

AMERICAN REALTY INVESTORS INC
Form SC 13D/A
August 01, 2014

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 13D

Under the Securities Exchange Act of 1934

(Amendment No. 13)

AMERICAN REALTY INVESTORS, INC.

(Name of Issuer)

Common Stock, \$0.01 par value

(Title of Class of Securities)

029174-10-9

(CUSIP Number)

Gene S. Bertcher
1603 LBJ Freeway, Suite 300
Dallas, Texas 75234
(469) 522-4200
(469) 522-4360 (Facsimile)

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

July 17, 2014

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition which is the subject of this Schedule 13D, and is filing this schedule because of Rules 13d-1(b)(3) or (4), check the following box [].

NOTE: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7 for other parties to whom copies are to be sent.

The remainder of this cover page shall be filled out for a reporting persons's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

CUSIP No. 029174-10-9

1 name of reporting person
 Realty Advisors, LLC
 2 check the appropriate box if a member of a (A)
 group (B)
 3 sec use only
 4 source of funds
 WC and OO
 5 check if disclosure of legal proceedings is required pursuant to items 2(d) or o
 2(e)
 6 citizenship or place of organization
 nevada
 number of 7 sole voting power
 shares 7,789,508
 beneficially 8 shared voting power
 owned by -0-
 each 9 sole dispositive power
 reporting 7,789,508
 person 10 shared dispositive power
 with -0-
 11 aggregate amount beneficially owned by each reporting person
 9,324,336
 12 check box if the aggregate amount in row (11) excludes o
 certain shares
 13 percent of class represented by amount in row (11)
 65.94%
 14 type of reporting person
 OO

2

CUSIP No. 029174-10-9

1 name of reporting person
 Prime Stock Holdings, Inc.
 2 check the appropriate box if a member of a (A)
 group (B)
 3 sec use only
 4 source of funds
 WC
 5 check if disclosure of legal proceedings is required pursuant to items 2(d) or o
 2(e)
 6 citizenship or place of organization
 nevada
 number of 7 sole voting power
 shares 1,459,828
 beneficially 8 shared voting power
 owned by -0-
 each 9 sole dispositive power
 reporting 1,459,828
 person 10 shared dispositive power
 with -0-
 11 aggregata amount beneficially owned by each reporting person
 1,459,828
 12 check box if the aggregate amount in row (11) excludes o
 certain shares
 13 percent of class represented by amount in row (11)
 10.41%
 14 type of reporting person
 CO

3

CUSIP No. 029174-10-9

1 name of reporting person
 Realty Advisors, Inc.
 2 check the appropriate box if a member of a (A)
 group (B)
 3 sec use only
 4 source of funds
 WC
 5 check if disclosure of legal proceedings is required pursuant to items 2(d) or o
 2(e)
 6 citizenship or place of organization
 nevada
 number of 7 sole voting power
 shares 2,502,230
 beneficially 8 shared voting power
 owned by -0-
 each 9 sole dispositive power
 reporting 2,502,230
 person 10 shared dispositive power
 with -0-
 11 aggregate amount beneficially owned by each reporting person
 11,779,168
 12 check box if the aggregate amount in row (11) excludes o
 certain shares
 13 percent of class represented by amount in row (11)
 83.97%
 14 type of reporting person
 CO

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CUSIP No. 029174-10-9

1 name of reporting person
 Transcontinental Realty Investors, Inc.
 2 check the appropriate box if a member of a (A)
 group (B)
 3 sec use only
 4 source of funds
 OO
 5 check if disclosure of legal proceedings is required pursuant to items 2(d) or o
 2(e)
 6 citizenship or place of organization
 nevada
 number of 7 sole voting power
 shares 229,214
 beneficially 8 shared voting power
 owned by -0-
 each 9 sole dispositive power
 reporting 229,214
 person 10 shared dispositive power
 with -0-
 11 aggregate amount beneficially owned by each reporting person
 229,214
 12 check box if the aggregate amount in row (11) excludes o
 certain shares
 13 percent of class represented by amount in row (11)
 1.63%
 14 type of reporting person
 CO

5

CUSIP No. 029174-10-9

1 name of reporting person
 The Gene E. Phillips Children's Trust
 2 check the appropriate box if a member of a (A)
 group (B)
 3 sec use only
 4 source of funds
 OO
 5 check if disclosure of legal proceedings is required pursuant to items 2(d) or o
 2(e)
 6 citizenship or place of organization
 texas
 number of 7 sole voting power
 shares 27,602
 beneficially 8 shared voting power
 owned by -0-
 each 9 sole dispositive power
 reporting 27,602
 person 10 shared dispositive power
 with -0-
 11 aggregate amount beneficially owned by each reporting person
 27,602
 12 check box if the aggregate amount in row (11) excludes o
 certain shares
 13 percent of class represented by amount in row (11)
 0.197%
 14 type of reporting person
 OO

