

H&E Equipment Services, Inc.  
Form SC 13G/A  
January 15, 2016

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

**SCHEDULE 13G**  
**Under the Securities Exchange Act of 1934**  
**(Amendment No. 2)\***

**H&E Equipment Services, Inc.**  
**(Name of Issuer)**

**Common Stock, par value \$.01 per share**  
**(Title of Class of Securities)**

**404030108**  
**(CUSIP Number)**

**December 31, 2015**  
**(Date of Event Which Requires Filing of this Statement)**

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

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

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

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(1) Names of reporting persons

John M. Engquist

(2) Check the appropriate box if a member of a group (see instructions)

(a)

(b)

(3) SEC use only

(4) Citizenship or place of organization

United States

(5) Sole voting power

Number of

shares

2,765,576

beneficially (6) Shared voting power

owned by

each

0

(7) Sole dispositive power

reporting

person

2,765,576

with: (8) Shared dispositive power

0

(9) Aggregate amount beneficially owned by each reporting person

2,765,576

(10) Check box if the aggregate amount in Row (9) excludes certain shares (see instructions)

..

(11) Percent of class represented by amount in Row (9)

7.8%

(12) Type of reporting person (see instructions)

IN

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**Item 1(a). Name of Issuer:**

H&E Equipment Services, Inc.

**Item 1(b). Address of Issuer's Principal Executive Offices:**

7500 Pecue Lane

Baton Rouge, Louisiana 70809

**Item 2(a). Name of Person Filing:**

John M. Engquist

**Item 2(b). Address of Principal Business Office or, if None, Residence:**

7500 Pecue Lane

Baton Rouge, Louisiana 70809

**Item 2(c). Citizenship:**

United States

**Item 2(d). Title of Class of Securities:**

Common Stock, par value \$.01 per share

**Item 2(e) CUSIP Number:**

404030108

**Item 3. If this statement is filed pursuant to §§240.13d-1(b), or 240.13d-2(b) or (c), check whether the person filing is a:**

- (a) " Broker or dealer registered under Section 15 of the Act;
- (b) " Bank as defined in section 3(a)(6) of the Act;
- (c) " Insurance company as defined in section 3(a)(19) of the Act;
- (d) " Investment company registered under section 8 of the Investment Company Act of 1940;
- (e) " An investment adviser in accordance with §240.13d-1(b)(1)(ii)(E);
- (f) " An employee benefit plan or endowment fund in accordance with §240.13d-1(b)(1)(ii)(F);
- (g) " A parent holding company or control person in accordance with §240.13d-1(b)(1)(ii)(G);
- (h) " A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;
- (i) " A church plan that is excluded from the definition of an investment company under section 3(c)(14) of the Investment Company Act of 1940;
- (j) " A non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J);
- (k) " Group, in accordance with §240.13d-1(b)(1)(ii)(K).

If filing as a non-U.S. institution in accordance with §240.13d-1(b)(1)(ii)(J), please specify the type of institution:

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**Item 4. Ownership.**

Provide the following information regarding the aggregate number and percentage of the class of securities of the issuer identified in Item 1.

- (a) Amount beneficially owned: 2,765,576
- (b) Percent of class: 7.8%
- (c) Number of shares as to which such person has:
  - (i) Sole power to vote or to direct the vote 2,765,576
  - (ii) Shared power to vote or to direct the vote 0
  - (iii) Sole power to dispose or to direct the disposition of 2,765,576
  - (iv) Shared power to dispose or to direct the disposition of 0

**Item 5. Ownership of Five Percent or Less of a Class.**

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following “.

