

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

FORM 8-K

CURRENT REPORT

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

Date of Report (Date of earliest event reported): June 29, 2018

GYRODYNE, LLC

(Exact name of Registrant as Specified in its Charter)

New York
(State or other jurisdiction
of incorporation)

001-37547
(Commission File
Number)

46-3838291
(I.R.S. Employer
Identification No.)

ONE FLOWERFIELD
SUITE 24
ST. JAMES, NEW YORK 11780

(Address of principal executive
offices) (Zip Code)

(631) 584-5400

Registrant's telephone number,
including area code

N/A

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

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 or Rule 12b-2 of the Securities Exchange Act of 1934.

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 7.01. Regulation FD Disclosure

Gary Fitlin, President and Chief Executive Officer of Gyrodyne, LLC (the "Company"), presented remarks at the Company's 2018 Annual Shareholders Meeting held on June 29, 2018 (the "2018 Annual Meeting"). The text of Mr. Fitlin's remarks is attached hereto as Exhibit 99.1, which is incorporated herein by reference.

The Company is including reconciliations of certain non-GAAP financial measures to the related GAAP financial measures. The reconciliations are attached hereto as Exhibit 99.2 and incorporated herein by reference.

Also at the 2018 Annual Shareholders Meeting, Peter Pitsiokos, the Company's Executive Vice-President and Chief Operating Officer, gave a presentation relating to the Company's efforts to secure entitlements. The presentation slides from Mr. Pitsiokos' presentation are attached hereto as Exhibit 99.3 and are incorporated herein by reference.

The information furnished pursuant to this Item 7.01, including Exhibits 99.1, 99.2 and 99.3 shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities under that Section and shall not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

99.1 [CEO Remarks.](#)

99.2 [Non-GAAP Financial Measures Reconciliation.](#)

99.3 [COO Presentation Slides.](#)

Forward-Looking Statement Safe Harbor

The statements made in this report that are not historical facts constitute "forward-looking information" within the meaning of the Private Securities Litigation Reform Act of 1995, and Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, both as amended, which can be identified by the use of forward-looking terminology such as "may," "will," "anticipates," "expects," "projects," "estimates," "believes," "seeks," "could," "should," or "continue," the negative thereof, other variations or comparable terminology as well as statements regarding the evaluation of strategic alternatives. Important factors, including certain risks and uncertainties, with respect to such forward-looking statements that could cause actual results to differ materially from those reflected in such forward-looking statements include, but are not limited to, risks and uncertainties relating to the plan of liquidation, the risk that the proceeds from the sale of Gyrodyne, LLC's assets may be substantially below Gyrodyne, LLC's estimates, the risk that the proceeds from the sale of our assets may not be sufficient to satisfy Gyrodyne, LLC's obligations to its current and future creditors, and other unforeseeable expenses related to the proposed liquidation, the tax treatment of condemnation proceeds, the effect of economic and business conditions, including risks inherent in the real estate markets of Suffolk and Westchester Counties in New York, risks and uncertainties relating to developing Gyrodyne, LLC's undeveloped property in St. James, New York and other risks detailed from time to time in Gyrodyne, LLC's SEC reports.

SIGNATURE

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

GYRODYNE, LLC

SIGNATURE

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

GYRODYNE, LLC

By: /s/ Gary Fitlin

Gary Fitlin

President and Chief Executive Officer

Date: June 29, 2018

Thank you very much.

We are here today for many reasons, one of which is to update you on our efforts to unlock the maximum real estate values on the Cortlandt Manor and Flowerfield properties.

I am happy to report that the residents and town officials in both Cortlandt Manor and the Town of Smithtown are indicating strong support for our respective application for entitlements to maximize the values of our holdings.

In Cortlandt Manor, public meetings have been held as the preamble to the Town Council approving the Medical Oriented District (“MOD”) in 2018. After the approval of the MOD, which is actually a change of zone, we expect the Town Council to approve our requested entitlements in early 2019. These dates, as all anticipated dates I’ll refer to, are subject to change by unforeseen events.

Our requested entitlements would, among other things, more than triple the current allowed medical office footprint plus authorize the addition of 200 residential units to our property. In anticipation of the receipt of such entitlements, we have begun the marketing effort of the Cortlandt Manor campus. Based on early indications of interest, we remain confident that the significant transformation associated with the MOD and the receipt of our related entitlements should result in sales and related distributions to our shareholders in excess of our current estimates which include the costs of pursuing the entitlements.

