AMERICAN LAND LEASE INC
Form PREM14A
December 31, 2008
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UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(RULE 14a-101)

Proxy Statement Pursuant to Section 14(a) of the

Securities Exchange Act of 1934

Filed by the Registrant x

Filed by a Party other than the Registrant ¨

Check the appropriate box:

x	Preliminary Proxy Statement	¨	**Confidential, For Use of the Commission Only**
¨	Definitive Proxy Statement		
¨	Definitive Additional Materials		**(as permitted by Rule 14a-6(e)(2))**
¨	Soliciting Material Pursuant to §240.14a-12		

American Land Lease, Inc.

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

¨ No fee required.

x Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:
Common stock, par value $.01 per share, of American Land Lease, Inc.

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(2) Aggregate number of securities to which transaction applies:
An aggregate of 10,021,849 shares of common stock of American Land Lease, Inc. outstanding, consisting of: (a) 7,937,943 shares of common stock outstanding as of December 18, 2008, (b) 1,091,381 shares of common stock issuable upon exercise of options, and (c) 992,525 shares of common stock issuable upon exchange of operating partnership units.

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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
Merger consideration of $14.20 per share of common stock.

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(4) Proposed maximum aggregate value of transaction:
$142,310,255.80

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(5) Total fee paid:
$5,592.79

¨ Fee paid previously with preliminary materials.

¨ 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:

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(2) Form, Schedule or Registration Statement No.:

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(3) Filing Party:

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(4) Date Filed:

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The information in this document is not complete and may be changed.

PRELIMINARY DRAFT, DATED DECEMBER 31, 2008

Dear Stockholder:

You are cordially invited to attend a special meeting of stockholders of American Land Lease, Inc. (the Company) to be held on _____ , 2009 at __:00 [__] at _____, _____.

At the special meeting, you will be asked to approve and adopt the Agreement and Plan of Merger (the Merger Agreement) that the Company entered into on December 9, 2008 with Asset Investors Operating Partnership, GCP REIT II (Parent) and GCP Sunshine Acquisition, Inc., a subsidiary of Parent (Purchaser), which contemplates a cash tender offer by Purchaser and the merger of the Company and Purchaser (the Merger). Parent and Purchaser are affiliates of Green Courte Partners, LLC, a Chicago-based private equity real estate investment firm focused primarily on the ownership and operation of manufactured housing communities, retail and mixed-use properties, and parking assets.

If the Merger is consummated, the Company s stockholders will be entitled to receive $14.20, net per share in cash (subject to applicable withholding taxes), without interest, for each share of the Company s common stock that they own. The $14.20 per share to be paid pursuant to the Merger represents a 264% premium over the closing price of the Company s common stock on December 9, 2008, the last trading day before the Merger was announced.

On December 23, 2008, pursuant to the Merger Agreement, Purchaser commenced a cash tender offer, which is ongoing, to purchase all of the outstanding shares of the Company s common stock at a price equal to $14.20, net per share in cash (subject to applicable withholding taxes), without interest. The Merger is not contingent upon the success of the tender offer. The special meeting is being held and we are seeking your vote regardless of the results of the tender offer, subject to the terms and conditions of the Merger Agreement.

On December 9, 2008, our board of directors determined that the Merger Agreement and the transactions contemplated thereby, including the tender offer and the Merger, are fair to and in the best interests of the Company and its stockholders and approved the Merger Agreement and the tender offer and the Merger and the other transactions contemplated by the Merger Agreement. **The Company s board of directors recommends that the Company s stockholders vote FOR the proposal to adopt the Merger Agreement and approve the Merger.**

The Company cannot consummate the Merger unless the Company s stockholders approve and adopt the Merger Agreement. Such approval and adoption requires the affirmative vote of the holders of at least a majority of the shares of the Company s common stock outstanding on the record date.

The attached notice of special meeting and proxy statement explain the proposed Merger and provide specific information concerning the special meeting. Please read these materials (including the annexes) carefully.

Your vote is important. Whether or not you plan to attend the special meeting or tender your shares pursuant to the tender offer, you should read the proxy statement and follow the instructions on your proxy card to submit a proxy by mail, telephone or Internet to ensure that your shares will be represented at the special meeting. If you have any questions or need assistance voting your shares, please call our proxy solicitor, Innisfree M&A Incorporated, at (888) 750-5834.

Sincerely,

Terry Considine
Chairman of the Board of Directors

and Chief Executive Officer

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This transaction has not been approved or disapproved by the Securities and Exchange Commission, nor has the Securities and Exchange Commission passed upon the fairness or merits of this transaction or the accuracy or adequacy of the information contained in this proxy statement. Any representation to the contrary is unlawful.

This proxy statement is dated _____, 2009, and is first being mailed to stockholders of the Company on or about _____, 2009.

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The information in this document is not complete and may be changed.

