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HMG COURTLAND PROPERTIES INC

Form 8-K/A

November 02, 2004

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K/A

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of Report (Date of earliest event reported) August 20, 2004

HMG/COURTLAND PROPERTIES, INC.

-----  
(Exact name of Registrant as specified in its charter)

|  |                                      |  |
|--|--------------------------------------|--|
| Delaware   | 1-7865                               | 59-1914299                                       |
| -----<br>(State or other jurisdiction of<br>incorporation or organization) | -----<br>(Commission<br>File Number) | -----<br>(I.R.S. Employer<br>Identification No.) |

|   |                     |
|---|---------------------|
| 1870 S. Bayshore Drive, Coconut Grove, Florida    | 33133               |
| -----<br>(Address of principal executive offices) | -----<br>(Zip Code) |

Registrant's telephone number, including area code: (305) 854-6803

Not Applicable

-----  
(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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Item 9.01 Financial Statements and Exhibits

On August 20, 2004, HMG/Courtland Properties, Inc. (the "Company") filed a Form 8-K, under Item 2 thereto to report that it had purchased a restaurant, office/retail and marina property located in Coconut Grove, Florida. The assets were acquired from Bayshore Restaurant Management Corporation, a privately-held Florida corporation which was part of a larger organization with other Florida

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restaurant operations.

In response to parts (a) and (b) of Item 7 of such Form 8-K, the Company stated that it would file the required financial information by amendment, as permitted by Instructions (a) (4) and (b) (2) to Item 7. Effective August 23, 2004, the Securities and Exchange Commission renumbered the Form 8-K item numbers. Thus, the information previously filed under Item 7 is now being filed under item 9.01.

The Company is filing this Current Report on Form 8-K/A to amend the Company's Current Report on Form 8-K filed on August 20, 2004, as described above, to include the required pro-forma financial statements pursuant to Item 9.01(b) (1) of Form 8-K. With regards to audited historical financial statements pursuant to Item 9.01(a) (1) the Company's accountants performed a preliminary inspection of the books and records of the company whose principal assets were purchased by the registrant and determined that the acquired assets were part of a larger privately held entity, which lacked adequate financial internal controls and included other entities operating through separate profit centers. To perform an audit would require a complete transactional audit of the entire organization and would be cost prohibitive. Instead the Company is providing unaudited historical information of the aforementioned entity.

(a) Financial Statements of Assets Acquired (unaudited).

The following unaudited financial statements of Bayshore Restaurant Management Corporation are filed herewith:

BAYSHORE RESTAURANT MANAGEMENT CORPORATION  
UNAUDITED FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002

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BAYSHORE RESTAURANT MANAGEMENT CORPORATION  
 UNAUDITED BALANCE SHEET  
 AS OF DECEMBER 31, 2003

| Assets   | 2003                          |
|--|-------------------------------|
| -----  | ----                          |
| Cash   | \$ 20,533                     |
| Accounts receivable  | 107,817                       |
| Inventory  | 60,474                        |
| Due from affiliates  | 1,655,424                     |
| Prepaid expenses and other assets  | 975,758                       |
| Property and equipment, net of accumulated depreciation<br>of 3,801,573. | 7,034,834                     |
| Total Assets   | -----<br>\$9,854,840<br>===== |
|  |                               |
| Liabilities  |                               |
| -----  |                               |
| Accounts payable   | \$ 740,008                    |
| Accrued liabilities  | 2,599,646                     |
| Tenant deposits  | 64,758                        |
| Notes payable to bank  | 6,520,986                     |
| Total Liabilities  | -----<br>9,925,398            |
| Stockholders' Equity (deficit)   | (70,558)                      |
| Total Liabilities & Stockholders' Equity                                 | -----<br>\$9,854,840<br>===== |