**Item 6. Ownership of More than Five Percent on Behalf of Another Person.**

N/A

**Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.**

N/A

**Item 8. Identification and Classification of Members of the Group.**

N/A

**Item 9. Notice of Dissolution of Group.**

N/A

**Item 10. Certifications.**

N/A



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**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

JOHN M. ENGQUIST

/s/ John M. Engquist

Dated: January 15, 2016

The original statement shall be signed by each person on whose behalf the statement is filed or his authorized representative. If the statement is signed on behalf of a person by his authorized representative other than an executive officer or general partner of the filing person, evidence of the representative's authority to sign on behalf of such person shall be filed with the statement, provided, however, that a power of attorney for this purpose which is already on file with the Commission may be incorporated by reference. The name and any title of each person who signs the statement shall be typed or printed beneath his signature.

*NOTE:* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties for whom copies are to be sent.

**Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001)**

ership of the Company's Shares. Such officers and directors are required by SEC regulations to furnish to the Company copies of all Section 16(a) reports that they file. Based solely on a review of the copies of such forms furnished to the Company, or written representations that no other reports were required, the Company believes that during 2010, its officers and directors complied with all applicable Section 16(a) filing requirements.

**CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS**

The following discussion describes the organizational structure of the Company's subsidiaries and affiliates.

Transco Realty Trust ("Transco")

Transco is a 47% shareholder of the Company and Mr. Maurice Wiener is its executive trustee and holds approximately 33% of its stock. Mr. Rothstein serves as a trustee and an officer of Transco. Mr. Comita serves as a trustee of Transco.

HMGA, Inc. (the "Adviser") and Subsidiaries

The day-to-day operations of the Company are handled by the Adviser. Reference is made to "Approval of Advisory Agreement" below for further information about the duties and remuneration of the Adviser. The Adviser is majority-owned by Mr. Maurice Wiener, its chairman and chief executive officer.

Courtland Investments, Inc. ("CII")

The Company holds a 95% non-voting interest and Masscap Investment Company ("Masscap") holds a 5% voting interest in CII. In May 1998, the Company and Masscap entered into a written agreement in order to confirm and clarify the terms of their previous continuing arrangement with regard to the ongoing operations of CII, all of which provide the Company with complete authority over all decision making relating to the business, operation, and financing of CII consistent with the Company's status as a real estate investment trust.

CII and its wholly-owned subsidiary own 100% of Grove Isle Club, Inc., Grove Isle Yacht Club Associates, Grove Isle Marina, Inc., CII Spa, LLC, Courtland Bayshore Rawbar, LLC and it also owns 15% of Grove Isle Associates, Ltd., (the Company owns the other 85%).

T.G.I.F. Texas, Inc. ("T.G.I.F.")

CII owns approximately 49% of the outstanding shares of T.G.I.F. Mr. Maurice Wiener is a director and Chairman of T.G.I.F. and owns, directly and indirectly, approximately 18% of the outstanding shares of T.G.I.F. T.G.I.F. also owns 10,000 shares of the Company.

The following discussion describes all material transactions, receivables and payables involving related parties. The Company believes that all of the transactions described below were on terms as favorable to the Company as comparable transactions with unaffiliated third parties.

The Adviser

As of December 31, 2010 and 2009, the Adviser owed the Company approximately \$398,000. Amounts due from the Adviser bear interest at the prime rate plus 1% payable monthly, with principal due on demand.

The Adviser leases its executive offices from CII pursuant to a lease agreement. This lease agreement is at the going market rate for similar property and calls for base rent of \$48,000 per year payable in equal monthly installments. Additionally, the Adviser is responsible for all utilities, maintenance, and security expenses relating to the leased premises. The lease term is five years expiring in November 2014.

In August 2004, HMG Advisory Bayshore, Inc. ("HMGABS") (a wholly owned subsidiary of the Adviser) was formed for the purposes of overseeing the Monty's restaurant operations acquired in August 2004. HMGABS earned management fees of \$25,000 per year from Bayshore Rawbar, LLC. In 2010 all outstanding and unpaid management fees due to HMGABS of approximately \$133,000 were forgiven and not paid.

South Bayshore Associates ("SBA")

SBA is a joint venture in which Transco and the Company hold interests of 25% and 75%, respectively. The sole major asset of SBA is a demand note from Transco, bearing interest at the prime rate, with an outstanding balance of approximately \$300,000 in principal and interest as of December 31, 2010 and 2009.