PRELIMINARY DRAFT, DATED DECEMBER 31, 2009

29399 U.S. Hwy 19, North Suite 320

Clearwater, Florida 33761

(727) 726-8868

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON _____, 2009

TO OUR STOCKHOLDERS:

Notice Is Hereby Given that a special meeting of Stockholders of American Land Lease, Inc. (the Company) will be held on _____ , 2009 at __:00 [____] at _____, _____. All holders of record of shares of Company common stock at the close of business on _____, 2009 are entitled to vote at this special meeting and at any adjournment or postponement thereof. At the special meeting, the Company s stockholders will be asked to:

1. consider and vote upon a proposal to adopt the Agreement and Plan of Merger, dated as of December 9, 2008 (the Merger Agreement), among the Company, Asset Investors Operating Partnership, L.P. (Company Partnership), GCP REIT II (Parent) and GCP Sunshine Acquisition, Inc. (Purchaser), and approve the merger described therein pursuant to which the Company and Purchaser will be merged (the Merger), and each outstanding share of the Company s common stock, par value $.01 (the Common Stock) (other than any shares of Common Stock owned by the Company, Parent, Purchaser, any other wholly-owned subsidiary of Parent or any wholly-owned subsidiary of the Company, or shares of Common Stock as to which the holder thereof has exercised appraisal rights pursuant to Section 262 of the Delaware General Corporation Law, in each case, immediately prior to the effective time of the Merger) will be converted into the right to receive $14.20 per share in cash (subject to applicable withholding taxes), without interest;

2. consider and vote on a proposal to grant the persons named as proxies discretionary authority to vote to adjourn or postpone the special meeting, if necessary, to permit further soliciting of additional proxies; and

3. transact such other business as may properly come before the special meeting or any adjournment or postponement thereof.

The foregoing items of business are more fully described in the proxy statement accompanying this notice.

All holders of record of Common Stock at the close of business on _____, 2009 are entitled to vote at this special meeting and at any adjournment or postponement thereof. **The Company s board of directors has determined that the Merger Agreement and the transactions contemplated thereby, including the tender offer and the Merger, are fair to and in the best interests of the Company and its stockholders, and has approved the Merger Agreement and the tender offer and the Merger and the other transactions contemplated by the Merger Agreement. The Company s board of directors recommends that the Company s stockholders vote FOR the proposal to adopt the Merger Agreement and approve the Merger.**

When you consider the recommendation of our board of directors to approve the Merger Agreement, you should be aware that some of our directors and executive officers have interests in the Merger that may be different from, or in addition to, the interests of our stockholders generally.

Company stockholders who do not vote in favor of approval and adoption of the Merger Agreement will have the right to seek appraisal of the fair value of their shares if the Merger is consummated, but only if they perfect their appraisal rights by complying with all of the required procedures under Delaware law. See The Merger Appraisal Rights beginning on page 41 of the accompanying proxy statement and Annex D to the proxy statement.

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You are cordially invited to attend the special meeting in person. **Whether or not you expect to attend the special meeting or tender your shares pursuant to the tender offer, please vote by phone, Internet or complete, date, sign and return the enclosed proxy as promptly as possible in order to ensure your representation at the special meeting.** The approval and adoption of the Merger Agreement require the affirmative vote of a majority of the outstanding shares of Common Stock entitled to vote thereon. It is important that your shares are represented at this special meeting. A return envelope (with postage prepaid if mailed in the United States) is enclosed for that purpose. You may also vote by phone or Internet following the instructions on the enclosed proxy card.

By Order of the Board of Directors

[City, State]
__, 2009

John J. Cunningham, Jr.
Secretary, Vice President and General Counsel

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SUMMARY TERM SHEET OF MERGER TERMS AND CONDITIONS

This summary term sheet highlights selected information in this proxy statement relating to the merger of American Land Lease, Inc. and GCP Sunshine Acquisition, Inc. (the Merger) contemplated by the Agreement and Plan of Merger, dated as of December 9, 2008, among American Land Lease, Inc., Asset Investors Operating Partnership, L.P., GCP REIT II and GCP Sunshine Acquisition, Inc. (the Merger Agreement). This summary term sheet may not contain all of the information that is important to your voting decision. To fully understand the Merger Agreement, the Merger and all other transactions contemplated by the Merger Agreement and for a more complete description of the legal terms of the Merger Agreement, you should carefully read this entire proxy statement, including the attached annexes. In addition, the Company encourages you to read the Merger Agreement and the information incorporated by reference into this proxy statement, which includes important business and financial information about the Company that has been filed with the Securities and Exchange Commission (the SEC). See Where Can You Find More Information beginning on page 77. In this proxy statement, the terms we, us, our and the Company refer to American Land Lease, Inc. We refer to Asset Investors Operating Partnership, L.P. as Company Partnership, GCP REIT II as Parent and GCP Sunshine Acquisition, Inc. as Purchaser.

The Parties (page 13)

The Company is a Clearwater, Florida-based corporation which has elected to be treated as a real estate investment trust for federal tax purposes that owns, develops and manages residential land lease communities primarily serving active adults. The Company is a Delaware corporation with its corporate headquarters located at 29399 U.S. Hwy 19 North, Clearwater, Florida 33761, and its principal phone number is (727) 726-8868.

The Company Partnership is a Delaware limited partnership and a majority-owned subsidiary of the Company. The Company conducts its business through the Company Partnership.

Parent is a Maryland real estate investment trust and an affiliate of Green Courte Partners, LLC (Green Courte Partners), a Chicago-based private equity real estate investment firm focused primarily on the ownership and operation of manufactured housing communities, retail and mixed-use properties, and parking assets. Parent s principal offices are located at 560 Oakwood Avenue, Suite 100, Lake Forest, Illinois, 60045, and its phone number is (847) 582-9400.

