

SECURITIES AND EXCHANGE COMMISSION

FORM DEFC14A

Definitive proxy statement in connection with contested solicitations

Filing Date: **1994-04-11**
SEC Accession No. **0000950117-94-000080**

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SUBJECT COMPANY

AMERICAN INDUSTRIAL PROPERTIES REIT INC

CIK: **778437** | IRS No.: **756335572** | State of Incorporation: **MD** | Fiscal Year End: **1231**
Type: **DEFC14A** | Act: **34** | File No.: **001-09016** | Film No.: **94522166**
SIC: **6798** Real estate investment trusts

Mailing Address
*6220 N BELTLINE ROAD
SUITE 205
IRVING TX 75063*

Business Address
*6220 N BELTLINE STE 205
2001 ROSS AVE
IRVING TX 75063
2145506053*

FILED BY

AMERICAN HOLDINGS INC /DE/

CIK: **356446** | IRS No.: **953419191** | State of Incorporation: **DE** | Fiscal Year End: **1231**
Type: **DEFC14A**
SIC: **9995** Non-operating establishments

Mailing Address
*P O BOX 74
376 MAIN STREET
BEDMINSTER NJ 07921*

Business Address
*P O BOX 74
376 MAIN STREET
BEDMINSTER NJ 07921
9082349220*

SCHEDULE 14A INFORMATION
PROXY STATEMENT PURSUANT TO SECTION 14(A)
OF THE SECURITIES EXCHANGE ACT OF 1934

Filed by the Registrant []
Filed by a Party other than the Registrant [x]

Check the appropriate box:

- [] Preliminary Proxy Statement
[X] Definitive Proxy Statement
[] Definitive Additional Materials
[] Soliciting Material Pursuant to SS240.14a-11(c) or SS240.14a-12

AMERICAN INDUSTRIAL PROPERTIES REIT
(NAME OF REGISTRANT AS SPECIFIED IN ITS CHARTER)

AMERICAN HOLDINGS, INC.
(NAME OF PERSON(S) FILING PROXY STATEMENT)

Payment of Filing Fee (Check the appropriate box):

- [] \$125 per Exchange Act Rules 0-11(c)(1)(ii), 14a-6(i)(1), or 14a-6(i)(2).
[X] \$125 FEE PAID WITH FILING OF PRELIMINARY MATERIAL
[] \$500 per each party to the controversy pursuant to Exchange Act Rule
14a-6(i)(3).
[] Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

- (1) Title of each class of securities to which transaction applies:
(2) Aggregate number of securities to which transaction applies:
(3) Per unit price or other underlying value of transaction computed pursuant to
Exchange Act Rule 0-11.1
(4) Proposed maximum aggregate value of transaction:

- -----
1 Set forth the amount on which the filing fee is calculated and state how it
was determined.

- [] Check box if any part of the fee is offset as provided by Exchange Act Rule
0-11(a)(2) and identify the filing for which the offsetting fee was paid
previously. Identify the previous filing by registration statement number,
or the Form or Schedule and the date of its filing.

- (1) Amount Previously Paid:
(2) Form, Schedule or Registration Statement No.:
(3) Filing Party:
(4) Date Filed:

AMERICAN HOLDINGS, INC. ('AMHOLD')*
(A PUBLIC CORPORATION LISTED ON NASDAQ ENGAGED IN REAL ESTATE RELATED ASSET
MANAGEMENT)

INFORMATION ABOUT THE SPECIAL MEETING OF
AMERICAN INDUSTRIAL PROPERTIES REIT (THE 'TRUST')
AND THE TRUST'S PROXY STATEMENT

This Proxy Statement and the enclosed proxy card is being sent on or about
April 4, 1994, in connection with the special meeting being held by American
Industrial Properties REIT at 9:00 a.m., Dallas time, May 10, 1994 at Texas
Commerce Tower, East Room -- 40th Floor, 2200 Ross Avenue, Dallas, Texas 75201

(the 'Meeting'). At the Meeting, the Trust's management is presenting for shareholder approval a proposal to merge the Trust with a recently organized Maryland corporation. In reliance on Rule 14a-5(c) of the Securities and Exchange Act of 1934**, reference is made to the proxy statement dated March 25, 1994 which was sent to each of you by the Trust for a full description of the Merger and the exchange offer contemplated thereby, as well as information with respect to the number of shares eligible to vote at the Meeting, dissenter's rights, the record date, the securities ownership of the Trust and the Trust's financial statements.

DEAR FELLOW SHAREHOLDERS:

We own over 7% of the Trust's shares making us the Trust's single largest shareholder. At the Meeting, the management of the Trust is seeking shareholder approval to merge the Trust into a corporate shell recently organized in Maryland (the 'Merger'). We believe that the Merger will impair the value of your and our investment in the Trust and we urge you to join us and VOTE NO!