The Company also holds a demand note from SBA bearing interest at the prime rate plus 1% with an outstanding balance as of December 31, 2010 and 2009, of approximately \$1,145,000 and \$1,125,000, in principal and accrued interest, respectively. Interest payments of \$10,000 were made in 2010 and 2009, respectively. Accrued and unpaid interest is not added to the principal. Because the Company consolidates SBA, the note payable and related interest income is eliminated in consolidation.

CII

The Company holds a demand note due from its 95%-owned consolidated subsidiary, CII, bearing interest at the prime rate plus 1% with an outstanding balance of \$1,331,000 and \$2,473,000 as of December 31, 2010 and 2009, respectively. Repayments from CII to the Company during 2010 and 2009 were \$1,142,000 and \$190,000, respectively. Advances from the Company to CII during 2009 were \$100,000. There were no advances made in 2010. Accrued and unpaid interest is capitalized and included in advances. Because CII is a consolidated subsidiary of the Company, the note payable and related interest is eliminated in consolidation.



In 1986, CII acquired from the Company the rights to develop the marina at Grove Isle for a promissory note of \$620,000 payable at an annual rate equal to the prime rate. The principal is due on demand. Interest payments are due annually in January. Because the Company consolidates CII, the note payable and related interest income is eliminated in consolidation.

#### Courtland Houston, Inc. (“CHI”)

CHI is 80% owned by CII and 20% owned by Bernard Lerner, its sole employee. CHI was formed with a \$140,000 investment by CII and engages in commercial leasing activities in Texas and earns revenues from commissions and consulting services. Mr. Bernard Lerner is a cousin of the Company's Chairman and Chief Executive Officer, Mr. Maurice Wiener. For the years ended December 31, 2010 and 2009, Mr. Lerner was paid a salary of \$85,000. For the years ended December 31, 2010 and 2009, CHI earned commission revenue of approximately \$100,000 and \$50,000, respectively.

#### CII Spa, LLC (“CIISPA”)

In September 2004 the Company entered into an agreement with the lessee and operator of the Grove Isle property to develop and operate the Grove Isle Spa. A subsidiary of the Company, CIISPA and the lessee formed a Delaware limited liability company, Grove Spa, LLC (“GS”) which is owned 50% by CIISPA and 50% by the tenant operator of Grove Isle, Grand Heritage Hotel Group, LLC (“GH”). Operations commenced in March 2005 and GS sub-leases the Spa property from the GH for \$10,000 per year, plus GS pays all real estate taxes, insurance, utilities and all other costs relating to Grove Isle Spa. The initial term of the sublease commenced on September 15, 2004 and ends on November 30, 2016, with the GS having the right to extend the term for two additional consecutive 20 year terms on the same terms as the original sublease.

#### T.G.I.F.

As of December 31, 2010 and 2009, CII owed approximately \$3,383,000 and \$3,561,000, respectively, to T.G.I.F. All advances between CII and T.G.I.F. are due on demand and bear interest at the prime rate plus 1%. All interest due has been paid. As of December 31, 2010 and 2009, T.G.I.F. had amounts due from Mr. Maurice Wiener of approximately \$707,000. These amounts are due on demand and bear interest at the prime rate. All interest due has been paid. Mr. Maurice Wiener received consulting and director's fees from T.G.I.F. of approximately \$22,000 for the years ended December 31, 2010 and 2009, respectively. Also, T.G.I.F. owns 10,000 shares of the Company which were purchased in 1996 at the market value. In 2010 and 2009, T.G.I.F. declared and paid a cash dividend of \$.05 per share, respectively. CII's portion of the dividends was approximately \$140,000.

