

AMREP CORP.  
Form DEF 14A  
August 12, 2011

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

SCHEDULE 14A

(Rule 14a-101)

INFORMATION REQUIRED IN PROXY STATEMENT

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the Securities

Exchange Act of 1934 (Amendment No. \_\_\_\_)

Filed by the Registrant  [ X ]

Filed by a Party other than the Registrant  [ ]

Check the appropriate box:

[ ] Preliminary Proxy Statement

[ ] Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

[ X ] Definitive Proxy Statement

[ ] Definitive Additional Materials

[ ] Soliciting Material under §240.14a-12

AMREP CORPORATION

(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):

[ X ] No fee required.

[ ] 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:

(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. (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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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:

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

(3) Filing Party:

(4) Date Filed:

AMREP CORPORATION

(An Oklahoma corporation)

NOTICE OF 2011 ANNUAL MEETING OF SHAREHOLDERS

September 14, 2011

NOTICE IS HEREBY GIVEN that the 2011 Annual Meeting of Shareholders of AMREP Corporation (the “Company”) will be held at the Conference Center at Normandy Farm, Route 202 and Morris Road, Blue Bell, Pennsylvania on September 14, 2011 at 9:00 A.M. for the following purposes:

- (1) To elect two directors in Class III to hold office until the 2014 Annual Meeting and until their successors are elected and qualified; and
- (2) To consider and act upon such other business as may properly come before the meeting.

In accordance with the By-Laws, the Board of Directors has fixed the close of business on August 1, 2011 as the record date for the determination of shareholders of the Company entitled to notice of and to vote at the meeting and any continuation or adjournment thereof. The list of such shareholders will be available for inspection by shareholders during the ten days prior to the meeting at the offices of the Company, 300 Alexander Park, Suite 204, Princeton, New Jersey.

Whether or not you expect to be present at the meeting, please mark, date and sign the enclosed proxy and return it to the Company in the self-addressed envelope enclosed for that purpose. The proxy is revocable and will not affect your right to vote in person in the event you attend the meeting.

By Order of the Board of Directors

Irving Needleman, Secretary

Dated: August 12, 2011  
Princeton, New Jersey

Important Notice Regarding the Availability of Proxy Materials  
for the Shareholder Meeting To Be Held On September 14, 2011

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The Proxy Statement and Annual Report to Shareholders  
are available at <http://www.cfpproxy.com/6674>

Upon the written request of any shareholder of the Company, the Company will provide to such shareholder a copy of the Company's annual report on Form 10-K for fiscal 2011, including the financial statements, filed with the Securities and Exchange Commission. Any request should be directed to Irving Needleman, Secretary, AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540. There will be no charge for such report unless one or more exhibits thereto are requested, in which case the Company's reasonable expenses of furnishing exhibits may be charged.

AMREP CORPORATION

300 Alexander Park, Suite 204

Princeton, New Jersey 08540

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PROXY STATEMENT

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ANNUAL MEETING OF SHAREHOLDERS

To be Held at 9:00 A.M. on September 14, 2011

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors (the “Board”) of AMREP Corporation (the “Company”) for use at the Annual Meeting of Shareholders of the Company to be held on September 14, 2011, and at any continuation or adjournment thereof (the “Annual Meeting”). The Annual Meeting will be held at the Conference Center at Normandy Farm located at Route 202 and Morris Road, Blue Bell, Pennsylvania.

The Annual Report of the Company on Form 10-K for the fiscal year ended April 30, 2011 filed on July 21, 2011 with the Securities and Exchange Commission is included in this mailing but does not constitute a part of the proxy solicitation material. This Proxy Statement and the accompanying Notice of 2011 Annual Meeting of Shareholders and proxy card are first being sent to shareholders on or about August 16, 2011.

Information Concerning the Annual Meeting

What will be voted on at the Annual Meeting?

The Board is divided into three classes with the term of each class ending at the third Annual Meeting following its election. At this Annual Meeting, shareholders will vote on the election of two nominees to serve on the Board as Class III directors until the 2014 Annual Meeting.

How does the Board recommend I vote on the proposal?

The Board recommends that you vote “FOR” each of the nominees named in this Proxy Statement.