We are also receiving strong support from the residents and officials of the Town of Smithtown with regard to our proposed subdivision of the Flowerfield property. The Flowerfield subdivision plan, which is more fully described in our annual report, includes retaining the 130,000 square foot industrial park and dividing the remaining undeveloped acreage into a campus setting with seven additional parcels that include medical offices, assisted living facilities, a hotel and a sewage treatment plant.

In May 2018, the Planning Department of the Town of Smithtown issued a SEQRA Positive Declaration on our subdivision application which is typically associated with a one-year window to complete an environmental impact statement. However, we anticipate filing with the Town our updated environmental impact statement within the next few months barring receiving any unforeseen comments during the SEQRA related public comment period. We then anticipate the Town of Smithtown may take up to a year to complete its review of our environmental impact statement inclusive of resolving any concerns. Based on those assumptions, we anticipate receiving subdivision approval in the fourth quarter of 2019 and will be actively marketing the property to time the sales soon thereafter.

We know that there is community opposition from officials and residents of the adjoining Town of Brookhaven who have voiced strong concerns emanating from the development of Flowerfield. We are carefully listening to their concerns and are attempting to mitigate them. We are also listening to officials and residents of the Town of Smithtown who want to redevelop the St. James business district and are looking to receive the community, tax and employment benefits that will be provided by the subdivision and development of Flowerfield.

Accordingly, while our overall strategy for Flowerfield and Cortlandt remains unchanged, we have identified two additional opportunities that create added value for both the Company and for the Towns of Smithtown and Brookhaven. They are expanded sewage treatment plant facilities and the repositioning of the Flowerfield campus as a location of choice for Stony Brook University’s off-campus offices and entities affiliated with it.

As part of the subdivision plan, the Company has taken steps to design a sewage treatment plant with excess capacity which could provide services to the business district of St. James and could further increase the value that may be derived from the subdivision of the Flowerfield property. In addition, the sewage treatment plant, among other things, will also help preserve Stony Brook Harbor as well as the local drinking water thereby enhancing the quality of life for local residents. Our willingness to work with the community regarding its sewage treatment plant needs has resulted in additional support from Smithtown residents and town officials.

A parallel strategy was launched this previous year to reposition the Flowerfield campus as to service Stony Brook University and entities affiliated with it while also making it a cultural destination comprising arts, health and wellness services for the community. How are we doing? We have almost doubled the footprint of Stony Brook University-related parties from approximately 16,000 square feet to 29,000 square feet which we believe has created over \$3 million of incremental value net of the tenant improvements. Furthermore, we have procured a non-recurring credit line of up to \$3 million which may be drawn upon to accommodate additional leasing demands. These are not the final results of our efforts but only the first steps as we continue to enhance the value of our existing buildings to maximize the sale value of Flowerfield.

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Perhaps most importantly, the larger community has been embracing the steps we are taking to enhance the industrial park and the surrounding area which lends further support for the potential positive impact for the balance of the Flowerfield campus' plan. For example, a recent editorial in a local newspaper praised our vision for the development of Flowerfield and our efforts for the revitalization of the St. James business district.

During the pursuit of entitlements, we also continue to keep an eye on the market to ensure we can pivot if warranted. Real estate capitalization rates continue to be compressed as investors search for yield, forcing real estate participants to look for returns not correlated strictly to yield. This is potentially very positive for Gyrodyne, as both the Cortlandt and Flowerfield projects represent such investments. Therefore, we continue to believe more than ever that there is significant value associated with the entitlements we are pursuing. While rising interest rates and tightening underwriting standards on construction loans certainly impact potential buyers, the mere fact that our projects fit this investment category should be a net positive for our shareholders.

Let's move on to updating you on the Company's finances.

Our first quarter 10-Q reflects an estimated liquidating value of \$17.95 per share which is almost flat with the estimates provided to you at December 31, 2017 and, adjusted for the 2017 \$1.00 per share distribution, the estimate at December 31, 2016. The major factors behind maintaining our estimated distributions despite extending the estimated completion date of our liquidation to 2019 were the increase in the real estate value of \$4.8 million to date offset by anticipated increased costs of \$4.8 million. Over \$2.4 million of such projected costs are directly attributable to increasing the real estate value and the anticipated incremental selling costs. The balance is comprised mainly of future net operating costs of \$1.5 million resulting from extending the ending liquidation date and projected additional entitlement costs of approximately \$900,000. The incremental costs are mitigated in part by not hiring replacements stemming from the 33% reduction in employees during 2017 and other cost management efforts. As a reminder, while the value of the real estate increased to date, such value is predicated on current real estate values and does not reflect the potential increased value that may result from the receipt of entitlements. By pursuing the entitlements, we are hopeful of realizing a greater net return to shareholders.