APPROVAL OF RENEWAL  
OF THE ADVISORY AGREEMENT

The Advisory Agreement. At the 2010 Annual Meeting of Shareholders, the advisory agreement (the "Advisory Agreement") between the Company and HMG Advisory Corp. (now HMGA, Inc.), (the "Adviser") was renewed for a one-year term expiring on December 31, 2011. On August 5, 2010, the shareholders approved the renewal of the Advisory Agreement between the Company and the Adviser for a term commencing January 1, 2011 and expiring December 31, 2011.

Under the terms of the Advisory Agreement, the renewal must be approved by the holders of a majority of the Shares. If the shareholders approve the Advisory Agreement, it will be renewed for a one-year term.

The Adviser is majority owned by Mr. Maurice Wiener with the remaining shares owned by certain officers, including Mr. Rothstein. The officers and directors of the Adviser are as follows: Maurice Wiener, Chairman of the Board and Chief Executive Officer; Larry Rothstein, President, Treasurer, Secretary and Director; and Carlos Camarotti, Vice President Finance and Assistant Secretary.

The following description of the Advisory Agreement contains a summary of its material terms.

General Provisions. The Advisory Agreement is not assignable without the consent of the unaffiliated directors of the Company and the Adviser. The Advisory Agreement provides that officers, directors, employees and agents of the Adviser or of its affiliates may serve as directors, officers or agents of the Company.

Duties of Adviser. The Adviser in performing its duties under the Advisory Agreement is at all times subject to the supervision of the directors of the Company and has only such authority as the directors' delegate to it as their agent. The Adviser counsels and presents to the Company investments consistent with the objectives of the Company and performs such research and investigation as the directors may request in connection with the policy decisions as to the type and nature of investments to be made by the Company. Such functions include evaluation of the desirability of acquisition, retention and disposition of specific Company assets. The Adviser also is responsible for the day-to-day investment operations of the Company and conducts relations with mortgage loan brokers, originators and servicers, and determines whether investments offered to the Company meet the requirements of the Company. The Adviser provides executive and administrative personnel, office space and services required in rendering such services to the Company. To the extent required to perform its duties under the Agreement, the Adviser may deposit into and disburse from bank accounts opened in its own name any money on behalf of the Company under such terms and conditions as the Company may approve.

Allocation of Expenses. Under the Advisory Agreement, the Adviser pays: all salary and employment expenses of its own personnel and of the officers and employees of the Company who are affiliates of the Adviser; all of the administrative, rent and other office expenses (except those relating to a separate office, if any, maintained by the Company) relating to its services as Adviser; and travel (to the extent not paid by any party other than the Company or the Adviser) and advertising expenses incurred in seeking investments for the Company.

The Company is required to pay all expenses of the Company not assumed by the Adviser, including, without limitation, the following: (a) the cost of borrowed money; (b) taxes on income, real property and all other taxes applicable to the Company; (c) legal, accounting, underwriting, brokerage, transfer agent's, registrar's, indenture trustee's, listing, registration and other fees, printing, engraving, and other expenses and taxes incurred in connection with the issuance, distribution, transfer, registration and stock exchange listing of the Company's securities; (d) fees and expenses of advisors and independent contractors, consultants, managers and other agents employed directly by the Company; (e) expenses connected with the acquisition, disposition or ownership of mortgages or real property or other investment assets, including, to the extent not paid by any party other than the Company or the Adviser, but not limited to, costs of foreclosure, costs of appraisal, legal fees and other expenses for professional services, maintenance, repairs and improvement of property, and brokerage and sales commissions, and expenses of maintaining and managing real property equity interests; (f) the expenses of organizing or terminating the Company; (g) all insurance costs (including the cost of directors' liability insurance) incurred in connection with the protection of the Company's property as required by the directors; (h) expenses connected with payment of dividends or interest or distributions in cash or any other form made or caused to be made by the directors to holders of securities of the Company, including a dividend reinvestment plan, if any; (i) all expenses connected with communications to holders of securities of the Company and the other bookkeeping and clerical work necessary in maintaining relations with holders of securities, including the cost of printing and mailing checks, certificates for securities and proxy solicitation materials and reports to holders of the Company's securities; (j) to the extent not paid by borrowers from the Company, the expenses of administering, processing and servicing mortgage, development, construction and other loans; (k) the cost of any accounting, statistical, or bookkeeping equipment necessary for the maintenance of the books and records of the Company; (l) general legal, accounting and auditing fees and expenses; (m) salaries and other employment expenses of the personnel employed by the Company who are not affiliates of the Adviser, fees and expenses incurred by the directors, officers and employees in attending directors' meetings, and fees and travel and other expenses incurred by the directors and officers and employees of the Company who are not affiliates of the Adviser. Expenses relating to the grant of options to all directors, officers and key employees of the Company under a plan approved by the shareholders of the Company are borne by the Company.