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BAYSHORE RESTAURANT MANAGEMENT CORPORATION  
 UNAUDITED STATEMENTS OF OPERATIONS AND RETAINED EARNINGS (DEFICT)  
 For the Years Ended December 31, 2003 and 2002

|                                    | 2003               | 2002 |
|------------------------------------|--------------------|------|
|                                    | ----               | ---- |
| Revenues                           |                    |      |
| -----                              |                    |      |
| Food and beverage                  | \$ 5,026,054       | \$   |
| Marina                             | 782,822            |      |
| Rental and related                 | 184,320            |      |
| Total revenues                     | -----<br>5,993,196 |      |
| Operating Expenses                 |                    |      |
| -----                              |                    |      |
| Cost of sales of food and beverage | 1,369,333          |      |
| Payroll and related                | 1,166,362          |      |
| Administrative and general         | 1,394,001          |      |
| Occupancy costs                    | 779,208            |      |

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|   |             |    |
|---|-------------|----|
| Total operating expenses                        | 4,708,904   |    |
| Income before interest and depreciation expense | 1,284,292   |    |
| Interest expense                                | 391,259     |    |
| Depreciation expense                            | 247,187     |    |
| Total interest and depreciation expense         | 638,446     |    |
| Net income                                      | 645,846     |    |
| Retained earnings (deficit) beginning of year   | (716,404)   | (1 |
| Retained earnings (deficit) end of year         | \$ (70,558) | \$ |

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BAYSHORE RESTAURANT MANAGEMENT CORPORATION  
 UNAUDITED STATEMENTS OF CASH FLOWS  
 For the years ended December 31, 2003 and 2002

|   | 2003       |
|---|------------|
| Cash Flows From Operating Activities:   |            |
| Net Income  | \$ 645,846 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities: |            |
| Depreciation and amortization   | 247,187    |
| Changes in assets and liabilities:  |            |
| Accounts receivable, prepaid expenses and other current assets                              | (56,022)   |
| Due from affiliates   | 148,235    |
| Accounts payable and accrued and other liabilities  | 154,682    |
| Total adjustments   | 494,082    |
| Net cash provided by (used in) operating activities   | 1,139,928  |
| Cash Flows From Investing Activities:   |            |
| Purchases of property and equipment   |            |
| Disposals of property and equipment   | (182,827)  |
| Net cash (used in) provided by investing activities   | (182,827)  |
| Cash Flows From Financing Activities:   |            |
| Repayments of bank loan   | (955,990)  |
| Advances from bank loan   |            |

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|   |            |
|---|------------|
| Net cash (used in) provided by financing activities | (955,990)  |
|   | -----      |
| Net increase in cash                                | 1,111      |
| Cash at the beginning of year                       | 19,422     |
|   | -----      |
| Cash at the end of year                             | \$ 20,533  |
|   | =====      |
| Supplemental Disclosure of Cash Information:        |            |
| Cash paid during the year for interest              | \$ 391,259 |
|   | =====      |
| Cash paid during the year for income taxes          | \$ -       |
|   | =====      |

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BAYSHORE RESTAURANT MANAGEMENT CORPORATION  
NOTES TO UNAUDITED FINANCIAL STATEMENTS  
For the Years Ended December 31, 2003 and 2002

Note A- Summary of Significant Accounting Policies:  
-----

Business and Principles of Combination:

Bayshore Restaurant Management Corporation (the "Company") operates a restaurant, a marina and a retail mall located in Coconut Grove, Florida. The Company is part of a larger organization which operates other restaurants in South and Central Florida.

Inventories:

Food and beverage inventories are stated at the lower of cost or market, with cost being determined using the first-in, first-out (FIFO) method.

Property and Equipment:

Property and equipment are carried at cost. Depreciation, including depreciation of equipment acquired under capital leases, is provided for on the straight-line and accelerated methods over the estimated useful lives of the assets ranging from 5 to 40 years.

Income Taxes:

Bayshore Restaurant Management Corporation is a wholly-owned subsidiary of Monty's Holdings, Inc. which is a qualified Subchapter S Corporation and its affiliates are either partnerships or S corporations. For Federal and State income tax purposes, the Company passes through income and losses to its shareholders or partners. Accordingly, no provision for income taxes is recorded.

Reclassifications:

Certain amounts in the 2002 financial statements have been reclassified to conform to the 2003 financial statement presentation.