Purchaser is a Delaware corporation and, to date, has engaged in no activities other than those incident to its formation and to the tender offer under the Merger Agreement and the Merger. Purchaser s principal executive offices are located at 560 Oakwood Avenue, Suite 100, Lake Forest, Illinois, 60045, and its phone number is (847) 582-9400.

Recommendation of the Company s Board of Directors (page 22)

The Board of Directors of the Company (the Company Board) has determined that the Merger Agreement and the transactions contemplated thereby, including the Offer (as defined below) and the Merger, are fair to and in the best interests of the Company and its stockholders, and has approved the Merger Agreement and the Offer and the Merger and the other transactions contemplated by the Merger Agreement. **The Company Board recommends that the Company s stockholders vote FOR the proposal to adopt the Merger Agreement and approve the Merger.**

Reasons of the Company s Board of Directors for Recommending Approval of the Merger Agreement (page 22)

The principal reasons for the Merger include, among others, the risks and uncertainties of executing the Company s business and financial plans as an independent company and the opportunity for the Company s stockholders to receive a cash payment for their shares of common stock, par value $0.01 per share (the Common Stock), of the Company at a significant premium to recent trading prices. See The Merger Recommendation of the Company s Board of Directors and Its Reasons for Recommending Approval of the Merger.

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What You Will Receive in the Merger (page 53)

If the Merger is consummated, each share of Common Stock issued and outstanding immediately prior to the consummation of the Merger (other than shares of Common Stock held by the Company, Parent, Purchaser, any other wholly-owned subsidiary of Parent or by any wholly-owned subsidiary of the Company, or held by stockholders who are entitled to and who have properly exercised appraisal rights under the Delaware General Corporation Law (the DGCL)) will be converted into the right to receive $14.20 per share in cash (subject to applicable withholding taxes), without interest thereon (the Merger Consideration).

After the Merger is completed, you will have the right to receive the Merger Consideration, but you will no longer have any rights as a Company stockholder. You will receive the Merger Consideration in exchange for your shares of Common Stock in accordance with the instructions that will be contained in the letter of transmittal that will be sent to holders of the Common Stock shortly after completion of the Merger. If your shares of Common Stock are held in street name by your bank, broker or nominee, you will receive instructions from your bank, broker or nominee as to how to surrender your street name shares of Common Stock and receive cash for those shares of Common Stock.

Treatment of Company Stock Options, OP Units, Restricted Common Shares and Series A Preferred Stock (page 53)

Stock Options

Pursuant to the terms of the Merger Agreement, as of the effective time of the Merger (the Effective Time), each then-outstanding option to purchase shares of Common Stock will be terminated and each holder of a terminated option will be entitled to receive a cash payment equal to the product of the number of shares of Common Stock subject to such option and the excess, if any, of the Merger Consideration over the exercise price per share of Common Stock issuable with respect to such option (less any applicable withholding taxes). If the per-share exercise price of any such terminated option is equal to or greater than the Merger Consideration, the holder of such option will be entitled to receive a cash payment in an amount equal to $0.001 per share of Common Stock issuable with respect to such option, rounded to the next highest full cent.

Operating Partnership Units

At the direction of Purchaser, the Company Partnership has offered (the OP Offer) to redeem all of its units of limited partnership interest (the OP Units) for cash equal to the Merger Consideration. The Company Partnership has notified the holders of OP Units of this redemption right.

Restricted Common Shares

Immediately prior to the Effective Time, each restricted share of Common Stock that is issued and outstanding under the Company s 1998 Stock Incentive Plan (the Company Stock Plan), including those shares held by the Company s directors and executive officers, will be considered an outstanding share of Common Stock for all purposes, including the right to receive the Merger Consideration. The Company may consider taking such actions as may be necessary to permit holders of restricted shares to tender such restricted shares conditioned on the successful consummation of the Offer. In such event, if the Offer is consummated, restrictions otherwise applicable to the shares would lapse immediately prior to the Acceptance Time. If the Offer is not consummated, restrictions otherwise applicable to the shares would continue to apply.

Series A Preferred Stock

Each share of 7.75% Series A Cumulative Redeemable Preferred Stock, par value $0.01 per share (the Series A Preferred Stock), issued and outstanding immediately prior to the Effective Time will remain outstanding as a share of 7.75% Series A Cumulative Redeemable Preferred Stock of the surviving entity following the consummation of the Merger having the same powers, rights and preferences and will otherwise be unaffected by the Merger. Parent and Purchaser have indicated that following the completion of the Merger, shares of the Company s Series A Preferred Stock are expected to be delisted from the New York Stock Exchange (NYSE) and are not expected to continue to trade publicly. Parent and Purchaser have also

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indicated that they intend to cause the Company to terminate its registration under the Securities Exchange Act of 1934, as amended (the Exchange Act), which will terminate its reporting obligations and reduce the amount of information about the Company that will be publicly available to holders of the Company s Series A Preferred Stock.

Opinion of Financial Advisor (page 26)

Wachovia Capital Markets, LLC (Wachovia Securities) delivered its written opinion to the Company Board that, as of December 9, 2008, and based upon and subject to the factors and assumptions set forth in its written opinion, the Merger Consideration was fair, from a financial point of view, to such holders. The full text of Wachovia s written opinion is attached to this proxy statement as Annex C. See The Merger Opinion of Financial Advisor.

