

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

<b>Part I Reporting Issuer</b>	
1 Issuer's name <b>GYRODYNE COMPANY OF AMERICA, INC.</b>	
2 Issuer's employer identification number (EIN) <b>11-1688021</b>	
3 Name of contact for additional information <b>GARY FITLIN</b>	4 Telephone No. of contact <b>631-584-5400</b>
5 Email address of contact <b>GFITLIN@GYRODYNE.COM</b>	
6 Number and street (or P.O. box if mail is not delivered to street address) of contact <b>ONE FLOWERFIELD, SUITE 24</b>	
7 City, town, or post office, state, and Zip code of contact <b>ST JAMES, NEW YORK 11780</b>	
8 Date of action <b>DECEMBER 31, 2014</b>	9 Classification and description <b>REAL ESTATE INVESTMENT TRUST</b>
10 CUSIP number <b>403820103</b>	11 Serial number(s) <b>N/A</b>
12 Ticker symbol <b>GYRO</b>	13 Account number(s) <b>N/A</b>

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ On December 31, 2014, the issuer made a pro-rata liquidating distribution to its common shareholders of notes pursuant to a plan of liquidation.

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The issuer adopted a plan of liquidation on September 12, 2013. All distributions paid after that date of adoption of the plan of liquidation are return of capital distributions to the extent of a U.S. shareholder's adjusted basis in the issuer's shares. The December 31, 2014 liquidating distribution consisted of notes of \$0.46/share.

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ As the December 31, 2014 liquidating distribution was pursuant to a plan of liquidation, the amount received by a U.S. shareholder reduces the shareholder's basis in its shares of the Issuer. The The December 31, 2014 liquidating distribution consisted of notes of \$0.46/share.

**Part II** Organizational Action (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
Sections 331, 334, 857 and 1001

Horizontal lines for providing details for question 17.

18 Can any resulting loss be recognized? ▶ No. Any losses resulting from the Issuer's liquidation will be recognized only after the Issuer has made its final liquidating distribution.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ Shareholders are treated as receiving the December 31, 2014 liquidating distribution as of December 31, 2014.

Horizontal lines for providing details for question 19.

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Original executed document

Sign Here

Signature ▶ available at Company Headquarters Date ▶ 1/15/15

Print your name ▶ Gary Fitlin Title ▶ CFO and Treasurer

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.