agreement (the “Purchase Agreement”), by and among the Company and certain purchasers thereto (collectively, the “Purchasers”) and filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 26, 2018. In connection with the Initial Closing, the Company and the Purchasers also entered into a Registration Rights Agreement in the form attached as Annex I to the Purchase Agreement (the “Registration Rights Agreement”), and the Company granted the Purchasers the right to appoint up to two board observers in a letter agreement in the form attached as Annex II to the Purchase Agreement (the “Board Observer Letter”).

The foregoing description of the Purchase Agreement, the Registration Rights Agreement, and the Board Observer Letter are not complete and are qualified in their entirety by reference to the full text of the Purchase Agreement and the Annexes thereto, a copy of which was filed as Exhibit 10.1 to the Company’s Current Report on Form 8-K filed with the Securities and Exchange Commission on February 26, 2018 and are incorporated herein by reference.

This Current Report on Form 8-K shall not constitute an offer to sell or the solicitation of an offer to buy the securities discussed herein, nor shall there be any offer, solicitation, or sale of the securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state.

ITEM 3.02 UNREGISTERED SALES OF EQUITY SECURITIES

The information contained in Item 1.01 is incorporated herein by reference.

As described in Item 1.01, on March 6, 2018, the Company issued and sold to the Purchasers, 3,300,000 shares of Class A common stock for an aggregate purchase price of \$76,890,000, or \$23.30 per share, pursuant to the Purchase Agreement. This issuance and sale is exempt from registration under the Securities Act of 1933, as amended (the “Securities Act”), pursuant to Section 4(a)(2) thereof. The Purchasers represented to the Company that each is an “accredited investor” as defined in Rule 501 of the Securities Act and that the Class A common stock is being acquired for investment purposes with no intention to distribute.

ITEM 8.01 OTHER ITEMS

On March 6, 2018, the Company issued a press release entitled “Boston Omaha Corporation Announces Sale of 3,300,000 Shares of Class A Common Stock Pursuant to the Recent Purchase Agreement.” The full text of the press release is attached to this Current Report on Form 8-K as Exhibit 99.1, and is incorporated herein by reference.

FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements. Forward-looking statements use words such as “expect,” “anticipate,” “outlook,” “intend,” “believe,” “will,” “should,” “would,” “could” and words of similar meaning. Statements regarding the second closing investment by the Purchasers and statements that do not relate to historical or current fact, are examples of forward-looking statements. These forward-looking statements are based on the Company’s current assumptions, expectations and beliefs and involve substantial risks and uncertainties that may cause results, performance or achievement to materially differ from those expressed or implied by these forward-looking statements. Forward-looking statements are not guarantees of future performance, and there are a number of important factors that could cause actual outcomes and results to differ materially from the results contemplated by such forward-looking statements, including factors relating to the successful second closing of the investment by the Purchasers and achievement of its potential benefits. Further information on risks and uncertainties affecting the Company’s business are described in the Company’s filings with the Securities and Exchange Commission (the “SEC”), including under the headings “*Risk Factors*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2016 filed with the SEC on March 24, 2017, and amended on April 5, 2017 and in any of the Company’s subsequently filed Form 10-Qs. Any forward-looking statement speaks only as of the date which it is made. The Company does not undertake any obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(d) Exhibits. The Exhibit Index set forth below is incorporated herein by reference.

EXHIBIT INDEX

<u>Exhibit Number</u>	<u>Exhibit Title</u>
99.1	<u>Press release, dated March 6, 2018, titled “Boston Omaha Corporation Announces Sale of 3,300,000 Shares of Class A Common Stock Pursuant to the Recent Purchase Agreement.”</u>

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.

BOSTON OMAHA CORPORATION
(Registrant)

By: /s/ Adam K. Peterson
Adam K. Peterson,
Co-Chief Executive Officer

Date: March 6, 2018

Boston Omaha Corporation Announces Sale of 3,300,000 Shares of Class A Common Stock Pursuant to the Recent Purchase Agreement

March 6 , 2018 08:32 AM Eastern Standard Time

OMAHA, Neb.--(BUSINESS WIRE)--Today Boston Omaha Corporation (NASDAQ:BOMN) (the “Company”) issued and sold 3,300,000 shares of Class A Common Stock for an aggregate purchase price of \$76,890,000, or \$23.30 per share, pursuant to the Purchase Agreement among the Company and certain purchasers (the “Purchasers”) dated February 22, 2018. The Purchase Agreement is for the sale of up to \$150,000,000 of unregistered Class A Common Stock with all shares being sold at \$23.30 per share . After today, the remaining 3,137,768 shares are expected to be issued following expiration of any regulatory waiting periods and the authorization by Company shareholders at a special meeting of shareholders scheduled to be held on May 4, 2018 at which the Company will propose to increase the Company’s authorized shares of Class A Common Stock from 18,838,884 to 38,838,884 shares.

The Purchasers include three limited partnerships, two of which are managed by The Magnolia Group, LLC as their general partner. Boulderado Group, LLC serves as the general partner of the third partnership. The shares being purchased under this private placement are in addition to both shares of Class A Common Stock and Class B Common Stock owned by different investment partnerships managed by Magnolia Group, LLC and Boulderado Group, LLC, which share ownership remains unchanged. The transaction was approved by a special committee of the Company’s Board of Directors with the advice of independent legal counsel and an independent investment banking firm which provided a fairness opinion to the special committee.

The Company expects to use the proceeds of the stock sale for further acquisition of business es to be owned by its wholly-owned subsidiaries, Link Media Outdoor and General Indemnity Group. In addition, the company may expand its investment in certain currently existing minority holdings in Logic Commercial Real Estate and Dream Finders Homes, as well as potential new acquisitions and other investment opportunities.

The s subsequent closing contemplated by the agreement is subject to customary closing conditions, including antitrust approval, and is expected to close in May 2018.

Additional information relating to this investment may be found in the Form 8-K that will be filed by the Company with the U.S. Securities and Exchange Commission.

The Company ’s Class A Common Stock sold in this offering has not been registered under the Securities Act of 1933, as amended (the “Securities Act”). Accordingly, these securities may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Securities Act.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy the Company's Class A Common Stock.

About Boston Omaha Corporation

Boston Omaha Corporation is a public company primarily engaged in several lines of business, including outdoor advertising and surety insurance, and also maintains investments in commercial real estate and residential homebuilding businesses.

Forward-Looking Statements

Any statements in this press release about the Company's future expectations, plans and prospects, including statements about our financing strategy, future operations, future financial position and results, market growth, total revenue, as well as other statements containing the words "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "potential," "predict," "project," "should," "target," "will," or "would" and similar expressions, constitute forward-looking statements within the meaning of the safe harbor provisions of The Private Securities Litigation Reform Act of 1995. The Company may not actually achieve the plans, intentions or expectations disclosed in the Company's forward-looking statements, and you should not place undue reliance on the Company's forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements the Company make as a result of a variety of risks and uncertainties, including risks related to the Company's estimates regarding the potential market opportunity for the Company's current and future products and services, the Company's expectations regarding the Company's sales, expenses, gross margins and other results of operations, and the other risks and uncertainties described in the "Risk Factors" sections of the Company's public filings with the Securities and Exchange Commission. In addition, the forward-looking statements included in this press release represent the Company's views as of the date hereof. The Company anticipates that subsequent events and developments may cause the Company's views to change. However, while the Company may elect to update these forward-looking statements at some point in the future, the Company specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing the Company's views as of any date subsequent to the date hereof.

Contacts

Boston Omaha Corporation
Catherine Vaughan, 617-875-8911
cathy@bostonomaha.com