Appraisal Rights (page 41)

Holders of shares of Common Stock who do not vote in favor of approval and adoption of the Merger Agreement will have the right to seek appraisal of the fair value of their shares of Common Stock as determined by the Delaware Court of Chancery if the Merger is consummated, but only if they submit a written demand for appraisal to the Company before the vote is taken on the Merger Agreement and they comply with all requirements of Delaware law, which are summarized in this proxy statement beginning on page 41. This appraisal amount could be more than, the same as or less than the amount a stockholder would be entitled to receive under the terms of the Merger Agreement. Any holder of shares of Common Stock intending to exercise such holder s appraisal rights, among other things, must submit a written demand for an appraisal to the Company prior to the vote on the approval and adoption of the Merger Agreement and must not vote or otherwise submit a proxy in favor of approval and adoption of the Merger Agreement.

Material United States Federal Income Tax Consequences (Page 44)

The receipt of cash in exchange for shares of Common Stock pursuant to the Merger will be a taxable sale transaction for United States federal income tax purposes. In general, you will recognize, for United States federal income tax purposes, capital gain or loss equal to the difference between your adjusted tax basis in the shares of Common Stock surrendered and the amount of cash you receive for those shares of Common Stock. Payment of cash consideration with respect to the disposition of shares of Common Stock pursuant to the Merger may be subject to information reporting and United States federal backup withholding tax at the applicable rate (currently 28%), unless a holder of shares of Common Stock properly certifies its taxpayer identification number or otherwise establishes an exemption from backup withholding and complies with all other applicable requirements of the backup withholding rules.

Tax matters are very complicated. The tax consequences to you of the Merger will depend upon your particular circumstances. You should consult your tax advisor for a full understanding of the U.S. federal, state, local, non-U.S. and other tax consequences of the Merger to you.

Regulatory Approvals (Page 46)

Neither Parent, Purchaser nor the Company is aware of any material regulatory approvals that are required to consummate the Merger.

Source of Funds (page 47)

Consummation of the Merger and the other transactions contemplated by the Merger Agreement are not conditioned upon Parent or Purchaser obtaining any financing. Parent has represented to the Company that it has capital commitments from its equity investors in a sufficient amount to fund the Merger, and Parent and Purchaser do not anticipate the need to seek alternate or additional sources of funding.

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Merger Agreement (page 52)

A copy of the Merger Agreement is attached to this proxy statement as Annex A and a summary of the Merger Agreement is provided beginning on page 52 of this proxy statement. You are encouraged to carefully read the Merger Agreement as it is the legal document that contains the terms and conditions of the Merger.

The Tender Offer (page 52)

Pursuant to the Merger Agreement, Purchaser made a cash tender offer, which is ongoing, to purchase all of the outstanding shares of Common Stock at a price equal to the Merger Consideration, upon the terms and subject to the conditions set forth in Purchaser s Offer to Purchase, dated December 23, 2008 (the Offer to Purchase), and the related Letter of Transmittal, copies of which were filed with the SEC on December 23, 2008 as exhibits to a Tender Offer Statement on Schedule TO (which, together with any amendments or supplements thereto, constitute the Offer). The current expiration date of the Offer is 12:00 midnight, New York City time, at the end of January 22, 2009, unless the Offer is extended. The Merger is not contingent upon the success of the Offer. The special meeting is being held regardless of the results of the tender offer, subject to the terms and conditions of the Merger Agreement.

Holders who have tendered their shares of Common Stock in the Offer may vote their shares of Common Stock at the special meeting, unless such shares of Common Stock have been accepted for payment in the Offer prior to the date of the special meeting, in which case such shares of Common Stock may be voted only by Purchaser. We urge you to vote your shares of Common Stock FOR the proposal to adopt the Merger Agreement and approve the Merger, even if you have tendered your shares in the Offer.

The Merger (page 53)

Promptly following the Merger Agreement having been adopted and the Merger approved by stockholders of record owning a majority of the shares of Common Stock (whether or not shares are accepted for purchase in the Offer and assuming the other conditions to the Merger have been satisfied, see The Merger Agreement Conditions to Consummation of Merger), the Company will merge with and into Purchaser, with Purchaser surviving the Merger as a wholly-owned subsidiary of Parent (the Surviving Entity). However, upon the written notice by Purchaser to the Company, the direction of the Merger will be reversed such that Purchaser will be merged with and into the Company and the separate corporate existence of Purchaser will cease and the Company will be the surviving entity in the Merger. If the Merger is reversed pursuant to the preceding sentence, then all references herein to Surviving Entity shall be deemed to refer to the Company rather than Purchaser and all references herein to Merger shall be deemed to refer to the Merger as reversed. By adopting the Merger Agreement, stockholders are voting in favor of both the Merger and the Merger as reversed.

No-Solicitation (page 61)

The Merger Agreement contains restrictions on the Company s ability to solicit or engage in discussions or negotiations with a third party regarding a competing proposal as described in The Merger Agreement No Solicitation of Takeover Proposals.

Conditions to the Merger (page 65)

Completion of the Merger is subject to the satisfaction of a number of conditions, including, among others:

- the affirmative vote of the holders of a majority of the outstanding shares of Common Stock;
- the accuracy of the Company s representations and warranties;
- the Company s performance or compliance in all material respects with all agreements and covenants required to be performed by it under the Merger Agreement, as described below under The Merger Agreement Conditions to Consummation of the Merger ;

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Parent s and Purchaser s performance or compliance in all material respects with all agreements and covenants required to be performed by it under the Merger Agreement as described below under The Merger Agreement Conditions to Consummation of the Merger ;

the Company s receipt of lender consents as required by the Merger Agreement as described below under The Merger Agreement Conditions to Consummation of the Merger ;

a period of at least 10 business days has elapsed since the satisfaction of the condition set forth in preceding bullet point; and

holders of not more than 10% of the shares of Common Stock outstanding immediately prior to the Effective Time have exercised appraisal rights with respect thereto in accordance with applicable law.