Who is entitled to vote at the Annual Meeting?

Only shareholders of record as of the close of business on August 1, 2011, the date fixed by the Board in accordance with the Company’s By-Laws, are entitled to notice of and to vote at the Annual Meeting.

If I have given a proxy, how do I revoke that proxy?

Anyone giving a proxy may revoke it at any time before it is exercised by giving the Secretary of the Company written notice of the revocation, by submitting a proxy bearing a later date or by attending the Annual Meeting and voting.

How will my proxy be voted?

All properly executed, unrevoked proxies in the enclosed form that are received in time will be voted in accordance with the shareholders' directions and, unless contrary directions are given, will be voted for the election as directors of the nominees named in this Proxy Statement.



How many votes are needed to elect directors?

The two nominees receiving the highest number of “FOR” votes will be elected as directors. This is referred to as a plurality.

What if a nominee is unwilling or unable to serve?

This is not expected to occur but, in the event that it does, proxies will be voted for a substitute nominee designated by the Board or, in the discretion of the Board, the position may be left vacant.

How will abstentions and broker non-votes affect the voting?

Abstentions and broker non-votes have no effect on the voting for election of directors. Under the rules that govern brokers, uncontested elections of directors had previously been considered routine matters, and brokers or nominees who held stock in “street name” could vote the shares without instructions from their clients. These rules, however, have been amended, and now, if a beneficial owner’s shares are represented at the meeting but the broker or other nominee for those shares does not have instructions on how to vote in the uncontested director election a broker non-vote of those shares will occur. If you hold your shares in “street name,” you must cast your vote or instruct your nominee or broker to do so if you want your vote to count in the election of directors.

How many shares can be voted at the Annual Meeting?

As of August 1, 2011, the Company had issued and outstanding 5,996,212 shares of Common Stock, par value \$.10 per share. Each share of Common Stock is entitled to one vote on matters to come before the Annual Meeting.

How many votes will I be entitled to cast at the Annual Meeting?

You will be entitled to cast one vote for each share of Common Stock you held at the close of business on August 1, 2011, the record date for the Annual Meeting, as shown on the list of shareholders at that date prepared by the Company’s transfer agent for the Common Stock.

What is a “quorum?”

The presence, in person or by proxy, of the holders of a majority of the outstanding shares of Common Stock of the Company authorized to vote will constitute a quorum for the transaction of business at the Annual Meeting. Abstentions and broker non-votes will be counted in determining whether a quorum is present at the Annual Meeting. Broker non-votes at the meeting are not considered likely as brokers and nominees who do not receive voting instructions from their beneficial owners on the one matter scheduled for consideration are not expected to have the shares they hold for such owners represented at the meeting.

Who may attend the Annual Meeting?

All shareholders of the Company who owned shares of record at the close of business on August 1, 2011 may attend the Annual Meeting. If you want to vote in person and you hold Common Stock in street name (i.e., your shares are held in the name of a brokerage firm, bank or other nominee), you must obtain a proxy card issued in your name from the firm that holds your shares and bring that proxy card to the Annual Meeting, together with a copy of a statement from that firm reflecting your share ownership as of the record date and valid identification. If you hold your shares in street name and want to attend the Annual Meeting but not vote in person, you must bring to the Annual Meeting a copy of a statement from the firm that holds your shares reflecting your share ownership as of the record date and valid identification.



COMMON STOCK OWNERSHIP OF  
CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

Set forth in the following table is information concerning the ownership of the Common Stock of the Company by the persons who, to the knowledge of the Company, own beneficially more than 5% of the outstanding shares. The table also sets forth the same information concerning beneficial ownership for each director of the Company, each current executive officer of the Company, and all directors and current executive officers of the Company as a group. Unless otherwise indicated, (i) reported ownership is as of August 1, 2011, and (ii) the Company understands that the beneficial owners have sole voting and investment power with respect to the shares beneficially owned by them. In the case of directors and executive officers, the information below has been provided by such persons at the request of the Company.

