

BASIC CAPITAL MANAGEMENT INC  
 Form 4/A  
 February 10, 2006

**FORM 4** UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
 Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**BASIC CAPITAL MANAGEMENT INC**

2. Issuer Name and Ticker or Trading Symbol  
**AMERICAN REALTY INVESTORS INC [ARL]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/01/2006

\_\_\_\_ Director  
 \_\_\_\_ Officer (give title below)  
 10% Owner  
 \_\_\_\_ Other (specify below)

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)  
 02/10/2006

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)			
			Code	V	Amount (A) or (D) Price					
Common Stock, par value \$0.01 per share	02/01/2006		J		234,450 (1)	A	\$ 9.065	234,450	I	By subsidiary One Realco Stock Holdings, Inc.
Common Stock, par value \$0.01 per share	09/30/2003		J		1,437,208 (1)	A	\$ 0	1,437,208	I	By subsidiary Prime Income Asset Management, Inc.
Common Stock, par	09/30/2003		J		6,703,045 (1)	A	\$ 0	6,703,045	D	

value  
\$0.01 per  
share

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

## Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

BASIC CAPITAL MANAGEMENT INC

X

## Signatures

Steven A. Abney, Executive Vice President and Chief Financial Officer

02/10/2006

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, see Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

On February 1, 2006, Prime Income Asset Management, Inc. ("Prime") acquired all of the outstanding voting securities of One Realco (1) Stock Holdings, Inc. ("ORSH"), which holds as an asset 234,450 shares of Common Stock of American Realty Investors, Inc. Basic Capital Management, Inc. ("BCM") owns 80% of the outstanding voting securities of Prime.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Edgar Filing: BASIC CAPITAL MANAGEMENT INC - Form 4/A

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.