Notwithstanding the foregoing, following the purchase of shares of Common Stock pursuant to the Offer, the respective obligations of the Company, Parent and Purchaser to effect the Merger are only subject to the satisfaction or waiver on or prior to the Closing Date of the conditions that (a) the affirmative vote of the holders of a majority of the outstanding shares of Common Stock has been obtained and (b) no laws have been adopted or promulgated, and no temporary restraining order, preliminary or permanent injunction or other order, judgment, decision, opinion or decree issued by a court or other governmental entity of competent jurisdiction is in effect, having the effect of making the Offer or the Merger illegal or otherwise prohibiting consummation of the Offer or the Merger.

Termination of The Merger Agreement (page 67)

The Merger Agreement may be terminated at any time and the Merger may be abandoned at any time prior to the Effective Time for various reasons, including:

by the mutual written consent of Parent and the Company;

by Parent or the Company:

if all consents, approvals, permits or authorizations from, and all declarations, filings and registrations with, any governmental entity, including all necessary approvals, required to consummate the Offer, Merger and the other transactions contemplated by the Merger Agreement shall not have been obtained or made, in each case without the imposition of a Burdensome Condition (as defined below) on Parent or the subsidiaries of Parent. The Company Required Consents (as defined below) shall not have been obtained either unconditionally or on terms reasonably satisfactory to Parent, which Company Required Consents shall not require the payment of assumption fees (including any other required payments but excluding any customary lender cost reimbursements) in the aggregate in excess of $3,057,490, minus the amount of assumption fees that would have been paid with respect to any indebtedness that is refinanced or repaid after December 9, 2008, determined in accordance with the loan documents for such refinanced or repaid indebtedness;

by Parent, if:

the Company has breached or failed to perform in any material respect any of its representations, warranties or covenants contained in the Merger Agreement, which breach or failure to perform (i) is incapable of being cured by the Company prior to June 21, 2009 (the Outside Date) or is not cured by the earlier of (x) 10 business days following written notice to the Company by Parent of such breach and (y) the Outside Date, and (ii) would result in a failure of certain conditions to closing set forth in the Merger Agreement;

the Company has breached in any material respect its obligations in the Merger Agreement regarding restrictions on the solicitation of competing proposals;

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the Company Board (i) fails to authorize, approve or recommend the Offer or (ii) withdraws, modifies or qualifies (or proposes to withdraw, modify or qualify) the Company Recommendation or, in the case of a Takeover Proposal (as defined below) made by way of a tender offer or exchange offer, fails to recommend that the Company s stockholders reject such tender offer or exchange offer within the 10 business day period specified in Section 14e-2(a) under the Exchange Act, (iii) fails to reconfirm its authorization, approval or recommendation of the Offer and the Merger within three business days after a written request by Parent to do so, or (iv) fails to include the Company Recommendation in the Schedule 14D-9 or to permit Parent and Purchaser to include the Company Recommendation in the Offer to Purchase, a related letter of transmittal and summary advertisement and any amendments and supplements hereto;

the affirmative vote of the holders of a majority of the outstanding shares of Common Stock has not been obtained before the Outside Date; or

holders of more than 10% of the outstanding shares of Common Stock shall have exercised their appraisal rights with respect thereto in accordance with applicable law;

by the Company:

if Parent or Purchaser breaches or fails to perform in any material respect any of its representations, warranties or covenants contained in the Merger Agreement, which breach or failure to perform (i) is incapable of being cured by Parent or Purchaser prior to the Outside Date or is not cured by the earlier of (x) 10 business days following written notice to Parent by the Company of such breach and (y) the Outside Date, and (ii) would result in a failure of certain conditions to closing set forth in the Merger Agreement.

Termination Fee Payable by the Company to Parent (page 69)

Under certain circumstances, in connection with the termination of the Merger Agreement, the Company will be required to pay Parent a termination fee equal to $5.4 million, as well as an expense reimbursement of up to $1.0 million. See The Merger Agreement Termination Fee.

Tender and Support Agreement (page 71)

Pursuant to a Tender and Support Agreement (the Tender and Support Agreement), dated as of December 9, 2008, Terry Considine, Thomas L. Rhodes, Bruce D. Benson and Bruce E. Moore, Titaho Limited Partnership, RLLLP, a registered limited liability limited partnership for which Mr. Considine s brother is the trustee for the sole general partner (Titaho), and Titahotwo Limited Partnership, RLLLP, a registered limited liability limited partnership for which Mr. Considine serves as the general partner and holds a 0.5% ownership interest (Titahotwo) (collectively, the Securityholders), who collectively own approximately 954,000 shares of Common Stock representing approximately 12% of the shares of Common Stock outstanding at December 18, 2008, have agreed to tender their shares of Common Stock pursuant to the Offer, vote for the Merger and vote against any alternative acquisition proposal. The Securityholders have also agreed to sell all of their OP Units pursuant to the OP Offer in exchange for the Merger Consideration.