Beneficial Owner	Shares Owned Beneficially		% of Class
Nicholas G. Karabots (Director) P.O. Box 736 Fort Washington, PA 19034	3,459,906	(1)	57.7
Albert V. Russo (Director) Lena Russo, Clifton Russo, Lawrence Russo c/o American Simlex Company 401 Broadway New York, NY 10013	1,116,540	(2)	18.6
Robert E. Robotti, et al Other Directors and Executive Officers	489,876	(3)	8.2
Edward B. Cloues, II	2,500		*
Lonnie A. Coombs	3,000		*
Michael P. Duloc	2,500	(4)	*
Theodore J. Gaasche	-		-
Peter M. Pizza	-		-
Irving Needleman	-		-
Samuel N. Seidman	13,500		*
Jonathan B. Weller	1,500		*
Directors and Current Executive Officers as a Group (104,599,446 persons)	104,599,446	(1),(2),(4)	76.7

\* Indicates less than 1%.

- (1) Includes 368,028 shares owned by The Karabots Foundation, a private non-profit corporation founded by Mr. Karabots and of which he is the President, Foundation Manager and one of two directors. Mr. Karabots disclaims beneficial ownership of the shares owned by The Karabots Foundation.
- (2) Albert V. Russo, Lena Russo, Clifton Russo and Lawrence Russo have reported that they share voting power as to these shares and that each of them has sole dispositive power as to the following numbers of such shares representing the indicated percentages of the outstanding Common Stock: Albert V. Russo – 663,741 (11.1%); Lena Russo – 33,740 (0.6%); Clifton Russo – 237,617 (4.0%); and Lawrence Russo – 181,442 (3.0%).



(3) The following table sets forth information regarding the beneficial ownership of Common Stock of the Company by Robert E. Robotti, Robotti & Company, Incorporated (“R&CoI”), Robotti & Company, LLC (“R&CoL”) and Robotti & Company Advisors, LLC (“R&CoA”), all of 110 East 42nd Street, New York, NY 11017-8535, Kenneth R. Wasiak of 515 Madison Avenue, New York, NY 10022 and Ravenswood Management Company, L.L.C. (“RMC”), The Ravenswood Investment Company, L.P. (“RIC”) and Ravenswood Investments III, L.P., (“RI”), all of 104 Gloucester Road, Massapequa, NY 11758. The information in the table is derived from Amendment 1 filed September 27, 2010 to the Schedule 13D filed jointly by these persons with the Securities and Exchange Commission on October 26, 2007.

Beneficial Owner	Shares Owned Beneficially	% of Class (a)
Robert E. Robotti (b),(c),(d),(e)	489,876	8.2
R&CoI (b),(c)	364,396	6.1
R&CoL (b)	6,650	*
R&CoA (c)	357,746	6.0
Kenneth R. Wasiak (d),(e)	125,480	2.1
RMC (d),(e)	125,480	2.1
RIC (d)	88,144	1.5
RI (e)	37,336	*

\* Indicates less than 1%.

- (a) Based upon the number of issued and outstanding shares of Common Stock at August 1, 2011.
- (b) Each of Mr. Robotti and R&CoI share with R&CoL the power to vote or to direct the vote, and share the power to dispose or to direct the disposition, of 6,650 shares of Common Stock owned by the discretionary customers of R&CoL.
- (c) Each of Mr. Robotti and R&CoI share with R&CoA the power to vote or to direct the vote, and share the power to dispose or to direct the disposition, of 357,746 shares of Common Stock owned by the advisory clients of R&CoA.
- (d) Each of Messrs. Robotti and Wasiak and RMC share with RIC the power to vote or to direct the vote, and share the power to dispose or to direct the disposition, of 88,144 shares of Common Stock owned by RIC.
- (e) Each of Messrs. Robotti and Wasiak and RMC share with RI the power to vote or to direct the vote, and share the power to dispose or to direct the disposition, of 54,822 shares of Common Stock owned by RI.

In an institutional investment manager’s report on Form 13F filed by Mr. Robotti with the Securities and Exchange Commission on May 17, 2011, he reported that at March 31, 2011, he had sole voting authority and shared investment discretion over 364,584 shares and sole voting authority and investment discretion over an additional 132,230 shares of Common Stock of the Company.

- (4) Held jointly with Mr. Duloc’s spouse.