Let's now discuss our sales and marketing efforts.

We sold three of the four remaining buildings in the Port Jefferson Professional Park for \$2.8 million, approximately \$1.2 million above their 2013 appraised values. This enabled us to distribute \$1.00 per share in July 2017. We recently entered into contract for the sale of the final Port Jefferson building later this summer for \$800,000.

We have launched a marketing campaign through our broker that solicits and educates potential buyers on the entitlements being pursued in both Cortlandt Manor and Flowerfield. We believe such outreach will reduce the marketing time necessary to close on property sales following the anticipated receipt of the entitlements in 2019.

As you can see, our team made considerable progress this past year toward procuring valuable entitlements. Furthermore, we have enhanced the potential value opportunity through repositioning the industrial park as well as expanding the sewage treatment plants capability. We believe these efforts will result in higher distributions to our shareholders.

In summary, we anticipate the receipt of entitlements for each respective property in 2019 and are coordinating our property marketing efforts to ensure that the respective sales and distributions occur soon thereafter.

My colleague, Peter Pitsiokos, will be discussing our entitlement efforts in more depth. Please feel free to ask questions after our presentations and to button hole us during lunch with any questions.

I thank you very much for your attention and your confidence.

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Gyrodyne, LLC
Reconciliation of Financial Information to the Remeasurement of Assets and Liabilities

	Remeasurement of Assets and Liabilities
Assets:	
Estimated net inflows from investment of real estate	\$ 2,075,313 (c)
Liabilities:	
Property operating costs	(1,720,988) (c)
Capital expenditures excluding land entitlement costs and land purchases	(1,529,693) (a)
Land entitlement costs and land purchases	(876,314) (b)
Corporate expenditures	(1,843,289) (c)
Selling costs on real estate assets	(328,855) (a)
Retention bonus payments to directors	(380,470) (a)
Retention bonus payments to executives and other employees	(204,869) (a)
Less prepaid expenses and other assets	-
Liability for estimated costs in excess of estimated receipts during liquidation	<u>\$ (4,809,165)</u>
(a) Costs directly attributable to the increase in real estate value	(2,443,887)
(b) Additional entitlement costs	(876,314)
(c) Net operating cash	<u>(1,488,964)</u>
Total	<u><u>(4,809,165)</u></u>

Development Program



- Medical Office – 100,000 sf
- Retail – 4,000 sf
- Multi-family Residential
200 Units – (10% studio,
80% 1-BR and 10% 2-BR)
- Open Space - 5 ± Acres



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Overall Site Plan



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Crompond Road Approach



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Wellness Plaza/MOD Green



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Multi-Family Residential



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Sequencing Implementation Exhibit



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A Sustainable Mixed-Use Campus Plan



FLOWERFIELD



Implementation Through Subdivision

LAND USE LEGEND:

-  MEDICAL OFFICE
-  HOTEL
-  ASSISTED LIVING
-  CATERING
-  LIGHT INDUSTRIAL
-  ACCESS EASEMENT AREA / LIGHT INDUSTRIAL
-  COMMON OWNERSHIP AREA / OPEN SPACE
-  PRIVATE RIGHT OF WAY (R.O.W.) AREA / COMMON OWNERSHIP
-  OPEN SPACE
-  OPEN SPACE ON PRIVATE PROPERTY
-  STP SITE
-  LANDSCAPED PARKING
-  SETBACK LINE



- Zoning Compliant Plan
- Implementation Flexibility
- Existing Development Parcels
- Proposed Development Parcels



FLOWERFIELD



Commitment to Smart & Responsible Development



Medical Office



Hotel



Assisted Living

Economic Sustainability



Social Sustainability



Environmental Sustainability



FLOWERFIELD



Commitment to Smart & Responsible Development



Medical Office



Hotel



Assisted living

Economic Sustainability



Social Sustainability



Environmental Sustainability



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