Interests of the Company s Directors and Executive Officers in the Merger (page 37)

When considering the recommendation by the Company Board, you should be aware that a number of the Company s directors and executive officers may have interests in the Merger that are different from, or in addition to, the interests of the Company s other stockholders. The Company Board was aware of these interests and considered them, among other matters, in approving the Merger Agreement and the related transactions. Each of these additional interests is described in this proxy statement, to the extent material. Except as described in this proxy statement, such persons have, to the knowledge of the Company, no material interest in the Merger apart from those of the Company s common stockholders generally. See The Merger Interests of Certain Persons in Matter To Be Acted Upon.

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Price Range of Common Stock and Common Stock Dividend Information (page 73)

The shares of Common Stock are listed on the NYSE and trade under the symbol ANL. The Company has not paid a dividend on the Common Stock since August 2008 and the Company does not anticipate declaring a cash dividend on the Common Stock in the near future. See Other Important Information Regarding the Company Price Range of Common Stock and Dividend Information.

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QUESTIONS AND ANSWERS ABOUT THE MERGER AND THE SPECIAL MEETING

The following are some questions that you may have regarding the proposed Merger and the other matters being considered at the special meeting and brief answers to those questions. The Company urges you to carefully read the remainder of this proxy statement because the information in this section does not provide all the information that might be important to you with respect to the proposed Merger. Additional important information is also contained in the annexes to, and the documents incorporated by reference in, this proxy statement.

WHAT AM I BEING ASKED TO VOTE ON?

The Company is asking for your vote to approve the Merger Agreement and the transactions contemplated by the Merger Agreement, which will result in the Company being merged with and into Purchaser with Purchaser continuing as the Surviving Entity. However, upon the written notice by Purchaser to the Company, the direction of the Merger will be reversed such that Purchaser will be merged with and into the Company and the separate corporate existence of Purchaser will cease and the Company will be the Surviving Entity in the Merger. If the Merger is reversed pursuant to the preceding sentence, then all references herein to Surviving Entity shall be deemed to refer to the Company rather than Purchaser and all references herein to Merger shall be deemed to refer to the Merger as reversed. By adopting the Merger Agreement, stockholders are voting in favor of both the Merger and the Merger as reversed.

WHY AM I RECEIVING THESE MATERIALS?

In order to consummate the Merger, the Company s stockholders must approve and adopt the Merger Agreement. Under the DGCL, in order for the Merger Agreement to be approved and adopted, a majority of the outstanding shares of Common Stock must be voted in favor of approval and adoption of the Merger Agreement at a meeting of the Company s stockholders. Holders that have tendered their shares of Common Stock in the Offer are eligible to vote their shares of Common Stock at the special meeting, unless such shares of Common Stock have been accepted for payment in the Offer prior to the date of the special meeting, in which case such shares of Common Stock may be voted by Purchaser.

This proxy statement contains important information about the proposed Merger, the Merger Agreement and the special meeting, which you should read carefully. The enclosed voting materials allow you to vote your shares of Common Stock without attending the special meeting.

For a more complete description of the special meeting, see The Special Meeting of Stockholders.

Your vote is very important, even if you have tendered your shares pursuant to the Offer. You are encouraged to vote as soon as possible.

IF I HAVE TENDERED OR LATER TENDER MY SHARES IN THE OFFER, AM I STILL PERMITTED TO VOTE AT THE SPECIAL MEETING?

If you tender your shares of Common Stock in the Offer, you grant a proxy in favor of Purchaser that becomes effective and irrevocable once Purchaser accepts the shares for payment. If you have validly tendered your shares of Common Stock in the Offer and Purchaser has not accepted such shares for payment on or prior to the date of the special meeting, you may vote the shares at the special meeting. However, if you have validly tendered your shares of Common Stock in the Offer and Purchaser has accepted them for payment on or prior to the date of the special meeting, then the proxy in favor of Purchaser will be effective and you may not vote such shares at the special meeting.

WHAT HAPPENS IF THE OFFER IS CONSUMMATED PRIOR TO THE SPECIAL MEETING?

If the Offer is consummated prior to the special meeting, any shares of Common Stock that you have validly tendered will be purchased by Purchaser pursuant to the Offer, and Purchaser will be entitled to, and has agreed to, vote those shares of Common Stock in favor of the proposal to approve and adopt the Merger Agreement at the special meeting.

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WHAT HAPPENS IF THE OFFER IS NOT CONSUMMATED PRIOR TO THE SPECIAL MEETING?

If the Offer is not consummated prior to the special meeting, the special meeting will still be held, subject to the terms and conditions of the Merger Agreement. If the Merger is approved by holders of a majority of the outstanding shares of Common Stock at the special meeting and all other remaining conditions to closing have been satisfied, the Merger will be consummated following the special meeting. The Merger is not contingent upon the completion of the Offer.

WHAT WILL I RECEIVE IF THE MERGER IS APPROVED AND CONSUMMATED?

If the Merger is consummated, the Company s stockholders will be entitled to receive $14.20 per share in cash (subject to tax withholding), without interest, for each share they own.

For a more complete description of what the Company s stockholders will be entitled to receive pursuant to the Merger, see The Merger Agreement Merger Consideration.

WHAT WILL HAPPEN IN THE PROPOSED MERGER TO OPTIONS TO PURCHASE SHARES?