BAYSHORE RESTAURANT MANAGEMENT CORPORATION  
 NOTES TO UNAUDITED FINANCIAL STATEMENTS  
 For the Years Ended December 31, 2003 and 2002 (Continued)

Note B- Property and Equipment:  
 -----

Property and equipment as of December 31, 2003 consisted of the following:

|                                       | 2003         |
|---------------------------------------|--------------|
|                                       | -----        |
| Leasehold - Building and Improvements | \$10,141,380 |
| Furniture and Equipment               | 695,027      |
|                                       | -----        |
|                                       | 10,836,407   |
| Less: Accumulated Depreciation        | (3,801,573)  |
|                                       | -----        |
| Property and equipment, net           | \$7,034,834  |
|                                       | -----        |

Note C- Due from Affiliates:  
 -----

Due from affiliates consist of amounts due from entities wholly or partially owned by Monty's Holdings, Inc. and/or its principals. These amounts are non-interest bearing and due on demand. As of December 31, 2003 balances due from affiliates was \$1,655,424.

Note D- Note Payable to Bank:  
 -----

As of December 31, 2003 the Company had a mortgage payable to a bank with a principal outstanding balance of \$6,520,926. The mortgage calls for monthly principal payments of \$33,333 plus interest at 1.5% over the prime rate. In conjunction with the sale of the property on August 20, 2004, this loan was satisfied in full.

Note E- Lease Commitments:  
 -----

The Company's property is subject to a ground lease with the City of Miami, Florida which terminates April 2035. In conjunction with the sale of the property on August 20, 2004 this lease was assigned to the buyer of the property.

Note F- Subsequent Events:  
 -----

On August 20, 2004, all real property of Bayshore Restaurant Management Corporation was purchased by Bayshore Landing, LLC ("Landing") for approximately \$13.9 million. In conjunction with this purchase the ground lease with the City of Miami, Florida was assigned to Landing.

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(b) Pro Forma Financial Information.

The following pro forma financial information is filed herewith:

## HMG/COURTLAND PROPERTIES, INC. PRO FORMA FINANCIAL INFORMATION

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## HMG/COURTLAND PROPERTIES, INC. UNAUDITED PRO FORMA FINANCIAL INFORMATION

### INTRODUCTION TO PRO FORMA FINANCIAL INFORMATION

The following unaudited pro forma financial information gives effect to the acquisition of certain assets of Bayshore Restaurant Management Corporation ("Seller").

On August 20, 2004, HMG/Courtland Properties, Inc. (the "Company"), purchased a restaurant, office/retail and marina property located in Coconut Grove, Florida for approximately \$13.9 million (the "Acquisition"). The purchase was made through a 50%-owned limited liability company, Bayshore Landing, LLC ("Landing").

The unaudited pro forma condensed combined balance sheet gives effect to the Acquisition as if it had occurred on June 30, 2004. The unaudited pro forma combined statements of operations for the year ended December 31, 2003 and the six months ended June 30, 2004 gives effect to the Acquisition as if it had occurred at the beginning of the earliest periods presented.

The unaudited pro forma condensed combined information has been included as required and allowed by the Securities and Exchange Commission and is presented for illustrative purposes only. Such information is not necessarily indicative of the operating results or financial position that would have occurred had the Acquisition taken place on June 30, 2004 or December 31, 2003. The pro forma condensed combined financial statements should be read in conjunction with the Company's Form 10-KSB for the year ended December 31, 2003 and the related notes included in this Current Report on Form 8-K/A.

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HMG/COURTLAND PROPERTIES, INC.  
 UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET  
 As of June 30, 2004