WARNING!

The Merger, if approved, would impose numerous restrictions on any potential change in control such as staggered terms in the election of the directors, golden parachutes***, and the supermajority voting provision of Maryland corporate law. We believe these restrictions will result in the loss of any potential control premium for your shares. Also in the Merger, shareholders will suffer a 1 for 5 reverse stock split which we think will expose shareholders to further dilution in the future.

In contrast to the potential detriment to share value, management has awarded itself significant severance packages often called 'golden parachutes' and options to acquire 10% of the shares to be outstanding after the Merger. We believe that the anti-takeover provisions, the golden parachutes and the potential dilution from the reverse stock split do not serve the best interests of shareholders.

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* Additional information about AmHold, the names of its officers, directors and controlling stockholders and their ownership interests are presented on Schedule I of this Statement.

** Rule 14a-5(c) provides that 'any information contained in any other proxy soliciting material which has been furnished to each person solicited in connection with the same meeting or subject matter may be omitted from the proxy statement, if a clear reference is made to the particular document containing such information.'

*** These golden parachutes provide that three executives of the Trust will each receive one times the average annual compensation received by such employee during each of the preceding five calendar years or the period of their employment, whichever is shorter, in the event of a change in control. No amounts currently have accrued under this severance package.

But just don't take our word for it, here are some of management's descriptions of the potential negative effects of the Merger which are quoted directly from Management's proxy statement.

'Certain provisions of the Company's Articles of Incorporation may have the effect of discouraging a third party from making an acquisition proposal to the Company and may thereby inhibit a change in control . . . under circumstances that could give [stockholders] the opportunity to realize a premium over the then prevailing market price.'

'Furthermore, the ability of the Company's stockholders to effect a change in management control . . . would be substantially impeded by such anti-takeover provisions.'

'The staggered terms for directors may affect the ability of stockholders to effect a change in control of the Company even if a change of control were in the stockholders best interests.' [emphasis added]

'The issuance of Preferred Stock could have the effect of delaying or preventing a change in control of the Company even if a change in control were in the best interests of the stockholders.' [emphasis added] No shares of Preferred Stock will be issued or outstanding upon consummation

of the Merger.

'Certain provisions of [Maryland Corporate Law] regarding business combinations require approval of the holders of 80% of the outstanding voting shares of the Company. These statutory provisions may discourage a change in control and limit the opportunity for stockholders to receive a premium over the then current market prices.'

DON'T BE FOOLED!

We believe that the Merger is nothing more than a bold attempt by management to entrench itself and to usurp power which now rests with all of us, the Shareholders. We asked management to withdraw the Merger because we believed it was against shareholder interests to propose it and a waste of assets to support it. In view of the Trust's suspension of dividends on December 15, 1993, and since the Trust has reported operating losses in each year since 1985, we are particularly concerned about the costs associated with the Merger and the solicitation of proxies. We note the Trust has estimated that costs will be \$400,000.

Stand up for Shareholder rights and VOTE AGAINST THE MERGER.

REQUIRED VOTE AND MANNER OF VOTING

Remember, in order to approve the Merger, 66 2/3% of the outstanding Trust Shares need to vote in favor of the Merger. Therefore, if you are against the Merger, we urge you to sign, date and return the BLUE Proxy card in the enclosed envelope. No postage is required if mailed in the United States.

SHARES IN STREET NAME

If you hold your Trust Shares in the name of a brokerage firm, your broker cannot vote the Shares until the broker receives specific instructions from you. Please contact the party at the brokerage firm responsible for your account to make sure that a proxy is executed for your Trust Shares on the BLUE proxy card.

REVOCAION OF PROXIES

If you have executed management's white proxy card before receiving this Proxy Statement, you have every right to change your vote by signing, dating and returning the enclosed BLUE proxy card. Only your latest dated proxy will count at the Meeting. Any proxy, including the proxy solicited hereby, may be revoked at any time before it is voted by (i) submitting a duly executed proxy bearing a later date to the Secretary of the Trust or AmHold (ii) filing with the Secretary of the Trust a written revocation or (iii) attending and voting at the Meeting in person.

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SOLICITATION EXPENSE

AmHold will bear the cost of preparing, assembling and mailing the enclosed form of proxy, this proxy statement and other material which may be sent to shareholders in connection with this solicitation. Officers and regular employees of AmHold or its affiliates may solicit proxies by mail, telephone, telegraph and personal interview, for which no additional compensation will be paid. In addition, AmHold has retained Beacon Hill Partners, Inc. to solicit proxies on its behalf. It is anticipated that the cost to AmHold in connection with this solicitation will be approximately \$40,000, inclusive of \$10,000 payable to Beacon Hill Partners, Inc.

Very truly yours,
AMERICAN HOLDINGS, INC.