Remuneration of the Adviser. For services rendered under the Advisory Agreement that was in effect during 2010, the Adviser was entitled to receive as regular compensation a monthly fee equal to the sum of (a) \$85,000 (equivalent to \$1,020,000 per year) and (b) 20% of the amount of any unrefunded commitment fees received by the Company with respect to mortgage loans and other commitments which the Company was not required to fund and which expired within the next preceding calendar month. For the years ended December 31, 2010 and 2009, the Company and its subsidiaries incurred Adviser Fees of \$1,020,000 which represented regular compensation for 2010 and 2009. There was no incentive compensation for 2010 and 2009. The Adviser will continue to receive the incentive compensation outlined below.

The Advisory Agreement also provides that the Adviser shall receive incentive compensation for each fiscal year of the Company equal to the sum of (a) 10% of the realized capital gains (net of accumulated net realized capital losses) and extraordinary nonrecurring items of income of the Company for such year, and (b) 10% of the amount, if any, by which Net Profits of the Company exceed 8% per annum of the Average Net Worth of the Company. "Net Profits" is defined as the gross earned income of the Company for such period (exclusive of gains and losses from the disposition of assets), minus all expenses other than non-cash charges for depreciation, depletion and amortization and the incentive compensation payable to the Adviser, and minus all amounts expended for mortgage amortization on long-term mortgage indebtedness, excluding extraordinary and balloon payments. "Average Net Worth" is defined as the average of the amount in the shareholders' equity accounts on the books of the Company, plus the accumulated non-cash reserves for depreciation, depletion and amortization shown on the books of the Company, determined at the close of the last day of each month for the computation period.

If and to the extent that the Company requests the Adviser, or any of its directors, officers, or employees, to render services for the Company, other than those required to be rendered by the Adviser under the Advisory Agreement, such additional services are to be compensated separately on terms to be agreed upon between such party and the Company from time to time, which terms must be fair and reasonable and at least as favorable to the Company as similar arrangements for comparable transactions of which the Company is aware with organizations unaffiliated with the Adviser. The Adviser received \$19,000 in 2010 and 2009 for managing certain of the Company's affiliates. Set forth below is the aggregate compensation paid to the Adviser during the two fiscal years ended December 31, 2010 and 2009.

Form of Compensation	Amount	
	2010	2009
Regular Compensation	\$ 1,020,000	\$ 1,020,000
Management Fees	19,000	19,000
Total	\$ 1,039,000	\$ 1,039,000

Brokerage Fees Paid the Adviser. Under the Advisory Agreement, the Adviser and its affiliates are prohibited from receiving from the Company any brokerage or similar fees for the placement of mortgages or other investments with the Company. However, the Adviser and its affiliates can receive normal brokerage commissions from borrowers in connection with transactions involving the Company, provided that such commissions are fully disclosed to all directors of the Company and the directors approve of the transaction and that such commissions (which to the extent paid by the borrower and retained by the Adviser or its affiliates may reduce the yield to the Company) are fair and reasonable and in accord with the prevailing rates in the locality in which the transaction is consummated for the type of conditions, receive normal brokerage commissions from sellers, buyers, lessees and other parties with whom the Company engages in transactions.



Management of the Adviser. Set forth below are the names, offices with the Adviser and principal occupations of the current executive officers and directors of the Adviser.