|   | HMG<br>Historical | Seller<br>Historical | Total       | Pro<br>Adju |
|---|-------------------|----------------------|-------------|-------------|
|   | -----             | -----                | -----       | -----       |
| ASSETS  |                   |                      |             |             |
| Investment properties, net of accumulated depreciation:   |                   |                      |             |             |
| Commercial properties   | \$ 998,627        | \$6,871,038          | \$7,869,665 | \$ (3       |
| Hotel and club facility   | 4,016,529         | -                    | 4,016,529   |             |
| Marina yacht slips  | 131,620           | -                    | 131,620     |             |
| Land held for development   | 1,083,855         | -                    | 1,083,855   |             |
|   | -----             | -----                | -----       | -----       |
| Total investment properties, net  | 6,230,631         | 6,871,038            | 13,101,669  |             |
|   | -----             | -----                | -----       | -----       |
| Cash and cash equivalents   | 3,533,544         | -                    | 3,533,544   |             |
| Cash restricted pending delivery of securities  | 95,986            | -                    | 95,986      |             |
| Investments in marketable securities  | 6,659,481         | -                    | 6,659,481   |             |
| Other investments   | 5,240,828         | -                    | 5,240,828   |             |
| Investment in affiliate   | 2,960,035         | -                    | 2,960,035   |             |
| Loans, notes and other receivables  | 905,726           | 375,218              | 1,280,944   |             |
| Notes and advances due from related parties   | 778,369           | 2,212,020            | 2,990,389   | (2          |
| Deferred taxes  | 464,000           | -                    | 464,000     |             |
| Other assets  | 195,605           | 145,842              | 341,447     |             |
| Goodwill  | -                 | -                    | -           |             |
|   | -----             | -----                | -----       | -----       |
| TOTAL ASSETS  | 27,064,205        | 9,604,118            | 36,668,323  |             |
|   | -----             | -----                | -----       | -----       |
| LIABILITIES   |                   |                      |             |             |
| Mortgages and notes payable   | 7,367,445         | 6,310,986            | 13,678,431  |             |
| Accounts payable and accrued expenses   | 258,814           | 2,309,466            | 2,568,280   |             |
| Accrued income taxes payable  | 182,000           | -                    | 182,000     |             |
| Sales of securities pending delivery  | 112,830           | -                    | 112,830     |             |
|   | -----             | -----                | -----       | -----       |
| TOTAL LIABILITIES   | 7,921,089         | 8,620,452            | 16,541,541  |             |
|   | -----             | -----                | -----       | -----       |
| Minority interests  | 301,478           | -                    | 301,478     |             |
|   | -----             | -----                | -----       | -----       |
| STOCKHOLDERS' EQUITY  |                   |                      |             |             |
| Preferred stock, \$1 par value; 2,000,000 shares authorized; none issued                          | -                 | -                    | -           |             |
| Excess common stock, \$1 par value; 500,000 shares authorized; none issued                        | -                 | -                    | -           |             |
| Common stock, \$1 par value; 1,500,000 shares authorized; 1,315,635 shares issued and outstanding | 1,315,635         | -                    | 1,315,635   |             |
| Additional paid-in capital  | 26,571,972        | -                    | 26,571,972  |             |
| Undistributed gains from sales of properties, net of losses                                       | 41,327,464        | -                    | 41,327,464  |             |



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|   |              |           |              |
|---|--------------|-----------|--------------|
| Undistributed losses from operations            | (48,455,569) | 983,666   | (47,471,903) |
|   | -----        | -----     | -----        |
|   | 20,759,502   | 983,666   | 21,743,168   |
| Less: Treasury stock, at cost (226,500 shares)  | (1,659,114)  | -         | (1,659,114)  |
| Notes receivable from exercise of stock options | (258,750)    | -         | (258,750)    |
|   | -----        | -----     | -----        |
| TOTAL STOCKHOLDERS' EQUITY                      | 18,841,638   | 983,666   | 19,825,304   |
|   | -----        | -----     | -----        |
| TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY      | 27,064,205   | 9,604,118 | 36,668,323   |
|   | =====        | =====     | =====        |