Pursuant to the terms of the Merger Agreement, as of the Effective Time of the Merger, each then outstanding option to purchase shares of Common Stock shall be terminated and the holder of such option will be entitled to receive a cash payment equal to the product of the number of shares of Common Stock subject to such option and the excess, if any, of $14.20 over the exercise price per share issuable with respect to such option (less any applicable withholding taxes).

If the per share exercise price of any terminated option is equal to or greater than $14.20, then the holder of such option will be entitled to receive a cash payment in an amount equal to $0.001 per share of Common Stock issuable with respect to such option, rounded to the next highest full cent.

For a more complete description of how the proposed Merger will affect Company stock option holders, see The Merger Agreement Treatment of Stock Options, OP Units and Restricted Common Shares and Series A Preferred Stock.

WHAT WILL HAPPEN IN THE PROPOSED MERGER TO RESTRICTED SHARES OF COMMON STOCK?

Each restricted share of Common Stock that is issued and outstanding under the Company Stock Plan, including those held by the Company s directors and executive officers, as of the Effective Time will be considered an outstanding share of Common Stock for all purposes, including the right to receive the Merger Consideration and vote at the special meeting.

For a more complete description of how the proposed Merger will affect holders of restricted shares of Common Stock, see The Merger Agreement Treatment of Stock Options, OP Units, Restricted Common Shares and Series A Preferred Stock.

WILL THE MERGER BE TAXABLE TO ME?

Yes. Your receipt of cash in exchange for your shares of Common Stock pursuant to the Merger is a taxable transaction for U.S. federal income tax purposes and may also be a taxable transaction under applicable state, local or foreign tax laws. In general, you will recognize, for U.S. federal income tax purposes, capital gain or loss equal to the difference between your adjusted tax basis in the shares surrendered and the amount of cash you receive for those shares.

Because individual circumstances may differ, you should consult your tax advisor to determine the particular tax effects to you of the consummation of the Merger.

See The Merger Certain U.S. Federal Income Tax Consequences of the Merger.

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AFTER THE MERGER IS CONSUMMATED, HOW WILL I RECEIVE THE CASH FOR MY SHARES?

After the Merger is consummated, you will receive written instructions from the exchange agent, Wells Fargo Bank, N.A. (the Exchange Agent), on how to exchange your stock certificates or book-entry shares for the Merger Consideration. You will receive cash for your shares of Common Stock from the Exchange Agent after you comply with these instructions.

If your shares of Common Stock are held in street name by your bank, broker or other nominee, you will receive instructions from your bank, broker or nominee as to how to surrender your street name shares of Common Stock and receive cash for those shares.

SHOULD I SEND IN MY COMPANY STOCK CERTIFICATES WITH MY PROXY CARD?

Please do not send in your stock certificates with your proxy card. After the Merger is consummated, you will receive written instructions from the Exchange Agent on how to exchange your stock certificates for the Merger Consideration.

IS THE MERGER SUBJECT TO PURCHASER OBTAINING NEW FINANCING?

No. Parent intends to fund the Merger Consideration from capital commitments of its equity investors.

WHAT VOTE IS REQUIRED TO APPROVE THE MERGER?

Under the DGCL, in order for the Merger Agreement to be approved and adopted, a majority of the outstanding shares of Common Stock must be voted in favor of approval and adoption of the Merger Agreement at a meeting of the Company s stockholders, provided that a quorum is present. Abstentions and broker non-votes are counted as shares of Common Stock present and entitled to vote for the purposes of determining a quorum. Because the required vote is based on the number of shares of Common Stock outstanding and not the number of votes cast, failure to vote your shares (including as a result of broker non-votes) and abstentions will have the same effect as a vote against the Merger Agreement. If the Offer is consummated, Purchaser will hold proxies representing a sufficient number of shares of Common Stock to ensure that the Merger is approved.

If you have tendered your shares of Common Stock and the Offer is consummated, you have granted a proxy in favor of Purchaser that becomes effective and irrevocable once Purchaser accepts the tendered shares of Common Stock. Holders that have tendered their shares of Common Stock in the Offer are eligible to vote their shares of Common Stock at the special meeting, unless such shares of Common Stock have been accepted for payment in the Offer prior to the date of the special meeting, in which case such shares of Common Stock may be voted only by Purchaser.

HOW MANY VOTES DOES THE COMPANY ALREADY KNOW WILL BE VOTED IN FAVOR OF THE MERGER PROPOSAL?

Pursuant to a Tender and Support Agreement, the Securityholders have agreed to vote their shares of Common Stock in favor of the Merger, which represent approximately 954,000 shares of Common Stock representing approximately 12% of our outstanding shares of Common Stock, as of December 18, 2008. In addition, an affiliate of Purchaser owns approximately 4.6% of the outstanding shares of Common Stock as of December 18, 2008. Subject to the terms and conditions of the Merger Agreement, Purchaser has agreed to vote, or cause to be voted, all shares of Common Stock owned by it or its affiliates and any shares of Common Stock acquired in the Offer in favor of the Merger.

WHEN DO YOU EXPECT THE MERGER TO BE COMPLETED?

The Company, Parent and Purchaser are working to complete the Merger as quickly as possible. However, they cannot predict the exact timing of the consummation of the Merger because a vote of the stockholders is only one of the conditions to the consummation of the Merger.

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WHAT IF I OBJECT TO THE MERGER?

