

BofA Finance LLC  
 Form 424B2  
 October 30, 2017

**Filed Pursuant to Rule 424(b)(2)  
 Registration Statement No.  
 333-213265  
 (To Prospectus dated November  
 4, 2016,  
 Prospectus Supplement dated  
 November 4, 2016 and  
 Product Supplement EQUITY  
 INDICES ARN-1  
 dated December 22, 2016)**

12,852,840 Units	Pricing Date	October 26, 2017
\$10 principal amount per unit	Settlement Date	November 2, 2017
CUSIP No. 097096804	Maturity Date	December 21, 2018

**BofA Finance LLC Accelerated Return Notes<sup>®</sup> Linked to the S&P 500<sup>®</sup> Index Fully and Unconditionally Guaranteed by Bank of America Corporation**

Maturity of approximately 14 months

3-to-1 upside exposure to increases in the Index, subject to a capped return of 10%

1-to-1 downside exposure to decreases in the Index, with 100% of your investment at risk

All payments occur at maturity and are subject to the credit risk of BofA Finance LLC, as issuer of the notes, and the credit risk of Bank of America Corporation, as guarantor of the notes

No periodic interest payments

In addition to the underwriting discount set forth below, the notes include a hedging-related charge of \$0 per unit. See Structuring the Notes

Limited secondary market liquidity, with no exchange listing

**The notes are being issued by BofA Finance LLC ( BofA Finance ) and are fully and unconditionally guaranteed by Bank of America Corporation ( BAC ). There are important differences between the notes and a conventional debt security, including different investment risks and certain additional costs. See Risk Factors beginning on page TS-6 of this term sheet, page PS-6 of product supplement EQUITY INDICES ARN-1, page S-4 of the accompanying Series A MTN prospectus supplement and page 7 of the accompanying prospectus.**

**The initial estimated value of the notes as of the pricing date is \$9.641 per unit, which is less than the public offering price listed below.** See Summary on the following page, Risk Factors beginning on page TS-6 of this term sheet and Structuring the Notes on page TS-11 of this term sheet for additional information. The actual value of your notes at any time will reflect many factors and cannot be predicted with accuracy.

None of the Securities and Exchange Commission (the SEC ), any state securities commission, or any other regulatory body has approved or disapproved of these securities or determined if this Note Prospectus (as defined below) is truthful or complete. Any representation to the contrary is a criminal offense.

<u>Per Unit</u>	<u>Total</u>
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Public offering price	\$10.00	\$128,528,400
Underwriting discount	\$0.20	\$2,570,568
Proceeds, before expenses, to BofA Finance	\$9.80	\$125,957,832

**The notes and the related guarantee:**

**Are Not FDIC  
Insured**

**Are Not Bank  
Guaranteed**

**May Lose Value**

**Merrill Lynch & Co.**

October 26, 2017

## Accelerated Return Notes®

Linked to the S&P 500® Index, due December 21, 2018

## Summary

The Accelerated Return Notes® Linked to the S&P 500® Index, due December 21, 2018 (the notes ) are our senior unsecured debt securities. Payments on the notes are fully and unconditionally guaranteed by BAC. The notes and the related guarantee are not insured by the Federal Deposit Insurance Corporation or secured by collateral. **The notes will rank equally with all of BofA Finance's other unsecured and unsubordinated debt, and the related guarantee will rank equally with all of BAC's other unsecured and unsubordinated obligations. Any payments due on the notes, including any repayment of principal, will be subject to the credit risk of BofA Finance, as issuer, and BAC, as guarantor.** The notes provide you a leveraged return, subject to a cap, if the Ending Value of the Market Measure, which is the S&P 500® Index (the Index ), is greater than its Starting Value. If the Ending Value is less than the Starting Value, you will lose all or a portion of the principal amount of your notes. Any payments on the notes will be calculated based on the \$10 principal amount per unit and will depend on the performance of the Index, subject to our and BAC's credit risk. See Terms of the Notes below.