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HMG/COURTLAND PROPERTIES, INC.  
 UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS  
 For the Six Months ended June 30, 2004

|   | HMG<br>Historical | Seller<br>Historical | Total      |
|---|-------------------|----------------------|------------|
|   | -----             | -----                | -----      |
| REVENUES  |                   |                      |            |
| Real estate rentals and related   | \$ 795,516        | 114,173              | \$ 909,689 |
| Food and beverage   | -                 | 3,124,591            | 3,124,591  |
| Marina and related  | 232,854           | 435,260              | 668,114    |
| Net (loss) gain from investments in marketable securities               | (135,228)         | -                    | (135,228)  |
| Net gain from other investments   | 104,371           | -                    | 104,371    |
| Interest, dividend and other income                                     | 185,351           | -                    | 185,351    |
|   | -----             | -----                | -----      |
| Total Revenues  | 1,182,864         | 3,674,024            | 4,856,888  |
| EXPENSES  |                   |                      |            |
| Operating expenses:   |                   |                      |            |
| Rental and other properties   | 241,591           | 67,958               | 309,549    |
| Food and beverage cost of sales   | -                 | 890,489              | 890,489    |
| Food and beverage labor and related costs                               | -                 | 655,540              | 655,540    |
| Food and beverage other operating costs                                 | -                 | 812,038              | 812,038    |
| Marina and related expenses   | 208,892           | 167,720              | 376,612    |
| Depreciation and amortization   | 266,790           | 123,594              | 390,384    |
| Adviser's base fee  | 450,000           | -                    | 450,000    |
| General and administrative  | 158,801           | -                    | 158,801    |
| Professional fees and expenses  | 69,817            | -                    | 69,817     |
| Directors' fees and expenses  | 30,211            | -                    | 30,211     |
|   | -----             | -----                | -----      |
| Total operating expenses  | 1,426,102         | 2,717,339            | 4,143,441  |
| Interest expense  | 228,840           | 195,630              | 424,470    |
| Minority partners' interests in operating gain of consolidated entities | 1,072             | -                    | 1,072      |

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|   |              |            |             |
|---|--------------|------------|-------------|
| Total expenses  | 1,656,014    | 2,912,968  | 4,568,982   |
| (Loss) income before sales of properties and income taxes | (473,150)    | 761,056    | 287,906     |
| Gain on sales of properties, net                          | 1,848,941    | -          | 1,848,941   |
| Income before income taxes                                | 1,375,791    | 761,056    | 2,136,847   |
| Provision for income taxes                                | 196,000      | -          | 196,000     |
| Net Income  | \$ 1,179,791 | \$ 761,056 | \$1,940,847 |
| Net Income Per Common Share:                              |              |            |             |
| Basic   | \$ 1.08      |            |             |
| Diluted   | \$ 1.07      |            |             |
| Weighted average common shares outstanding - Basic        | 1,089,135    |            |             |
| Weighted average common shares outstanding - Diluted      | 1,103,700    |            |             |

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HMG/COURTLAND PROPERTIES, INC.  
 UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS  
 For the Year ended December 31, 2003

|  | HMG<br>Historical | Seller<br>Historical | Total        |
|--|-------------------|----------------------|--------------|
| REVENUES   |                   |                      |              |
| Real estate rentals and related                    | \$ 1,684,201      | \$ 184,321           | \$ 1,868,522 |
| Food and beverage                                  | -                 | 5,026,054            | 5,026,054    |
| Marina and related                                 | 477,123           | 782,822              | 1,259,945    |
| Net gain from investments in marketable securities | 766,712           | -                    | 766,712      |
| Net gain from other investments                    | 51,175            | -                    | 51,175       |
| Interest, dividend and other income                | 306,754           | -                    | 306,754      |
| Total Revenues                                     | 3,285,965         | 5,993,197            | 9,279,162    |
| EXPENSES   |                   |                      |              |
| Operating expenses:                                |                   |                      |              |
| Rental and other properties                        | 540,098           | 133,373              | 673,471      |
| Food and beverage cost of sales                    | -                 | 1,369,333            | 1,369,333    |
| Food and beverage labor and related costs          | -                 | 1,166,362            | 1,166,362    |
| Food and beverage other operating costs            | -                 | 1,709,261            | 1,709,261    |
| Marina and related expenses                        | 374,908           | 330,576              | 705,484      |