Under Delaware law, you have the right to seek appraisal of the fair value of your shares of Common Stock as may be determined by the Delaware Court of Chancery if the Merger is consummated. However, you must follow the appraisal procedures under Delaware law explained in this proxy statement. In order to preserve your appraisal rights, Delaware law requires, among other things, that you do not vote in favor of the approval and adoption of the Merger Agreement at the special meeting.

WHEN AND WHERE WILL THE SPECIAL MEETING BE HELD?

The special meeting will be held on _____, 2009 at __:00 [__] at _____, _____.

WHO CAN VOTE AT THE MEETING?

Only holders of record of shares of Common Stock at the close of business on the _____, 2009 will be entitled to notice of, and to vote at the special meeting of stockholders. If you were a holder of record on that date and have validly tendered your shares of Common Stock in the Offer, then you have granted a proxy to Purchaser that is conditioned upon Purchaser s acceptance of such shares of Common Stock. If the Offer is consummated, then Purchaser will be entitled to, and will, vote such shares of Common Stock in favor of the proposal to approve and adopt the Merger Agreement at the special meeting. If you were a holder of record on the record date and have validly tendered your shares of Common Stock in the Offer but the Offer has not been consummated prior to the special meeting, then you may still vote your shares at the special meeting.

HOW DOES THE BOARD OF DIRECTORS OF THE COMPANY RECOMMEND THAT I VOTE ON THE MERGER?

The Company Board recommends that the Company s stockholders vote FOR the proposal to adopt the Merger Agreement and approve the Merger.

WHAT HAPPENS IF I SELL MY SHARES BEFORE THE SPECIAL MEETING?

If you transfer your shares of Common Stock (other than by tendering them in the Offer) after the record date but before the special meeting, you will retain your right to vote at the special meeting, but will transfer the right to receive the Merger Consideration to the person to whom you have transferred your shares of Common Stock, so long as such person owns the shares of Common Stock when the Merger is consummated. **Holders who have tendered their shares of Common Stock in the Offer are eligible to vote their shares of Common Stock at the special meeting, unless such shares of Common Stock are accepted for payment in the Offer prior to the date of the special meeting, in which case such shares of Common Stock may be voted only by Purchaser.**

HOW DO I VOTE?

Stockholders as of the close of business on the record date may cast their vote by:

1. Telephone, using a touch-tone telephone to dial the toll-free number listed on the enclosed proxy card or vote instruction card;

2. The Internet, by accessing the address provided on the enclosed proxy or vote instruction card;

3. Marking, signing, dating and mailing each proxy or vote instruction card and returning it in the envelope provided. If you return your signed proxy or vote instruction card but do not mark the boxes showing how you wish to vote, your shares will be voted FOR all of the proposals; or

4. Attending the special meeting (if your shares are registered directly in your name on the Company s books and not held through a broker, bank or other nominee). Please note, however, that if a broker, bank or other nominee is the record holder of your shares (i.e.

the shares are held in street name) and you wish to vote at the meeting, you must obtain from the record holder a proxy issued in your name.

MAY I CHANGE MY VOTE AFTER I HAVE SUBMITTED MY PROXY?

You may revoke a previously given proxy at any time before it is voted. You may revoke your proxy by filing a written notice of revocation of proxy with the Secretary of the Company at our executive offices at

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29399 U.S. Hwy 19 North, Suite 320, Clearwater, Florida 33761. You can also revoke your proxy by casting a vote by mail, telephone or via the Internet that is later-dated than the original proxy. Attending the special meeting and voting in person may also revoke the proxy, but attendance at the meeting will not, by itself, revoke a proxy. The latest-dated, properly completed proxy that you submit by mail, telephone or Internet will count as your vote. However, if you have tendered your shares of Common Stock and the Offer is consummated, you have granted a proxy in favor of Purchaser that becomes effective and irrevocable once Purchaser accepts the tendered shares of Common Stock.

WHAT HAPPENS IF I DO NOT RETURN MY PROXY CARD, SUBMIT MY PROXY VIA THE INTERNET OR TELEPHONE OR ATTEND THE SPECIAL MEETING AND VOTE IN PERSON?

If you do not return your proxy card or attend the special meeting and vote in person, it will have the same effect as if you voted AGAINST the proposal to approve and adopt the Merger Agreement.

WHAT SHOULD I DO IF I RECEIVE MORE THAN ONE SET OF VOTING MATERIALS FOR THE SPECIAL MEETING?

You may receive more than one set of voting materials for the special meeting, including multiple copies of this proxy statement and multiple proxy cards or voting instruction cards. For example, if you hold your shares of Common Stock in more than one brokerage account, you will receive a separate voting instruction card for each brokerage account in which you hold shares of Common Stock. If you are a holder of record and your shares of Common Stock are registered in more than one name, you will receive more than one proxy card. Please mark, sign, date and return each proxy card and voting instruction card that you receive.

HOW WILL I KNOW THE MERGER HAS OCCURRED?

If the Merger occurs, the Company and/or Parent and Purchaser will promptly make a public announcement of this fact.

WHO CAN HELP ANSWER MY QUESTIONS?

If you have any questions about the Merger or how to submit your proxy, or if you need additional copies of this proxy statement, the enclosed proxy card or voting instructions, please contact the Company s proxy solicitor:

Innisfree M&A Incorporated

501 Madison Avenue, 20th Floor

New York, NY 10022

Shareholders May Call Toll-Free at: (888) 750-5834

Banks and Brokers May Call Collect at: (212) 750-5833