ELECTION OF DIRECTORS

The Board is a classified board divided into three classes - Class I, Class II and Class III, each of which now consists of two directors who serve for a term of three years. A vacancy in Class I was created when James Wall, who had been the Company's Senior Vice President and a Class I director, retired as of December 31, 2010. In July 2011, the number of directors comprising Class III, which had been three, was reduced to two when the Board elected Jonathan B. Weller, who had been a Class III

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director, to fill the vacancy in Class I. At this Annual Meeting, two Class III directors will be elected to serve until the 2014 Annual Meeting and until their successors are elected and qualified.

The Board is nominating Nicholas G. Karabots and Albert V. Russo, who are the incumbent Class III directors, for election at the Annual Meeting. Although the Board does not expect that either of the persons nominated will be unable to serve as a director, should either of them become unavailable for election it is intended that the shares represented by proxies in the accompanying form will be voted for the election of a substitute nominee or nominees selected by the Board or, in the discretion of the Board, the position may be left vacant.

The Board unanimously recommends a vote "FOR" the two Class III nominees.

The following information relates to the nominees of the Board for election and the directors whose terms of office do not expire this year.

Nominees to serve until the 2014 Annual Meeting (Class III):

NICHOLAS G. KARABOTS, age 78, has been a director of the Company since 1993 and currently serves as the Vice Chairman of the Board. Mr. Karabots is the Chairman of the Board of Directors and Chief Executive Officer of Kappa Media Group, Inc., Spartan Organization, Inc., Jericho National Golf Club, Inc. and other private companies that are primarily engaged in the publishing, printing, recreational sports and real estate businesses, and has held these positions for more than the past five years. Mr. Karabots brings to the Board his extensive business experience obtained through over 50 years of owning and operating a variety of businesses, including businesses involved in real estate development, printing and publishing.

ALBERT V. RUSSO, age 57, has been a director of the Company since 1996. Mr. Russo is the Managing Partner of real estate entities Russo Associates and Pioneer Realty and is a Partner of American Simlex Company, a textile exporter, and has held these positions for more than the past five years. Mr. Russo is also the Managing Partner of 401 Broadway Building, a real estate company which acquired its principal asset in 2006 from a court appointed receiver for 401 Broadway Realty Company, of which he was a general partner, in connection with the resolution of a dispute among the partners. Mr. Russo has been involved in the ownership and management of commercial real estate for more than 25 years and contributes to the Board his specialized knowledge of the real estate business.

Directors continuing in office until the 2012 Annual Meeting (Class I):

EDWARD B. CLOUES, II, age 63, has been a director of the Company since 1994 and currently serves as the Chairman of the Board. He also serves as a director of Hillenbrand, Inc. and as a director and Chairman of the Board of each of Penn Virginia Corporation and Penn Virginia Resource GP, LLC, the General Partner of Penn Virginia Resource Partners, L.P. For more than five years prior to its sale on April 1, 2010, Mr. Cloues was a director, the Chairman of the Board and Chief Executive Officer of K-Tron International, Inc., a material handling equipment manufacturer. Mr. Cloues has been a law firm partner at a major global law firm where he specialized in mergers and acquisitions and other business law matters. That experience combined with the experience gained from his former 12 year chief executive position with K-Tron International, Inc., which had been publicly held prior to its sale, has given him a strong background in dealing with complex business transactions and general management issues. Additionally, he brings to the Board a broad understanding of governance and compensation issues as a result of his service on several other public company boards.

JONATHAN B. WELLER, age 64, has been a director of the Company since 2007. After his retirement from full-time employment in April 2006, Mr. Weller worked as an Adjunct Lecturer at the Wharton School of the University of Pennsylvania from January 2007 to May 2009. From June 2004 to April 2006, Mr. Weller was Vice Chairman of Pennsylvania Real Estate Investment Trust, a public national owner, manager and operator of retail

properties. He also served as Pennsylvania Real Estate Investment

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Trust's President and Chief Operating Officer from 1994 to June 2004, and served on its Board of Trustees from 1994 to March 2006. Mr. Weller is a director of Penn Virginia Resource GP, LLC, the General Partner of Penn Virginia Resource Partners, L.P. ("PVR") and had been a director of PVG GP, LLC, the General Partner of Penn Virginia GP Holdings, L.P. prior to its merger with PVR. He also is a member of the Advisory Board of Momentum Real Estate Fund, LLC. Mr. Weller brings to the Board 36 years of experience in the real estate business as well as experience in dealing with complex financial transactions. Also, his service on other public company boards enhances the Board's ability to deal with governance and compensation matters.