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|   |            |            |            |
|---|------------|------------|------------|
| Depreciation and amortization   | 585,432    | 247,187    | 832,619    |
| Adviser's base fee  | 900,000    | -          | 900,000    |
| General and administrative  | 271,422    | -          | 271,422    |
| Professional fees and expenses  | 177,619    | -          | 177,619    |
| Directors' fees and expenses  | 61,664     | -          | 61,664     |
|   | -----      | -----      | -----      |
| Total operating expenses  | 2,911,143  | 4,956,092  | 7,867,238  |
| Interest expense  | 488,370    | 391,259    | 879,629    |
| Minority partners' interests in operating gain of consolidated entities | 20,406     | -          | 20,406     |
|   | -----      | -----      | -----      |
| Total expenses  | 3,419,919  | 5,347,351  | 8,767,273  |
|   | -----      | -----      | -----      |
| (Loss) income before sales of properties and income taxes               | (133,954)  | 645,846    | 511,892    |
| Gain on sales of properties, net  | 637,743    | -          | 637,743    |
|   | -----      | -----      | -----      |
| Income before income taxes  | 503,789    | 645,846    | 1,149,635  |
| Provision for income taxes  | 323,000    | -          | 323,000    |
|   | -----      | -----      | -----      |
| Net Income  | \$ 180,789 | \$ 645,846 | \$ 826,635 |
|   | =====      | =====      | =====      |
| Net Income Per Common Share:  |            |            |            |
| Basic   | \$ 0.17    |            |            |
|   | =====      |            |            |
| Diluted   | \$ 0.17    |            |            |
|   | =====      |            |            |
| Weighted average common shares outstanding - Basic                      | 1,089,135  |            |            |
|   | =====      |            |            |
| Weighted average common shares outstanding - Diluted                    | 1,094,993  |            |            |
|   | =====      |            |            |

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HMG/COURTLAND PROPERTIES, INC.  
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED  
FINANCIAL STATEMENTS

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited pro forma condensed combined financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and certain footnote disclosures normally included in financial statements prepared in accordance with generally accepted in the United States of America have been condensed or omitted pursuant to such rules and regulations; however, management believes that the disclosures are adequate to make the information presented not misleading.

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### NOTE 2 - ASSETS ACQUIRED

On August 20, 2004, Landing purchased certain real property from Bayshore Restaurant Management Corporation and affiliates ("Seller") for approximately \$13.9 million. The Seller is a privately-held organization which operates various restaurants in Florida. The acquired assets included a two story building with approximately 40,000 rentable square feet. A portion of the upstairs space is intended to be utilized as a restaurant. The property also includes approximately 15,000 square feet of outdoor space comprising the raw bar restaurant ("Raw Bar") and approximately 3.7 acres of submerged land with approximately 132 dock slips comprising the marina portion of the acquired property. The acquired property is subject to a ground lease with the City of Miami, Florida expiring in 2035. This lease was assigned to Landing. Also included in the acquired assets were certain trademarks and other rights in connection with the Raw Bar and dock slips.

The following table sets forth the preliminary allocation of the purchase price to the assets acquired:

|                             |              |
|-----------------------------|--------------|
| Marina slips                | \$2,500,000  |
| Buildings                   | 2,900,000    |
| Furniture and fixtures      | 765,000      |
| Goodwill                    | 7,729,000    |
| Food and beverage inventory | 49,000       |
|                             | -----        |
| Total Capitalized Costs     | \$13,943,000 |
|                             | -----        |

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HMG/COURTLAND PROPERTIES, INC.  
NOTES TO UNAUDITED PRO FORMA CONDENSED COMBINED  
FINANCIAL STATEMENTS (Continued)

### NOTE 3 - PRO FORMA ADJUSTMENTS

1. Reflects the allocation of the purchase price to specific assets acquired and adjustments from book value to market value of assets acquired based on expected net cash flow valuations at appropriate discount rates and other valuation methods. Values not allocable to specific property were allocated to goodwill. Also reflects cash paid at closing.
2. Reflects elimination of assets included in historical financials of Seller not purchased by Landing.
3. Reflects prorated rental income and rental expenses received or paid at closing.
4. Reflects 50% minority interest of pro forma net income.

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### SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the undersigned, hereunto duly authorized.

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Date: November 1, 2004

HMG/COURTLAND PROPERTIES, INC.

By: \_\_\_\_\_

Lawrence I. Rothstein  
President and Chief Financial Officer