

SECURITIES AND EXCHANGE COMMISSION

FORM DEFC14A

Definitive proxy statement in connection with contested solicitations

Filing Date: **1994-04-12**  
SEC Accession No. **0000950117-94-000081**

([HTML Version](#) on [secdatabase.com](#))

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.: **94522321**  
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  
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Filed by the Registrant [ ]  
Filed by a Party other than the Registrant [x]

Check the appropriate box:

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

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

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

AMERICAN HOLDINGS, INC.  
CALL COLLECT: (908) 766-7220  
APRIL 11, 1994

A MESSAGE TO THE MANAGEMENT OF  
AMERICAN INDUSTRIAL PROPERTIES REIT (THE 'TRUST')

You just don't get it! This proxy contest isn't about alleged greenmail by AmHold or its affiliates. It's about your proposal to merge the Trust into a Maryland shell to effect a one-for-five reverse stock split and enact anti-takeover provisions. Shareholders want you to focus on the real issue -- why is this Merger proposal in the interest of shareholders?

SMOKESCREEN

Mr. Wolcott, you concede that you were the chief operating officer of the Trust between 1988-1991 and the chief executive officer in 1993.

During the Wolcott years, the Trust's losses before special items totalled almost \$25 million, or \$2.75 per share.

But these are just the years Mr. Wolcott admits to being a senior executive of the Trust. The truth is that Mr. Wolcott has been a senior officer with the Trust each year since 1986 through today except for the year 1992.\*

During the Wolcott years, the book value of the Trust has dropped from \$12.45 per share to \$3.18 per share.

Mr. Wolcott -- no wonder you prefer to speak of our alleged history of greenmail rather than your actual history of management.

WHAT YOU SHOULD KNOW ABOUT 'NEW MANAGEMENT'

What new management? Two of the three proposed directors have been with the Trust for most of its history -- Mr. Bricker since 1985 and Mr. Wolcott since 1986 (except for 1992). Management says, 'In our opinion, the real issue before you is whether your Trust will be positioned to realize its operating and growth potential, or risk stagnation in a growth environment.' Precisely! But why should shareholders believe that under your management the future won't mirror the past?

RED HERRING

The talk about greenmail is a red herring. No one claims nor could they that AmHold is seeking greenmail. We acquired Trust shares for capital appreciation. We asked Mr. Wolcott to withdraw this ill-advised proposal, we asked no more. We seek only this answer from management. How will the Merger improve the market value of the Trust's shares?

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\* Compare Mr. Wolcott's biography in Management's current proxy to the 1991 proxy which stated 'Charles Wolcott . . . has served as vice president of the Trust since 1986. He served as chief operating officer of the Trust from February 1986 to February 1989, and from May 1990 to present'. [May 7, 1991]

DON'T BE FOOLED [AGAIN]

Last Fall, management successfully sought shareholder approval to extend the life of the Trust which was set to expire, to liquidate and to distribute the proceeds to shareholders. On October 25, 1993, the first trading day after the date of the adjourned meeting, the closing market price of the Trust's shares was \$3.25 per share. As of the close on April 8, 1994, it was \$1.625 per share, a decline of 50%. The book value per share as of December 31, 1993, was \$3.18 per share. We ask management to explain why the Merger is better for shareholders than the liquidation to which they were previously entitled?

THE CHALLENGE

We believe that shareholders would not have voted against liquidating the Trust had the Merger proposal been presented as the alternative. We challenge management to offer the shareholders that choice again now that they understand what management had in store for them.

VOTE NO!

Management is reduced to invective, we believe, because it cannot offer any positive reasons for supporting the Merger. Don't let management distract you from the real issue. It's the Merger that should concern you. If this Merger is approved, we believe all of our share values will continue to decline.

VOTE AGAINST THE MERGER!

Vote against the Merger on the BLUE PROXY card enclosed. 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.

IMPORTANT

IF YOUR SHARES ARE HELD IN 'STREET NAME' ONLY YOUR BANK OR BROKER CAN VOTE YOUR SHARES, AND ONLY UPON RECEIPT OF YOUR SPECIFIED INSTRUCTIONS. 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 PAUL O. KOETHER OF AMERICAN HOLDINGS, INC., COLLECT AT (908) 766-7220, OR JOHN W. GALUCHIE, JR. OF AMERICAN HOLDINGS, INC., COLLECT AT (908) 234-9220, OR OUR PROXY SOLICITOR:

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

IMPORTANT NEWS

[AMERICAN HOLDINGS LETTER HEAD]

(908) 234-9220  
(908) 234-9355 (FAX)

April 11, 1994

VIA FAX AND FEDERAL EXPRESS

The Trust Managers  
(Messrs. W.H. Bricker, George P. Jenkins and Charles W. Wolcott)  
American Industrial Properties REIT  
Suite 205  
6220 North Beltline  
Irving, Texas 75063

Gentlemen:

We previously urged you to withdraw the Merger Proposal and to cease wasting the Trust's assets in an endeavor we believed was bound to fail. After speaking to shareholders for a week, we are more convinced than ever that the proposed Merger will be overwhelmingly defeated. Shareholders are voting against the Merger but unfortunately for them, so is the market. After seeing 'the Trust's Plans for Growth', the market plunged to a new twelve-month low closing price of \$1.625 per share on Friday, April 8, 1994.

In the interest of all shareholders, we again urge you to abandon the Merger Proposal. Under the Merger scheme, shareholders will suffer while management will prosper.

As an alternative, we recommend that the Trust be sold in an auction to the highest bidder. To avoid any suggestion of self-interest, we agree not to bid. All we want is the same consideration due any other shareholder.

Sincerely yours,

Paul O. Koether  
Chairman

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.

P  
R  
O  
X  
Y

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>

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

</TABLE>

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