

# BOSTON OMAHA CORP

## FORM 8-K (Current report filing)

Filed 05/27/20 for the Period Ending 05/27/20

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): May 27, 2020 (May 27, 2020)

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

Securities registered under Section 12(b) of the Exchange Act:

Title of Class	Trading Symbol	Name of Exchange on Which Registered
Class A common stock, \$0.001 par value per share	BOMN	The Nasdaq Stock Market LLC (NASDAQ Capital Market)

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.

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## ITEM 8.01 OTHER EVENTS

- (a) On May 27, 2020, Boston Omaha Corporation (the “Company”) issued a press release announcing its intent to commence an underwritten public offering. A copy of this press release is attached to this Current Report on Form 8-K as Exhibit 99.1 and is incorporated herein by reference.
- (b) In connection with the proposed public offering described above, the Company updated its risk factor describing the impact of the recent COVID-19 pandemic with the disclosure below and supplementing the risk factors described in Item 1A Risk Factors of its Annual Report on Form 10-K for the fiscal year ended December 31, 2019 and its Form 8-K as filed with the Commission on April 13, 2020 (the “Periodic Reports”). The information in this Current Report on Form 8-K, including the risk factor disclosure below, should be read in conjunction with the other risk factors described in the Periodic Reports.

***“The current outbreak of the novel coronavirus, or COVID-19, has had an adverse effect, and may in the future have a material adverse effect, on our business, financial performance and condition, operating results, cash flows and prospects. Further, the spread of the COVID-19 outbreak has caused severe disruptions in the U.S. and global economy and financial markets and could potentially create widespread business continuity issues of an as yet unknown magnitude and duration.*”**

In December 2019, a novel strain of coronavirus (COVID-19) was reported to have surfaced in Wuhan, China. COVID-19 has since spread globally, including to every state in the United States. On March 11, 2020, the World Health Organization declared COVID-19 a pandemic, and on March 13, 2020, the United States declared a national emergency with respect to COVID-19.

The outbreak of COVID-19 has severely impacted global economic activity and caused significant volatility and negative pressure in financial markets. The global impact of the outbreak has been rapidly evolving and many countries, including the United States, have reacted by instituting a wide variety of control measures, including states of emergency, mandatory quarantines and required business and school closures, as well as implementing "shelter in place" orders and restricting travel. The outbreak has triggered a period of material global economic slowdown and dramatic increases in unemployment rates, and many experts consider the global economy to be in recession.

As described under “Recent Developments – Impact of the COVID-19 Pandemic on our Business” under the heading “Prospectus Supplement Summary” in this prospectus supplement, COVID-19 has disrupted our business and had an adverse effect on our business, financial performance and condition, operating results and cash flows, and may in the future have a material adverse effect and cause disruption to our business, financial performance and condition, operating results, cash flows and prospects. Factors that have negatively impacted our ability to successfully operate during COVID-19 include:

- Lessened demand for billboards, surety insurance and internet delivery to homes and businesses may materially impact our revenues;
  - Anticipated material increases in claims by landlords due to defaults by tenants on surety bonds we issued and increased reserves for losses due to the adverse changes in the economy;
  - Our suspension in issuing rental surety bonds, which accounted for 51% of our written premium in the quarter ended March 31, 2020;
  - Decrease in the market value of our investments in publicly-held securities, which was \$59.6 million as of March 31, 2020 and reflects an unrealized loss of \$24.7 million in the quarter ended March 31, 2020;
  - Anticipated decreases in revenues and operating income of our minority ownership investments, and any operating losses incurred by our investments in Logic and DFH would be incurred as a non-operating expense on our income statement and would be significant;
  - Certain accounts receivable in our business may be more difficult to collect during the pandemic and thereafter;
  - The risk of loss of the continued service and availability of personnel, including our management, and our ability to recruit, attract and retain skilled personnel;
  - Our ability to ensure business continuity may be adversely affected if our continuity of operations plan is not effective or improperly implemented or deployed during a disruption; and
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- We may experience difficulty accessing debt and equity capital on attractive terms, or at all, which may affect our access to capital necessary to fund business operations, delay or prevent future acquisitions and adversely affect our ability to address maturing liabilities.