Name and Offices with the Adviser	Principal Occupation
Maurice Wiener Chairman of the Board of Directors and Chief Executive Officer	See "Election of Directors."
Larry Rothstein President, Treasurer, Secretary and Director	See "Election of Directors."
Carlos Camarotti Vice President-Finance and Assistant Secretary	Vice President and Assistant Secretary of the Adviser

An affirmative vote by the holders of a majority of the Shares entitled to vote at the Annual Meeting of Shareholders is required for approval of the Advisory Agreement.

Our Board of Directors unanimously recommends that the shareholders approve the renewal of the Advisory Agreement.

#### APPROVAL OF THE COMPANY'S 2011 STOCK OPTION PLAN

In order to provide additional incentives to the Company's officers, key employees and directors to work toward the Company's continued success and to remain in its employ, on March 23, 2011 the Stock Option Committee of the Board of Directors adopted the HMG/Courtland Properties, Inc. 2011 Stock Option Plan (the "Plan"), subject to shareholders' approval. The following summary of the Plan is qualified by reference to its text which is available upon request from the Secretary of the Company.

The Plan will be administered by the Stock Option Committee (the "Committee") of the Board of Directors composed of two directors. The current members of the Committee are Messrs. Arader and Comita. The Committee is authorized to grant options to officers, key employees and directors of the Company. Officers and key employees of the Company will be eligible for selection by the Committee to participate in the Plan as grantees of "Incentive Stock Options" or "Nonqualified Options." Incentive Stock Options are options that qualify as incentive stock options within the meaning of Section 422 of the Internal Revenue Code of 1986. Nonqualified Options are options that are not Incentive Stock Options. Members of the Boards of the Company and of the Adviser and officers and key employees of the Adviser shall also be eligible for selection by the Committee to participate in the Plan as grantees of Incentive Stock Options or of Nonqualified Options, but only if they are also officers or employees of the Company or a Subsidiary. Members of the Boards of the Company, a Subsidiary or the Adviser and employees of the Adviser who are not also officers or employees of the Company or a Subsidiary shall be eligible for selection by the Committee to participate in the Plan as grantees only of Nonqualified Options. A person who has been granted an option may, if he or she is otherwise eligible, be granted an additional option or options if the Committee shall so determine. Approximately 7 officers, key employees and directors are presently eligible for participation. Not more than 120,000 Shares may be issued under the Plan. Moreover, the aggregate fair market value of shares with respect to which Incentive Stock Options may become exercisable for the first time by a grantee during any calendar year may not exceed \$100,000. The closing price of Shares on the NYSE Amex Exchange on March 23, 2011 was \$4.80.

Options may be granted until March 30, 2021. The Plan provides for appropriate adjustment to the number of Shares subject to options and available for future grants and to the purchase prices if there is a change in the number or terms of outstanding Shares as a result of stock dividends or stock splits, mergers or other recapitalizations of the Company.

The terms of options will be set by the Committee subject to certain limitations. Options may be exercisable at a price not less than the fair market value of the Shares on the date of the grant. Upon termination of an option holder's employment, his option will automatically expire unless termination was by reason of death, retirement or disability. In the event of the death of a grantee, the option may be exercised for a period of six months. If a grantee's employment should be terminated due to retirement or disability, the option may be exercised to the extent exercisable at the time of termination for a period of up to one year.

The purchase price of Shares acquired upon exercise of an option may be paid (i) in cash, (ii) by exchanging Shares already owned by the option holder, for which credit will be given in an amount equal to the then fair market value of the Shares exchanged, (iii) by a promissory note issued by the purchaser to the Company, or (iv) in a combination of the foregoing.

Any promissory note used to pay the purchase price will bear interest, payable quarterly, at the minimum rate necessary to avoid the imputation to the Company of interest income for federal income tax purposes. The principal of the note will be due five years from the date of exercise unless an earlier payment date is set by the Committee at the time of exercise or is required by regulations of the Federal Reserve System governing the extension of credit to buy margin stock. The note will also become due one year after termination of the purchaser's employment with the Company, a subsidiary or the Adviser, as the case may be. Payment of a note delivered upon exercise of an option will be secured by the pledge of the Shares purchased, and the note may provide that the purchaser will have no personal liability on the note beyond the pledged Shares.

