

SECURITIES AND EXCHANGE COMMISSION

FORM 8-K

Current report filing

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ALRENCO INC

CIK: **1003521** | IRS No.: **351480655** | State of Incorporation: **IN** | Fiscal Year End: **1231**
Type: **8-K** | Act: **34** | File No.: **000-27490** | Film No.: **96620762**
SIC: **7359** Equipment rental & leasing, nec

Mailing Address

P O BOX 85

NEW ALBANY IN 47151-0085

Business Address

P O BOX 85

NEW ALBANY IN 47151-0085

8129493370

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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):
August 9, 1996

ALRENCO, INC.
(Exact name of registrant as specified in its charter)

Indiana	0-27490	35-1480655
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

1736 E. Main Street, New Albany, Indiana	47150
(Address of principal executive offices)	(Zip Code)

(812) 949-3370
(Registrant's telephone number, including area code)

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

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Item 2. Acquisition or Disposition of Assets.

On August 9, 1996 (the "Closing Date"), pursuant to separate Stock Purchase Agreements of the same date (the "Agreements"), Alrenco, Inc. ("Alrenco"), in a transaction that was effective on August 1, 1996 (the "Effective Date"), acquired all of the outstanding shares of common stock of Network Rental, Inc., a Georgia corporation ("Network Rental"), from Perry J. McNeal and the Vyrdilee Brooks McNeal Scholarship Fund Charitable Remainder Trust for \$5.7 million, subject to post-closing adjustments for certain assumed liabilities and transferred assets (the "Purchase Price"). The Purchase Price was determined based upon a multiple of revenue of Network Rental. The Purchase Price was paid in cash on the Closing Date, which Alrenco funded through a borrowing under its existing credit facility with Star Bank, N.A.

Network Rental operates 14 rental-purchase stores in the Atlanta, Georgia area. These stores generally offer durable consumer goods such as televisions, video cassette recorders, stereos, refrigerators, appliances, furniture and accessories, to individuals under flexible rental-purchase arrangements.

Pursuant to the Agreements, Perry J. McNeal entered into a Noncompetition Agreement with Alrenco. The Noncompetition Agreement, among other things, prohibits Perry J. McNeal from competing with Alrenco or an affiliated company until August 9, 2001.

No material relationships existed between Network Rental, Perry J. McNeal, the Vyrdilee Brooks McNeal Scholarship Fund Charitable Remainder Trust or any other affiliate of Network Rental and Alrenco or any director or officer of Alrenco.

Item 7. Financial Statements and Exhibits.

(a) Financial Statements.

None of the financial statements of Network Rental required by this Item are currently available. All of such financial statements will be filed as an amendment to this report within 60 days after the required filing date of this report.

(b) Pro Forma Financial Information.

The pro forma financial information relating to the

transaction described in Item 2 above will be filed as an amendment to this report within 60 days after the required filing date for this report.

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(c) Exhibits.

The following exhibits are filed as a part of this report:

Exhibit Number -----	Description of Exhibit -----
2.1*	-- Stock Purchase Agreement, dated August 9, 1996, by and between Perry J. McNeal and Alrenco, Inc.
2.2*	-- Stock Purchase Agreement, dated August 9, 1996, by and between Vyrdilee Brooks McNeal Scholarship Fund Charitable Remainder Trust, Network Rental, Inc. and Alrenco, Inc.
2.3*	-- Noncompetition Agreement, dated August 9, 1996, by and between Perry J. McNeal and Alrenco, Inc.

* To be filed by amendment.

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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.

Dated: August 26, 1996

ALRENCO, INC.

By: /s/ Theodore H. Wilson

Theodore H. Wilson
Executive Vice President and
Chief Financial Officer

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