The outbreak of COVID-19 has had an adverse effect, and may in the future have a material adverse effect, on our business, financial performance and condition, operating results, cash flows and prospects. However, the significance, extent and duration of such impact remain largely uncertain and dependent on future developments that cannot be accurately predicted at this time, such as the continued severity, duration, transmission rate and geographic spread of COVID-19 in the United States and other regions in which we operate, the extent and effectiveness of the containment measures taken, and the response of the overall economy, the financial markets and the population, particularly in areas in which we operate, once the current containment measures are lifted.

The rapid development and fluidity of this situation preclude any prediction as to the ultimate adverse impact of COVID-19. As a result, we cannot provide an estimate of the overall impact of the COVID-19 pandemic on our business. Nevertheless, COVID-19 presents material uncertainty and risk with respect to our business, financial performance and condition, operating results and cash flows.”

- (c) Subsequent to March 31, 2020, the Company has sold an additional 40,455 shares of its Class A common stock sold in its at the market offering program.

**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>
<a href="#">99.1</a>	<a href="#">Press Release issued by Boston Omaha Corporation on May 27, 2020</a>

**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/ Joshua P. Weisenburger  
Joshua P. Weisenburger,  
Chief Financial Officer

Date: May 27, 2020

**BOSTON OMAHA CORPORATION ANNOUNCES**  
**PROPOSED PUBLIC OFFERING OF CLASS A COMMON STOCK**

Omaha, Nebraska, May 27, 2020 – Boston Omaha Corporation (NASDAQ: BOMN) (“Boston Omaha” or the “Company”) today announced the launch of a proposed public offering of \$50 million of its shares of Class A common stock. All of the shares will be offered by Boston Omaha. Boston Omaha also expects to grant the underwriters a 30-day option to purchase up to \$7.5 million of additional shares of its Class A common stock.

Wells Fargo Securities and Cowen are acting as joint lead book-running managers for the proposed offering.

Boston Omaha is raising capital to fund the expansion of its recently acquired fiber-to-the-home broadband telecommunication business, to grow its Link billboard business through the acquisitions of additional billboard businesses, and for general corporate purposes. We have no current agreements, commitments or understandings for any specific acquisitions at this time.

A shelf registration statement on Form S-3 relating to the securities being sold in this offering was declared effective by the Securities and Exchange Commission (the “SEC”) on February 9, 2018. Before you invest, you should read the prospectus in the registration statement and related preliminary prospectus supplement that Boston Omaha will file with the SEC for more complete information about Boston Omaha and this offering. An electronic copy of the preliminary prospectus supplement and accompanying prospectus relating to the offering will be available on the SEC website at [www.sec.gov](http://www.sec.gov). Copies of the preliminary prospectus supplement and accompanying prospectus relating to the offering may also be obtained, when available, by visiting the SEC website at [www.sec.gov](http://www.sec.gov) or from Well Fargo Securities, LLC, Attention: Equity Syndicate Department, 500 West 33rd Street, New York, New York 10001, toll-free at (800) 326-5897 or email a request to [cmclientsupport@wellsfargo.com](mailto:cmclientsupport@wellsfargo.com), or from Cowen and Company, LLC c/o Broadridge Financial Solutions, 1155 Long Island Avenue, Edgewood, NY, 11717, Attn: Prospectus Department, by email at [PostSaleManualRequests@broadridge.com](mailto:PostSaleManualRequests@broadridge.com) or by telephone at (833) 297-2926.

This press release shall not constitute an offer to sell or a solicitation of an offer to buy any securities of Boston Omaha, nor shall there be any sale of securities in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

#### **About Boston Omaha Corporation**

Boston Omaha Corporation is a public holding company with three majority owned businesses engaged in outdoor advertising, surety insurance and broadband telecommunications services. The Company also maintains minority investments in a bank, a national residential homebuilder and commercial real estate services 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 SEC. Copies of our SEC filings are available on our website at [www.bostonomaha.com](http://www.bostonomaha.com). 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 disclaims 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:**

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