Directors continuing in office until the 2013 Annual Meeting (Class II):

LONNIE A. COOMBS, age 63, has been a director of the Company since 2001. Mr. Coombs is a certified public accountant and provides accounting, tax and business consulting services, and has been engaged in this occupation for more than the past five years with his firm, Lonnie A. Coombs, CPA. Mr. Coombs brings to the Board the expertise in financial and accounting matters he has accumulated over his almost 40 years as a practicing certified public accountant, and the diverse business knowledge he has gained in dealing through his practice with a broad range of commercial enterprises.

SAMUEL N. SEIDMAN, age 77, has been a director of the Company since 1977. Mr. Seidman is the President of Seidman & Co., Inc., an economic consulting and investment banking firm that he founded, and also serves as a director, Chairman of the Board, President and Chief Executive Officer of Productivity Technologies Corp., a manufacturer of metal forming and materials handling automation equipment and a wirer of control panels. He has held these positions for more than the past five years. He is a former director of InkSure Technologies Inc. Mr. Seidman provides the Board with his experience as a public company director, having served on a number of boards over the years. He also has a strong business background both through operating his own economic consulting and investment banking business and having managed several other businesses.

#### THE BOARD OF DIRECTORS AND ITS COMMITTEES

The Company's Common Stock is listed on the New York Stock Exchange, and the Company is subject to the Exchange's Corporate Governance Standards (the "Governance Standards"). The Governance Standards, among other things, generally require a listed company to have independent directors within the meaning of the Governance Standards as a majority of its board of directors and for the board to have a nominating/corporate governance committee and a compensation committee each composed entirely of independent directors. However, the Company is a "controlled company" within the meaning of the Governance Standards because Nicholas G. Karabots and entities related to him have the power to vote more than a majority of the outstanding Common Stock, and the Governance Standards permit a controlled company to choose not to comply with those requirements. The Board has chosen not to have a nominating/corporate governance committee. Also, the Board has chosen not to comply with the Governance Standards applicable to compensation committees. Although the Board has a Compensation and Human Resources Committee, not all of its members are independent directors as would be required by the Governance Standards if the Company were not a controlled company.

Mr. Karabots does not qualify as an independent director under the Governance Standards. He owns, and he and certain of his family members are executives of, publishers that are customers for the Company's newsstand distribution and subscription and product fulfillment services for which the payments involved are in amounts greater than permitted under the Governance Standards for a director to be considered independent. Also, his son-in-law, Michael P. Duloc, is the President and Chief Executive Officer of the Company's Palm Coast Data LLC and Kable Media Services, Inc. subsidiaries.

Based principally on their responses to questions to these persons regarding the relationships addressed by the Governance Standards and discussions with them, the Board has determined that other than his service as a director,

each of Edward B. Cloues, II, Lonnie A. Coombs, Albert V. Russo, Samuel

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N. Seidman and Jonathan B. Weller has no material relationship with the Company either directly or as a partner, shareholder or officer of an organization that has a relationship with the Company and, therefore, meets the director independence requirements of the Governance Standards. The Board was informed that Mr. Coombs, who is a certified public accountant, (i) for many years has provided, and expects to continue to provide, business and tax consulting services to certain companies owned by Mr. Karabots, including companies that are customers for the Company's newsstand distribution and subscription and product fulfillment services, (ii) the revenues from such business and tax consulting services for the Company's last three fiscal years have accounted for from 8.3% to 5.2% of Mr. Coombs' professional service revenues over those periods, and (iii) Mr. Coombs is also a director of two private companies controlled by Mr. Karabots. However, the Board concluded that Mr. Coombs' relationships with Mr. Karabots and his companies is as an independent contractor, and not as an employee, partner, shareholder or officer, and would not interfere with Mr. Coombs' independence from the Company's management.