6

CUSIP No. 029174-10-9

1 name of reporting person
 Realty Advisors Management, Inc.
 2 check the appropriate box if a member of a (A)
 group (B)
 3 sec use only
 4 source of funds
 WC
 5 check if disclosure of legal proceedings is required pursuant to items 2(d) or o
 2(e)
 6 citizenship or place of organization
 nevada
 number of 7 sole voting power
 shares -0-
 beneficially 8 shared voting power
 owned by -0-
 each 9 sole dispositive power
 reporting -0-
 person 10 shared dispositive power
 with -0-
 11 aggregate amount beneficially owned by each reporting person
 11,779,168
 12 check box if the aggregate amount in row (11) excludes o
 certain shares
 13 percent of class represented by amount in row (11)
 83.97%
 14 type of reporting person
 CO

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Item 1. Security and Issuer

This Amendment No. 13 to Statement on Schedule 13D (this “Amendment No. 13”) relates to shares of Common Stock, par value \$0.01 per share (the “Shares”) of American Realty Investors, Inc., a Nevada corporation (the “Issuer” or “ARL”), and further amends the original Statement on Schedule 13D as amended by Amendment Nos. 1 through 12 thereto (the “Amended Statement”) previously filed with the Securities and Exchange Commission (the “Commission”) by the “Reporting Persons” described below. The principal executive offices of the Issuer are located at 1603 LBJ Freeway, Suite 800, Dallas, Texas 75234. The Shares are listed and traded on the New York Stock Exchange (“NYSE”). The CUSIP number of the Shares is 029174-10-9.

This Amendment No. 13 to Schedule 13D is being filed as a correction to and restatement of Amendment No. 12 (which contains typographical errors, causing confusion) and reflects the issuance of 2,502,230 Shares upon conversion of 890,797 shares of Series A Cumulative Convertible Preferred Stock to the holder thereof, which is one of the Reporting Persons. See item 5(c) below.

Item 2. Identity and Background

Item 2 of the Amended Statement is hereby further amended as follows:

(a)-(c) This Amendment No. 13 is filed on behalf of The Gene E. Phillips Children’s Trust, a trust formed under the laws of the State of Texas (the “GEP Trust”), Transcontinental Realty Investors, Inc., a Nevada corporation (“TCI”), Realty Advisors Management, Inc., a Nevada corporation (“RAMI”), Realty Advisors, Inc., a Nevada corporation (“RAI”), the sole stockholder of which is RAMI, Realty Advisors, LLC, a Nevada limited liability company (“RALLC”), the sole member of which is RAI and Prime Stock Holdings, Inc. formerly One Realco Stock Holdings, Inc., a Nevada corporation (“Holdings”), which is wholly owned by RALLC. Each of the Reporting Persons has its principal executive offices located at 1603 LBJ Freeway, Suite 300, Dallas, Texas 75234. All of GEP Trust, TCI, RAMI, RAI, RALLC and Holdings are collectively referred to as the “Reporting Persons.” The Reporting Persons may be deemed to constitute a “person” within the meaning of Section 13(d) of the Securities Exchange Act of 1934, as amended, because Holdings is owned by RALLC, the sole member of which is RAI, the sole stockholder of which is RAMI, which is beneficially owned by a trust established for the benefit of Gene E. Phillips’ children. RALLC owns all of the voting securities of Holdings. The executive officers of TCI are also executive officers of RAMI, RAI and RALLC. Mr. Phillips’ son, Ryan T. Phillips, serves as a director of RAMI and RAI and is a beneficiary of the GEP Trust. The executive officers of ARL are also executive officers of TCI.

Item 3. Source and Amount of Funds or Other Consideration

No funds or other consideration were required in connection with the July 17, 2014, conversion of 890,797 shares of Series A Cumulative Convertible Preferred Stock of ARL into 2,502,230 Shares.

Item 5. Interest in Securities of the Issuer

The Amended Statement is hereby further amended as follows:

(a) According to the latest information available from the Issuer, as of March 31, 2014, the total number of issued and outstanding Shares was 11,525,389 Shares. In connection with the conversion on July 17, 2014, of 890,797 shares of Series A Cumulative Convertible Preferred Stock into 2,502,230 Shares, the total number of issued and outstanding shares increased to 14,027,619. As of July 18, 2014, after giving effect to the transaction described in item 5(c), the Reporting Persons own and hold directly and beneficially the following Shares as of July 18, 2014:

Name	No. of Shares Owned Directly	Approximate Percent of Class
GEP Trust	27,602	0.197%
TCI	229,214	1.63%
RALLC	7,789,508	55.53%
RAI	2,502,230	17.84%
RAMI	-0-	0.00%