Federal income tax consequences of grant of options. Under the Plan, the Company may grant the option to purchase Shares at a designated price in the future. The Company may grant either Incentive Stock Options or Nonqualified Options. The tax consequences of these two types of options are different, from both the grantees' and the Company's perspectives.

In the case of a Nonqualified Option, for purposes of federal income taxes, a grantee will realize no income upon the grant of an option to him. When he exercises an option and pays for it in full in cash, he will realize ordinary income equal to the excess of the fair market value of the Shares purchased, at the time of exercise, over the option price. The Company will receive a deduction equal to the ordinary income realized by the grantee upon exercise. If the grantee uses previously owned Shares to pay all or a portion of the purchase price, no capital gain will be realized upon the exchange of such Shares for an equal number of option Shares. However, the grantee will realize ordinary income equal to the full amount of the difference between the fair market value of the Shares received and the option price attributable to such Shares. Generally, payment of part of the purchase price by a note will be treated the same as payment with cash. However, if the option holder is not personally liable under a note delivered in partial payment of the purchase price, the Internal Revenue Service may take the view that no income is realized until such time as the note is paid substantially or in full.

In the case of an Incentive Stock Option, for purposes of federal income taxes, a grantee will realize no income upon the grant of the option, nor upon its exercise provided the employment and holding period requirements described below are met. However, to avoid taxation at exercise, the grantee must, generally speaking, have remained in the Company's or a subsidiary's employ from the time the option is granted until three months before its exercise. (The employment requirement does not apply in the case of the employee's death.) Also, the employee cannot dispose of the shares acquired upon exercise of the option until at least two years after the option was granted and one year after the option was exercised. If these employment and holding period requirements are met, no income will be realized by the option holder until the shares acquired upon exercise of the option are sold.

The Company gets no deduction in connection with an Incentive Stock Option provided the employment and holding period requirements are met. If either of these requirements is not met the Company can deduct, as a business deduction, an amount equal to the gain realized by the grantee at the time the option was exercised.

As a result of the Company's acceptance of notes in payment of the purchase price, the Company will be required to comply with applicable regulations of the Federal Reserve System. These regulations may require the Company to register with the Federal Reserve System and may impose certain restrictions on the disposition of Shares pledged to the Company.

Grant of Options. Subject to approval of the Plan by the shareholders, the Committee has granted options to certain officers and directors of the Company as follows:

Officers and/or Directors	No. of Shares
Maurice Wiener, CEO and Chairman of the Board	40,500 shares
Larry Rothstein, Director, President and Secretary	29,900 shares
Carlos Camarotti, Vice President and Assistant Secretary	8,700 shares
Bernard Lerner, Vice President	8,000 shares
Walter Arader, Director	5,000 shares
Harvey Comita, Director	5,000 shares
Richard Wiener, Director	5,000 shares

All of the options were granted at the market price as of March 23, 2011 (date of grant) of \$4.80 with the exception of those options granted to Maurice Wiener which are exercisable at \$5.28 per share.

An affirmative vote by the holders of a majority of the Shares entitled to vote at the Annual Meeting of Shareholders is required for approval of the Company's 2011 Stock Option Plan.

Our Board of Directors unanimously recommends that the shareholders approve the Company's 2011 Stock Option Plan.

#### SOLICITATION OF PROXIES

The cost of soliciting proxies will be borne by the Company. In addition to the use of the mails, proxies may be solicited by directors, officers and employees of the Company personally, by telephone, by electronic mail or by telegraph.

#### OTHER BUSINESS

The Board of Directors is not aware of any business other than those items referred to above to be presented for action at the meeting. However, should any other matters requiring a vote of the shareholders arise, the agents named in the accompanying proxy will vote in accordance with their own best judgment.

