

CONSOLIDATED TOMOKA LAND CO

Form 10-Q

November 09, 2009

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

FORM 10-Q

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

For the quarterly period ended September 30, 2009

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

For the transition period from ___ to ___

Commission file number 01-11350

CONSOLIDATED-TOMOKA LAND CO.

(Exact name of registrant as specified in its charter)

Florida
(State or other jurisdiction of incorporation or organization)

59-0483700
(I.R.S. Employer Identification No.)

1530 Cornerstone Blvd., Suite 100
Daytona Beach, Florida
(Address of principal executive offices)

32117
(Zip Code)

(386) 274-2202
(Registrant's telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes x No o

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or such shorter period that the registrant was required to submit and post such files).
Yes o No o

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Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "accelerated filer," "smaller reporting company," and "large accelerated filer" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer
Non-accelerated filer (Do not check if a smaller reporting company) Smaller Reporting Company

Indicate by check mark whether the registrant is a shell company
(as defined in rule 12b-2 of the Exchange Act).
Yes No

Indicate the number of shares outstanding of each of the issuer's
classes of common stock, as of the latest practicable date.

Class of Common Stock Outstanding
November 01, 2009
\$1.00 par value 5,723,268

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PART I - FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CONSOLIDATED TOMOKA LAND CO.
CONSOLIDATED CONDENSED BALANCE SHEETS

	(Unaudited)	
	September 30, 2009	December 31, 2008
ASSETS		
Cash	\$ 234,808	\$ 388,787
Restricted Cash	--	462,765
Investment Securities	5,009,653	5,260,868
Refundable Income Tax	328,684	--
Notes Receivable	2,158,317	4,153,693
Land and Development Costs	22,241,222	18,973,138
Intangible Assets	4,693,942	5,009,819
Other Assets	5,317,337	6,048,126
	\$ 39,983,963	\$ 40,297,196
Property, Plant and Equipment:		
Land, Timber and Subsurface Interests	\$ 13,555,317	\$ 12,643,391
Golf Buildings, Improvements & Equipment	11,789,193	11,750,711
Income Properties Land, Buildings and Improvements	119,461,552	116,517,534
Other Furnishings and Equipment	3,257,409	3,207,845
Construction in Process	--	1,217,549
Total Property, Plant and Equipment	148,063,471	145,337,030
Less, Accumulated Depreciation and Amortization	(14,233,330)	(12,488,163)
Net - Property, Plant and Equipment	133,830,141	132,848,867
TOTAL ASSETS	\$ 173,814,104	\$ 173,146,063
LIABILITIES		
Accounts Payable	\$ 284,085	\$ 706,095
Accrued Liabilities	7,700,854	7,204,749
Accrued Stock Based Compensation	1,944,384	1,190,725
Pension Liability	2,980,400	3,127,230
Income Taxes Payable	--	1,236,206
Deferred Income Taxes	33,477,607	33,316,436
Notes Payable	10,297,476	8,550,315
TOTAL LIABILITIES	56,684,806	55,331,756
SHAREHOLDERS' EQUITY		
Common Stock	5,723,268	5,727,515
Additional Paid in Capital	5,131,246	5,217,955
Retained Earnings	108,844,497	109,556,103
Accumulated Other Comprehensive Loss	(2,569,713)	(2,687,266)

TOTAL SHAREHOLDERS' EQUITY	117,129,298	117,814,307
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	\$ 173,814,104	\$ 173,146,063

See Accompanying Notes to Consolidated Financial Statements

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CONSOLIDATED-TOMOKA LAND CO.
CONSOLIDATED CONDENSED STATEMENTS OF INCOME

	(Unaudited)		(Unaudited)	
	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Income				
Real Estate Operations:				
Real Estate Sales				
Sales and Other Income	\$ 959,081	\$ 97,735	\$ 2,585,974	\$ 2,358,789
Costs and Other Expenses	(256,400)	(345,055)	(813,270)	(1,231,908)
	702,681	(247,320)	1,772,704	1,126,881
Income Properties				
Leasing Revenues and Other Income	2,429,747	2,380,052	7,106,796	6,874,518
Costs and Other Expenses	(606,771)	(515,425)	(1,612,814)	(1,409,361)
	1,822,976	1,864,627	5,493,982	5,465,157
Golf Operations				
Sales and Other Income	881,775	814,067	3,566,746	3,481,770
Costs and Other Expenses	(1,540,284)	(1,531,483)	(4,847,456)	(4,917,257)
	(658,509)	(717,416)	(1,280,710)	(1,435,487)
Total Real Estate Operations	1,867,148	899,891	5,985,976	5,156,551
Profit on Sales of Other				
Real Estate Interests	18,289	590,439	32,839	794,696
Interest and Other Income	55,718	91,089	161,712	535,839
Operating Income	1,941,155	1,581,419	6,180,527	6,487,086
General and Administrative Expenses	(1,602,005)	(1,410,864)	(5,013,474)	(2,555,806)
Income Before Income Taxes	339,150	170,555	1,167,053	3,931,280
Income Taxes	(129,488)	(65,309)	(447,376)	(1,498,718)
Net Income	\$ 209,662	\$ 105,246	\$ 719,677	\$ 2,432,562