The economic terms of the notes (including the Capped Value) are based on BAC's internal funding rate, which is the rate it would pay to borrow funds through the issuance of market-linked notes and the economic terms of certain related hedging arrangements. BAC's internal funding rate is typically lower than the rate it would pay when it issues conventional fixed or floating rate debt securities. This difference in funding rate, as well as the underwriting discount and the hedging related charge described below, reduced the economic terms of the notes to you and the initial estimated value of the notes on the pricing date. Due to these factors, the public offering price you pay to purchase the notes is greater than the initial estimated value of the notes.

On the cover page of this term sheet, we have provided the initial estimated value for the notes. This initial estimated value was determined based on our, BAC's and our other affiliates' pricing models, which take into consideration BAC's internal funding rate and the market prices for the hedging arrangements related to the notes. For more information about the initial estimated value and the structuring of the notes, see Structuring the Notes on page TS-11.

## Terms of the Notes

## Redemption Amount Determination

<b>Issuer:</b>	BofA Finance LLC ( BofA Finance )	On the maturity date, you will receive a cash payment per unit determined as follows:
<b>Guarantor:</b>	Bank of America Corporation ( BAC )	
<b>Principal Amount:</b>	\$10.00 per unit	
<b>Term:</b>	Approximately 14 months	
<b>Market Measure:</b>	The S&P 500® Index (Bloomberg symbol: SPX ), a price return index	
<b>Starting Value:</b>	2,560.40	
<b>Ending Value:</b>	The average of the closing levels of the Market Measure on each calculation day occurring during the maturity valuation period. The scheduled calculation days are subject to postponement in the event of Market Disruption Events, as described on page PS-19 of product supplement EQUITY INDICES ARN-1.	

<b>Participation Rate:</b>	300%
<b>Capped Value:</b>	\$11.00 per unit, which represents a return of 10.00% over the principal amount.
<b>Maturity Valuation Period:</b>	December 12, 2018, December 13, 2018, December 14, 2018, December 17, 2018 and December 18, 2018
<b>Fees and Charges:</b>	The underwriting discount of \$0.20 per unit listed on the cover page and the hedging related charge of \$0.00 per unit described in Structuring the Notes on page TS-11.
<b>Calculation Agent:</b>	Merrill Lynch, Pierce, Fenner & Smith Incorporated ( MLPF&S ), an affiliate of BofA Finance.

Accelerated Return Notes®

TS-2

Accelerated Return Notes®

Linked to the S&P 500® Index, due December 21, 2018

The terms and risks of the notes are contained in this term sheet and in the following:

Product supplement EQUITY INDICES ARN-1 dated December 22, 2016:

<https://www.sec.gov/Archives/edgar/data/70858/000119312516802321/d316490d424b5.htm>

Series A MTN prospectus supplement dated November 4, 2016 and prospectus dated November 4, 2016:

<https://www.sec.gov/Archives/edgar/data/70858/000119312516760144/d266649d424b3.htm>

These documents (together, the Note Prospectus ) have been filed as part of a registration statement with the SEC, which may, without cost, be accessed on the SEC website as indicated above or obtained from MLPF&S by calling 1-800-294-1322. Before you invest, you should read the Note Prospectus, including this term sheet, for information about us, BAC and this offering. Any prior or contemporaneous oral statements and any other written materials you may have received are superseded by the Note Prospectus. Capitalized terms used but not defined in this term sheet have the meanings set forth in product supplement EQUITY INDICES ARN-1. Unless otherwise indicated or unless the context requires otherwise, all references in this document to we, us, our, or similar references are to BofA Finance, and not to BAC.

Investor Considerations

**You may wish to consider an investment in the notes if:**

**The notes may not be an appropriate investment for you if:**

You anticipate that the Index will increase moderately from the Starting Value to the Ending Value.