The nominees for election as directors are selected by the whole Board. The Board has no charter addressing the director nomination process or any specific qualifications for nominees to meet, and has not adopted a formal policy mandating the consideration of diversity as a factor in selecting and evaluating nominees, or formally defining what diversity means. The Board considers diversity broadly to include differences of viewpoint, professional experience, and individual characteristics, qualities, and skills that result in varying perspectives among the members of the Board while simultaneously providing skills that complement the full Board such that, as a unit, the Board possesses the appropriate skills and experience to oversee the Company's business. The Board has not adopted a formal policy relating to diversity because it believes that diversity is one of many underlying factors that are used in assessing a director candidate's experience, skills, knowledge of business, management practices, and the perspective that he or she can bring to the Board, and that adopting a formal policy may encourage undue weight being given to one or a few factors, while the remaining factors the Board has historically considered, which also are not formally defined, garner less attention. Further, the Board believes that a formal policy regarding diversity may not provide it with the flexibility it requires in evaluating each individual candidate and, therefore, may not result in the selection of the best qualified nominees to the Board. The Board believes that diversity is part of the overall mix of factors it has historically considered, and continues to consider, when identifying and evaluating candidates for election as directors. If the Board determines in the future to seek any new director, it will consider the qualifications for the position at that time.

The Board will consider candidates for director recommended by shareholders on the same basis as any other proposed nominees. Any shareholder desiring to propose a candidate for selection as a nominee of the Board for election at the 2012 Annual Meeting may do so by sending a written communication no later than May 1, 2012 to AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540, Attention: Corporate Secretary, identifying the proposing shareholder, specifying the number of shares of Common Stock held and stating the name and address of the proposed nominee and the information concerning such person that the regulations of the Securities and Exchange Commission require be included in a proxy statement relating to such person's proposed election as a director. Shareholders should recognize that so long as Mr. Karabots remains the Company's controlling shareholder, his concurrence is necessary for the election by the shareholders of any director.

As required by the Governance Standards, the Board has adopted Corporate Governance Guidelines (the "Guidelines") that address various matters involving the Board and the conduct of its business. The Board has also adopted a Code of Business Conduct and Ethics setting forth principles of business conduct applicable to the directors, officers and employees of the Company. The Guidelines and Code of Business Conduct and Ethics, as well as the charters of the Board's Audit Committee and Compensation and Human Resources Committee, may be viewed under "Corporate Governance" on the Company's website at [www.amrepcorp.com](http://www.amrepcorp.com), and written copies will be provided to any shareholder upon written request to the Company at AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New



Jersey 08540, Attention: Corporate Secretary. The Company intends to disclose on its website any amendment to or waiver of any provision of the Code of Business Conduct and Ethics that applies to any of its executive officers, including its principal executive officer and principal financial and accounting officer.

Directors are expected to attend Annual Meetings of Shareholders, and all of the directors attended last year's Annual Meeting. The Board held eight meetings during the last fiscal year, and all of the directors attended at least 75% of the total of those meetings and the meetings during such year of the Board Committees of which they were members. Pursuant to the Guidelines, the Board has established a policy that the non-management directors meet in executive session at least twice per year and that the independent directors also meet in executive session at least twice per year. Since December 31, 2010, no member of management has been a director. The Chairman of the Board (currently, Edward B. Cloues, II), if in attendance, will be the presiding director at each such executive session; otherwise, those attending will select a presiding director.

Any shareholder or other interested person wishing to communicate with the Board or any of the directors may send a letter addressed to the member or members of the Board to whom the communication is directed in care of AMREP Corporation, 300 Alexander Park, Suite 204, Princeton, New Jersey 08540, Attention: Corporate Secretary. All such communications will be forwarded to the specified addressee(s).

The Board has an Executive Committee, which generally has the power of the Board and acts, as needed, between meetings of the Board. Also, from January 1996 until August 1, 2011, when Theodore J. Gaasche was elected President and Chief Executive Officer of the Company, the Company had no Chief Executive Officer. During that period, the Executive Committee was charged with the oversight of the Company's business. The current members of the Executive Committee are Messrs. Cloues, Karabots and Russo. Mr. Cloues is Chairman of the Board and of the Executive Committee, and Mr. Karabots is Vice Chairman of the Board and of the Executive Committee. During the last fiscal year the Executive Committee met one time on a formal basis and frequently on an informal basis.

