

AVALON HOLDINGS CORP  
Form 8-K  
October 24, 2006

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, DC 20549

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) October 23, 2006

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**AVALON HOLDINGS CORPORATION**

(Exact Name of Registrant as Specified in its Charter)

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**Ohio**  
(State or Other Jurisdiction  
of Incorporation)

**1-14105**  
(Commission File  
Number)

**34-1863889**  
(IRS Employer  
Identification No.)

**One American Way, Warren, Ohio 44484**

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(330) 856-8800**

(Former name and address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- .. 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)

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- “ 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 240.13e4(c))
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AVALON HOLDINGS CORPORATION

Cross Reference Sheet showing location in Current Report of Information Required Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

|           | <b>Current Report Item</b>  | <b>Caption in<br/>Current Report</b> |
|-----------|---|--------------------------------------|
| Section 1 | Registrant's Business and Operations  |                                      |
| Item 1.01 | Entry Into a Material Definitive Agreement  | Not Applicable                       |
| Item 1.02 | Termination of a Material Definitive Agreement  | Not Applicable                       |
| Item 1.03 | Bankruptcy or Receivership  | Not Applicable                       |
| Section 2 | Financial Information   |                                      |
| Item 2.01 | Completion of Acquisition or Disposition of Assets  | Not Applicable                       |
| Item 2.02 | Results of Operations and Financial Condition   | Not Applicable                       |
| Item 2.03 | Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant                   | Not Applicable                       |
| Item 2.04 | Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement | Not Applicable                       |
| Item 2.05 | Costs Associated with Exit or Disposal Activities   | Not Applicable                       |
| Item 2.06 | Material Impairments  | Not Applicable                       |
| Section 3 | Securities and Trading Markets  |                                      |
| Item 3.01 | Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing                                 | Not Applicable                       |
| Item 3.02 | Unregistered Sales of Equity Securities   | Not Applicable                       |
| Item 3.03 | Material Modification to Rights of Security Holders   | Not Applicable                       |
| Section 4 | Matters Related to Accountants and Financial Statements   |                                      |
| Item 4.01 | Changes in Registrant's Certifying Accountant   | Not Applicable                       |
| Item 4.02 | Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review                        | Not Applicable                       |
| Section 5 | Corporate Governance and Management   |                                      |
| Item 5.01 | Changes in Control of Registrant  | Not Applicable                       |
| Item 5.02 | Departure of Directors or Principal Officers; Election of Directors; Appointment of Principal Officers                              | Not Applicable                       |
| Item 5.03 | Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year  | Not Applicable                       |
| Item 5.04 | Temporary Suspension of Trading Under Registrant's Employee Benefit Plans   | Not Applicable                       |
| Item 5.05 | Amendments to the Registrant's Code of Ethics, or Waiver of a Provision of the Code of Ethics                                       | Not Applicable                       |

| <b>Current Report Item</b> |  | <b>Caption in<br/>Current Report</b>                                   |
|----------------------------|--|--|
| Section 6                  | [Reserved]   |  |
| Section 7<br>Item 7.01     | Regulation FD<br>Regulation RD Disclosure                              | Not Applicable   |
| Section 8<br>Item 8.01     | Other Events<br>Other Events   | Avalon<br>Completes<br>Acquisition of<br>Sharon Country<br>Club Assets |
| Section 9<br>Item 9.01     | Financial Statements and Exhibits<br>Financial Statements and Exhibits | Not Applicable   |

**ITEM 8.01 Avalon Completes Acquisition of Sharon Country Club Assets.**

On October 23, 2006, Avalon Holdings Corporation ( Avalon ) completed the acquisition of the Sharon Country Club assets for approximately \$1 million in cash and the assumption of certain leases and accounts payable. The primary assets of the Sharon Country Club include the golf course and clubhouse. The Sharon Country Club is located in Sharon, Pennsylvania which is approximately 25 miles from the corporate headquarters of Avalon.

Avalon intends to operate the Sharon Country Club facilities as part of its Avalon Golf and Country Club. Avalon also plans to renovate the clubhouse and construct additional banquet and recreational facilities. Such renovation and construction is expected to cost between \$5 million and \$6 million and is expected to be completed in the second quarter of 2007.

Avalon Holdings Corporation provides waste management services to industrial, commercial, municipal and governmental customers in selected northeastern and midwestern U.S. markets. Avalon Holdings Corporation also owns the Avalon Golf and Country Club which operates two golf courses and related facilities.

**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.

AVALON HOLDINGS CORPORATION

(Registrant)

/s/ Timothy C. Coxson

**By:**

**Timothy C. Coxson**  
**Chief Financial Officer and Treasurer**

DATED: October 24, 2006