IMPORTANT

IF YOUR SHARES ARE HELD IN 'STREET NAME' ONLY YOUR BANK OR BROKER CAN VOTE YOUR SHARES, AND ONLY UPON RECEIPT OF YOUR SPECIFIC INSTRUCTIONS. BROKER NON-VOTES HAVE THE SAME EFFECT AS A VOTE AGAINST THE MERGER. PLEASE CONTACT THE PERSON RESPONSIBLE FOR YOUR ACCOUNT AND INSTRUCT THEM TO EXECUTE A BLUE PROXY AS SOON AS POSSIBLE.

IF YOU HAVE ANY QUESTIONS OR NEED FURTHER ASSISTANCE IN VOTING, PLEASE CALL

BEACON HILL PARTNERS, INC.
 90 BROAD STREET
 NEW YORK, NEW YORK 10004
 (212) 742-1318

SCHEDULE I

ADDITIONAL INFORMATION ABOUT AMERICAN HOLDINGS, INC.

AmHold, through its wholly-owned subsidiary NorthCorp Realty Advisors, Inc. ('NorthCorp'), is engaged in the business of real estate asset management. The assets under NorthCorp's management include portfolios of performing and non-performing commercial, consumer and residential loans and commercial and residential properties ('Management Assets') which are owned by the Resolution Trust Corporation ('RTC') or the Federal Deposit Insurance Corporation ('FDIC') in their capacity as conservator of failed federally insured financial institutions and by private owners who have acquired Management Assets from the RTC, the FDIC and non-government financial institutions. As an asset manager, NorthCorp is responsible for the protection and, if possible, enhancement of value of the Management Assets and the disposal of such assets within time frames based upon the client's objectives.

DIRECTORS AND EXECUTIVE OFFICERS OF AMERICAN HOLDINGS, INC.

<TABLE>
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NAME OF PERSON	POSITION AND OFFICE PRESENTLY HELD	PERCENTAGE OF DIRECT OR INDIRECT OWNERSHIP OF VOTING SECURITIES OF AMERICAN HOLDINGS, INC.
<S>	<C>	<C>
Paul O. Koether.....	Chairman and President	34.3% (1)
John W. Galuchie, Jr.....	Executive Vice President, Treasurer and Director	26.7% (1)
Richard M. Bossert.....	Director	*
Alfredo Mena.....	Director	*
William Mahomes.....	Director	*
Mark W. Jaindl.....	Senior Vice President of the Company and President of NorthCorp	1.1%
Tacie J. Fox.....	Senior Vice President of the Company and Director of Business Development of NorthCorp	*
Mark Koscinski.....	Vice President	*

</TABLE>

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* Less than 1%.

(1) Includes 25.7% owned by Sun Equities Corporation ('Sun Equities') of which Messrs. Koether and Galuchie are directors and executive officers. Sun Equities is a private company the business of which is to own shares of AmHold and a public corporation which is currently inactive.

AMERICAN INDUSTRIAL PROPERTIES REIT
THIS PROXY IS SOLICITED BY AMERICAN HOLDINGS, INC.
SPECIAL MEETING MAY 10, 1994

The undersigned hereby appoints PAUL O. KOETHER and JOHN W. GALUCHIE, JR., or either of them, as Proxies, each with the power to appoint his substitute, and hereby authorizes either of them to represent and to vote all of the undersigned's Shares of Beneficial Interest in the Trust, held of record on March 4, 1994, at the Special Meeting of Shareholders to be held on May 10, 1994 or at any postponements or adjournments thereof, on the proposals below, as directed.

This Proxy, when properly executed, will be voted in the manner described above. If no direction is made, this Proxy will be voted AGAINST the first proposal and at the discretion of the Proxies with respect to the second proposal. Please sign exactly as your name appears on your Share certificate. When Shares are held in more than one name, all parties should sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation, please sign in full corporate name by an authorized officer. If a partnership, please sign in partnership name by an authorized person.

SEE REVERSE
SIDE

X

Please mark your votes as in this example.

<TABLE>
<CAPTION>

<S>	<C>	FOR <C>	AGAINST <C>	ABSTAIN <C>
1.	The adoption and approval of the merger agreement and the merger thereunder of American Industrial Properties REIT (the 'Trust') with and into a Maryland corporation which is a wholly-owned subsidiary of the Trust.	[]	[]	[]
2.	In their discretion, on such other matters as may properly come before the special meeting or any postponements or adjournments thereof.	[]	[]	[]

</TABLE>

<TABLE> <S>	<C>	<C>
	Signature of Shareholder	Date
	Signature if Shares held in more than one name	Date

PLEASE MARK, SIGN, DATE AND
RETURN THIS PROXY PROMPTLY IN
THE ENCLOSED ENVELOPE.

</TABLE>