Per Share Information:

Basic and Diluted Income Per Share	\$ 0.04	\$ 0.02	\$ 0.13	\$ 0.42
Dividends	\$ 0.05	\$ 0.10	\$ 0.25	\$ 0.30

See Accompanying Notes to Consolidated Financial Statements

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CONSOLIDATED-TOMOKA LAND CO.
CONSOLIDATED CONDENSED STATEMENT OF SHAREHOLDERS' EQUITY
AND COMPREHENSIVE INCOME
(Unaudited)

	Common Stock	Additional Paid- In Capital	Retained Earnings	Accumulated Other Comprehensive Income	Total Shareholders' Equity	Comprehensive Income
Balance December 31, 2008	\$5,727,515	\$5,217,955	\$109,556,103	\$ (2,687,266)	\$ 117,814,307	
Net Income	--	--	719,677	--	719,677	\$ 719,677
Other Comprehensive Income: Cash Flow						
Hedging Derivative, Net of Tax	--	--	--	117,553	117,553	117,553
Comprehensive Income	--	--	--	--	--	\$ 837,230
Stock Options	413	13,278	--	--	13,691	
Stock Buyback	(4,660)	(99,987)			(104,647)	
Cash Dividends (\$.25 per share)	--	--	(1,431,283)	--	(1,431,283)	
Balance September 30, 2009	\$5,723,268	\$5,131,246	\$108,844,497	\$ (2,569,713)	\$ 117,129,298	

See Accompanying Notes to Consolidated Financial Statements

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CONSOLIDATED-TOMOKA LAND CO.
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS

	(Unaudited)	
	Nine Months Ended	
	September 30, 2009	September 30, 2008
Cash Flow from Operating Activities		
Net Income	\$ 719,677	\$ 2,432,562
Adjustments to Reconcile Net Income to Net Cash Provided By Operating Activities:		
Depreciation and Amortization	2,063,969	1,966,494
Loss on sale of Property, Plant, and Equipment	--	11,743
Deferred Income Taxes	161,171	1,137,206
Non Cash Compensation	769,167	(1,431,778)
Decrease (Increase) in Assets:		
Notes Receivable	150,000	960,728
Land and Development Costs	(1,422,708)	(1,781,516)
Refundable Income Taxes	(328,684)	--
Other Assets	730,789	1,114,622
(Decrease) Increase in Liabilities:		
Accounts Payable	(422,010)	388,472
Accrued Liabilities	466,830	79,595
Income Taxes Payable	(1,236,206)	(2,956,409)
Net Cash Provided By Operating Activities	1,651,995	1,921,719
Cash Flow From Investing Activities:		
Acquisition of Property, Plant, and Equipment	(2,729,366)	(16,839,750)
Acquisition of Intangible Assets	--	(704,485)
Decrease in Restricted Cash for Acquisitions		
Through the Like-Kind Exchange Process	462,765	9,926,995
Proceeds from Calls or Maturities of Investment Securities	4,878,589	14,022,746
Acquisition of Investment Securities	(4,627,374)	(9,002,824)
Net Cash Used In Investing Activities	(2,015,386)	(2,597,318)
Cash Flow from Financing Activities:		
Proceeds from Notes Payable	11,413,000	8,759,000
Payments on Notes Payable	(9,665,839)	(6,986,838)
Cash Proceeds from Exercise of Stock Options	2,059	5,090
Cash Used to Settle Stock Appreciation Rights	(3,878)	(36,315)
Cash Used for Repurchase of Common Stock	(104,647)	--
Dividends Paid	(1,431,283)	(1,718,084)
Net Cash Provided by Financing Activities	209,412	22,853
Net Decrease in Cash	(153,979)	(652,746)

Cash, Beginning of Year	388,787	863,826
Cash, End of Period	\$ 234,808	\$ 211,080

The Company paid income taxes totaling \$1,924,919 for the nine-months ended September 30, 2009.

On August 5, 2009, the Company completed foreclosure on a mortgage note receivable in the amount of \$1,845,376, with the note receivable written off, and the land reacquired. There was no gain or loss recognized on the transaction.

See Accompanying Notes to Consolidated Financial Statements

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NOTES TO CONSOLIDATED CONDENSED FINANCIAL STATEMENTS (Unaudited)

NOTE 1. PRINCIPLES OF INTERIM STATEMENTS

The unaudited consolidated financial statements have been prepared pursuant to the rules and regulations of the Securities and Exchange Commission. Certain information and note disclosures, which are normally included in annual financial statements prepared in accordance with U.S. generally accepted accounting principles, have been omitted pursuant to those rules and regulations. The consolidated financial statements reflect all adjustments which are, in the opinion of management, necessary to present fairly the Company's financial position and the results of operations for the interim periods. The consolidated format is designed to be read in conjunction with the last annual report. For further information, refer to the consolidated financial statements and the notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2008. The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Inter-company balances and transactions have been eliminated in consolidation.