#### PROPOSALS FOR NEXT YEAR'S MEETING

Shareholder proposals intended to be presented in the Company's proxy materials for the next Annual Meeting of Shareholders must be received by March 31, 2012, and must satisfy the requirements of the proxy rules promulgated by the Securities and Exchange Commission. A shareholder who wishes to make a proposal at the next Annual Meeting of Shareholders without including the proposal in the Company's proxy statement must notify the Company by May 29, 2012. If a shareholder fails to give notice by this date, then the persons named as proxies in the proxies the Company solicits for the next Annual Meeting of Shareholders will have discretionary authority to vote on the proposal.

#### COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Shareholders and other interested parties may communicate with the Board of Directors or with the independent directors as a group by sending correspondence, in care of the Company's Secretary, HMG/Courtland Properties, Inc., 1870 South Bayshore Drive, Coconut Grove, Florida 33131, with an instruction to forward the communication to the particular director or directors. The Company's Secretary will promptly forward all such shareholder communications to that director or directors.

### HOUSEHOLDING INFORMATION

The SEC adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more shareholders sharing the same address by delivering a single proxy statement and annual report addressed to those shareholders. This process, which is commonly referred to as "householding," potentially means extra convenience for shareholders and cost savings for companies.

The Company and a number of brokers with accountholders who are shareholders of the Company will be "householding" the Company's proxy materials and annual report. As indicated in the notice previously provided by the Company and these brokers to the Company's shareholders, a single proxy statement and annual report will be delivered to multiple shareholders sharing an address unless contrary instructions have been received from an affected shareholder. Once you have received notice from the Company or your broker that it or they will be "householding" communications to your address, "householding" will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in "householding" and would prefer to receive a separate proxy statement or annual report, please contact the Company at the address or telephone number appearing on the first page of this proxy statement, directing your request to the attention of the Secretary, or notify your broker.

Shareholders who currently receive multiple copies of the proxy statement or annual report at their address and would like to request "householding" of their communications should contact the Company at the address appearing on the first page of this proxy statement, directing the request to the attention of the Secretary, or should contact their broker.

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A copy of the Annual Report on Form 10-K for the year ended December 31, 2010 including financial statements and schedules thereto, filed with the Securities and Exchange Commission, may be obtained by shareholders without charge upon written request to: Secretary, HMG/Courtland Properties, Inc., 1870 South Bayshore Drive, Coconut Grove, Florida 33133

**YOU CAN SAVE YOUR COMPANY ADDITIONAL EXPENSE BY SIGNING AND  
RETURNING YOUR PROXY AS PROMPTLY AS POSSIBLE**

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FORM OF PROXY

Please date, sign and mail your proxy card back as soon as possible!

Annual Meeting of Shareholders  
HMG/COURTLAND PROPERTIES, INC.

August 25, 2011

Please Detach and Mail in the Envelope Provided

x

Please mark your votes as in this sample

		For	Withheld	Nominees: M. Wiener		For	Against	Abstain
1.	Election of Directors	<input type="radio"/>	<input type="radio"/>	L. Rothstein	2. Approval of renewal of the W. Arader Advisory R. Wiener Agreement H. Comitabetween Company and HMGA, Inc.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
	FOR except vote withheld from the following nominees:				3. Approval of 2011 Stock Option Plan	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

4. In their discretion, upon such other matters as may properly come before the meeting or any adjournment thereof, all in accordance with the Company's Proxy Statement, receipt of which is hereby acknowledged.

This proxy when properly executed will be voted in accordance with the above instructions. In the absence of such specifications this proxy will be voted FOR Proposals 1, 2 and 3.

PLEASE MARK, SIGN, DATE AND RETURN PROMPTLY IN THE ENCLOSED ENVELOPE

Signature(s)

Date

Note: (Please sign exactly as your name appears. Persons signing as executors, trustees, guardians, etc. please so indicate when signing.)

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