While it is unusual for a company not to have had a chief executive officer, the Company believes that its former leadership structure was appropriate and worked well for it since, as previously noted, it is a controlled company under the Governance Standards and its two major shareholders are members of the Executive Committee, along with Mr. Cloues who is an experienced former public company chief executive officer.

The Board also has an Audit Committee that operates under a written charter adopted by the Board. Each member of the Audit Committee is an independent director, as defined by the Governance Standards. The duties of the Audit Committee include (i) appointing the Company's independent registered public accounting firm, approving the services to be provided by that firm and its compensation and reviewing that firm's independence and performance of services, (ii) reviewing the scope and results of the yearly audit by the independent registered public accounting firm, (iii) reviewing the Company's system of internal controls and procedures, (iv) reviewing with management and the independent registered public accounting firm the Company's annual and quarterly financial statements, (v) reviewing the Company's financial reporting and accounting standards and principles, and (vi) overseeing the administration of the Guidelines. This Committee reports regularly to the Board concerning its activities. The current members of this Committee are Messrs. Coombs (Chairman), Seidman and Weller, each of whom has been determined by the Board to be an independent director within the meaning of the Governance Standards. The Board has also determined that Mr. Coombs, who is a certified public accountant, qualifies as an audit committee financial expert within the meaning of Securities and Exchange Commission regulations. The Audit Committee held seven meetings during the last fiscal year.

In addition to the Audit Committee's responsibilities set forth above, the Audit Committee has, pursuant to its charter, primary responsibility in the oversight of risks that could affect the Company. The



full Board and its Executive Committee are actively involved in risk oversight and management of risk, with the full Board having ultimate responsibility for the oversight of risks facing the Company and for the management of those risks, but the Audit Committee conducts preliminary evaluations of risk and addresses risk prior to review by the Board of Directors. The Audit Committee considers and reviews with management, the Company's internal control processes, and with the Company's independent registered public accounting firm, the adequacy of the Company's internal controls, including the processes for identifying significant risks or exposures, and elicits recommendations for the improvement of such procedures where needed. In addition to the Audit Committee's role, the full Board is involved in the oversight and administration of risk and risk management practices by overseeing members of senior management in their risk management capacities. Members of the Company's senior management have day-to-day responsibility for risk management and establishing risk management practices, and members of management are expected to report matters relating specifically to the Audit Committee directly thereto, and to report all other matters directly to the Executive Committee or the Board as a whole. Members of the Company's senior management have an open line of communication to the Executive Committee and the Board and have the discretion to raise issues from time-to-time in any manner they deem appropriate, and management's reporting on issues relating to risk management typically occurs through direct communication with directors or committee members as matters requiring attention typically arise.

In furtherance of its risk oversight responsibilities, the Board has evaluated the Company's overall compensation policies and practices for its employees to determine whether such policies and practices create incentives that could reasonably be expected to affect the risks faced by the Company and management of that risk, has further assessed whether any risks arising from these policies and practices are reasonably likely to have a material adverse effect on the Company, and has concluded that the risks arising from the Company's policies and practices are not reasonably likely to have a material adverse effect on the Company.

The Board also has a Compensation and Human Resources Committee that operates under a written charter adopted by the Board. The Compensation and Human Resources Committee is responsible for determining salaries and bonuses for the executives of the Company and its subsidiaries, establishing overall compensation and benefit levels and fixing bonus pools for other employees, and making recommendations to the Board concerning other matters relating to employees and regarding director compensation. Its charter does not permit its authority to be delegated. The members of this Committee are Messrs. Cloues, Karabots (Chairman) and Russo, and during the last fiscal year it held four formal meetings and met periodically on an informal basis.

#### EXECUTIVE OFFICERS

Set forth below is certain information concerning persons who are the current executive officers of the Company.

Theodore J. Gaasche, age 49, is President and Chief Executive Officer of the Company, having been elected to those positions effective August 1, 2011. Mr. Gaasche had served as the Company's Vice President - Corporate Development since February 2011. Also, from 2009 through July 2011 he had been serving as Executive Vice President, Operations of Spartan Organization, Inc., a private company that advises various print, publishing and other portfolio companies ow