You believe that the Index will decrease from the Starting Value to the Ending Value or that it will not increase sufficiently over the term of the notes to provide you with your desired return.

You are willing to risk a loss of principal and return if the Index decreases from the Starting Value to the Ending Value.

You seek principal repayment or preservation of capital.

You accept that the return on the notes will be capped.

You seek an uncapped return on your investment.

You are willing to forgo the interest payments that are paid on conventional interest bearing debt securities.

You seek interest payments or other current income on your investment.

You are willing to forgo dividends or other benefits of owning the stocks included in the Index.

You want to receive dividends or other distributions paid on the stocks included in the Index.

You are willing to accept a limited or no market for sales prior to maturity, and understand that the market prices for the notes, if any, will be affected by various factors, including our and BAC's actual and perceived creditworthiness, BAC's internal funding rate and fees and charges on the notes.

You seek an investment for which there will be a liquid secondary market.

You are willing to assume our credit risk, as issuer of the notes, and BAC's credit risk, as guarantor of the notes, for all payments under the notes, including the Redemption Amount.

You are unwilling or are unable to take market risk on the notes to take our credit risk as issuer of the notes or to take BAC's credit risk, as guarantor of the notes.

We urge you to consult your investment, legal, tax, accounting, and other advisors before you invest in the notes.

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TS-3

## Accelerated Return Notes®

Linked to the S&amp;P 500® Index, due December 21, 2018

Hypothetical Payout Profile and Examples of Payments at Maturity

**Accelerated Return Notes**

This graph reflects the returns on the notes, based on the Participation Rate of 300% and the Capped Value of \$11.00 per unit. The green line reflects the returns on the notes, while the dotted gray line reflects the returns of a direct investment in the stocks included in the Index, excluding dividends. This graph has been prepared for purposes of illustration only.

The following table and examples are for purposes of illustration only. They are based on **hypothetical** values and show **hypothetical** returns on the notes. They illustrate the calculation of the Redemption Amount and total rate of return based on a hypothetical Starting Value of 100, the Participation Rate of 300%, the Capped Value of \$11.00 per unit and a range of hypothetical Ending Values. **The actual amount you receive and the resulting total rate of return will depend on the actual Starting Value, Ending Value and whether you hold the notes to maturity.** The following examples do not take into account any tax consequences from investing in the notes.

For recent actual levels of the Market Measure, see The Index section below. The Index is a price return index and as such the Ending Value will not include any income generated by dividends paid on the stocks included in the Index, which you would otherwise be entitled to receive if you invested in those stocks directly. In addition, all payments on the notes are subject to issuer and guarantor credit risk.

<b>Ending Value</b>	<b>Percentage Change from the Starting Value to the Ending Value</b>	<b>Redemption Amount per Unit</b>	<b>Total Rate of Return on the Notes</b>
0.00	-100.00%	\$0.00	-100.00%
50.00	-50.00%	\$5.00	-50.00%
80.00	-20.00%	\$8.00	-20.00%
90.00	-10.00%	\$9.00	-10.00%
94.00	-6.00%	\$9.40	-6.00%
97.00	-3.00%	\$9.70	-3.00%
100.00 <sup>(1)</sup>	0.00%	\$10.00	0.00%
102.00	2.00%	\$10.60	6.00%
105.00	5.00%	\$11.00 <sup>(2)</sup>	10.00%
110.00	10.00%	\$11.00	10.00%
120.00	20.00%	\$11.00	10.00%
130.00	30.00%	\$11.00	10.00%
140.00	40.00%	\$11.00	10.00%
150.00	50.00%	\$11.00	10.00%
160.00	60.00%	\$11.00	10.00%

(1) The **hypothetical** Starting Value of 100 used in these examples has been chosen for illustrative purposes only.

(2) The actual Starting Value is 2,560.40, which was the closing level of the Market Measure on the pricing date.

(2) The Redemption Amount per unit cannot exceed the Capped Value.

Accelerated Return Notes®

TS-4

Accelerated Return Notes®

Linked to the S&P 500® Index, due December 21, 2018

**Redemption Amount Calculation Examples**

**Example 1**

The Ending Value is 80.00, or 80.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 80.00

= **\$8.00** Redemption Amount per unit

**Example 2**

The Ending Value is 102.00, or 102.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 102.00

= **\$10.60** Redemption Amount per unit

**Example 3**

The Ending Value is 130.00, or 130.00% of the Starting Value:

Starting Value: 100.00

Ending Value: 130.00

= **\$19.00, however, because the Redemption Amount for the notes cannot exceed the Capped Value, the Redemption Amount will be \$11.00 per unit**

Accelerated Return Notes®

TS-5



Accelerated Return Notes<sup>®</sup>

Linked to the S&P 500 <sup>®</sup> Index, due December 21, 2018	2,250	3,750	18,000	
Harvey Comita	12,000	2,250	3,750	18,000
Richard Wiener	6,000	1,500	-	7,500
Totals	\$64,000	\$10,500	\$11,250	\$85,750

Annual director's fees are paid at the beginning of each quarter and board and committee meeting fees are paid for each meeting a director attends. The annual fee for outside directors is \$12,000 per year plus meeting fees of \$750 per meeting.

## Outstanding Equity Awards to Executive Officers.

The following table summarizes all outstanding equity awards to the Company's executive officers as of December 31, 2010. These options are no longer exercisable and there are no unearned options outstanding.

Executive Officer	Number of Options	Exercise Price	Expiration Date
Maurice Wiener	28,500	\$8.33 per share	June 25, 2011
Maurice Wiener	12,000	\$12.25 per share	June 25, 2011
Larry Rothstein	24,900	\$7.57 per share	June 25, 2011
Larry Rothstein	5,000	\$12.10 per share	June 25, 2011

Stock Options. In November 2000, the Company's Board of Directors authorized the 2000 Stock Option Plan (the "2000 Plan"), which was approved by the shareholders in June 2001. The Plan, which permitted the grant of qualified and non-qualified options expired in June 2011, and was intended to provide incentives to the directors and employees (the "employees") of the Company, as well as to enable the Company to obtain and retain the services of such employees. The Plan was administered by a Stock Option Committee (the "Committee") appointed by the Board of Directors. The Committee selected those key officers and employees of the Company to whom options for shares of common stock of the Company were granted. The Committee determined the purchase price of shares deliverable upon exercise of an option; such price was not, however, less than 100% of the fair market value of a share on the date the option was granted. Payment of the purchase price was made in cash, Company stock, or by delivery of a promissory note, except that the par value of the stock was paid in cash or Company stock. Shares purchased by delivery of a note were pledged to the Company. Shares subject to an option were purchased by the optionee within ten years from the date of the grant of the option. However, options automatically terminated if the optionee's employment with the Company terminated other than by reason of death, disability or retirement. Further, if, within one year following exercise of any option, an optionee had terminated his employment other than by reason of death, disability or retirement, the shares acquired upon exercise of such option would have been sold to the Company at a price equal to the lesser of the purchase price of the shares or their fair market value.

On June 25, 2001, options were granted to all officers and directors to purchase an aggregate of 86,000 common shares at no less than 100% of the fair market value at the date of grant. The average exercise price of the options granted in 2001 was \$7.84 per share. The Company's stock price on the date of grant was \$7.57 per share. There were no options granted or exercised in 2010 and 2009.

On March 23, 2011 the board of directors approved a new plan subject to shareholder approval which would replace existing options at the current market price (See APPROVAL OF THE COMPANY'S 2011 STOCK OPTION PLAN below).

Section 16(a) Beneficial Ownership Reporting Compliance. Section 16(a) of the Exchange Act requires the Company's directors and executive officers to file with the Securities and Exchange Commission initial reports of beneficial ownership and reports of change in beneficial ownership 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

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

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