NOTE 2. COMMON STOCK AND EARNINGS PER SHARE

Basic earnings per common share were computed by dividing net income by the weighted average number of shares of common stock outstanding during the year.

Diluted earnings per common share were determined based on the assumption of the conversion of stock options using the treasury stock method at average market for the periods.

	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Income Available to Common Shareholders:				
Net Income	\$ 209,662	\$ 105,246	\$ 719,677	\$ 2,432,562
Weighted Average Shares				
Outstanding	5,723,268	5,727,515	5,724,336	5,727,072
Common Shares Applicable to Stock				
Options Using the Treasury Stock Method	--	--	--	--
Total Shares Applicable to Diluted Earnings Per Share	5,723,268	5,727,515	5,724,336	5,727,072
Per Share Information:				
Basic & Diluted Income Per share				
Net Income	\$ 0.04	\$ 0.02	\$ 0.13	\$ 0.42

No impact was considered on the conversion of stock options during the periods as the effect would be antidilutive.

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NOTE 3. NOTES PAYABLE

Notes payable consist of the following:

	September 30, 2009	
	Total	Due Within One Year
\$20,000,000 Line of Credit	\$ 3,983,598	\$ 3,983,598
Notes Payable	6,313,878	283,945
	\$ 10,297,476	\$ 4,267,543

Payments applicable to reduction of principal amounts will be required as follows:

Year Ending September 30,

2010	\$ 4,267,543
2011	332,303
2012	5,697,630
2013	--
2014 & Thereafter	--
	\$ 10,297,476

The \$20,000,000 line of credit expires on
March 29, 2010

For the first nine months of 2009, interest expense was \$273,247, net of \$137,644 interest capitalized to land and development costs and construction in process, with interest of \$410,891 paid during the period.

For the first nine months of 2008, interest expense was \$256,522, net of \$131,864 interest capitalized to land and development costs, and construction in process, with interest of \$388,386 paid during the period.

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NOTE 4. STOCK OPTION PLAN

The Company maintains a stock option plan ("the Plan") pursuant to which 500,000 shares of the Company's common stock may be issued. A summary of share option activity under the Plan as of September 30, 2009 and changes during the nine months then ended is presented below:

STOCK OPTIONS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009	Shares	Wtd Avg Ex Price	Wtd Avg	
			Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2008	226,000	\$ 58.11		
Granted	55,000	\$ 33.16		
Exercised	(1,600)	\$ 25.88		
Expired	(800)	\$ 42.87		
Oustanding at September 30, 2009	278,600	\$ 53.42	7.18	\$ 557,956
Exercisable at September 30, 2009	111,000	\$ 53.91	5.94	\$ 275,256

STOCK APPRECIATION RIGHTS FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2009	Shares	Wtd Avg Fair Value	Wtd Avg	
			Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at December 31, 2008	226,000	\$ 3.12		
Granted	55,000	\$ 4.76		
Exercised	(1,600)	\$ 2.42		
Expired	(800)	--		
Oustanding at September 30, 2009	278,600	\$ 4.65	7.18	\$ 300,438
Exercisable at September 30, 2009	111,000	\$ 3.71	5.94	\$ 148,215

In connection with the exercise of 1,600 option shares, 413 shares of stock were issued and

1,187 shares of stock were withheld via net exercise to relieve the stock option liability by \$11,632. Cash

proceeds of \$2,059 were received on the exercise of the stock options.

There are no options remaining to be granted under the plan.

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NOTE 5. PENSION PLAN

The Company maintains a defined benefit pension plan for all employees who have attained the age of 21 and completed one year of service.

The pension benefits are based primarily on age, years of service, and the average compensation for the highest five years during the final ten years of employment.

The benefit formula generally provides for a life annuity benefit.

Following are the components of the Net Periodic Benefit Cost:

	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Service Cost	\$ 88,803	\$ 84,092	\$ 266,409	\$ 252,276
Interest Cost	112,753	108,800	338,259	326,400
Expected Return on Plan Assets	(116,096)	(130,116)	(348,288)	(390,348)
Net Amortization	47,335	19,879	142,005	59,637
Net Periodic Benefit Cost	\$ 132,795	\$ 82,655	\$ 398,385	\$ 247,965

The Company has made contributions totaling \$545,215 in 2009.

NOTE 6. NOTES RECEIVABLE

Notes receivable relate to the financing of real estate sales, bear interest at a market rate, and are recorded at face value. The Company has not and does not intend to sell these receivables. Amounts collected on notes receivables are included in net cash provided by operating activities in the consolidated statements of cash flows.

Notes Receivables consisted of the following:

	September 30, 2009
Mortgage note with variable interest rate at 200 basis points above the 30-day London Interbank Offer Rate "LIBOR," principal and interest payments due annually through 2012	\$2,158,317
	\$2,158,317

On August 5, 2009, the Company completed foreclosure on a mortgage note receivable in the amount of \$1,845,376, with the note receivable written-off, and the land reacquired. There was no gain or loss recognized on the transaction.

Additionally, on November 6, 2009, foreclosure was completed on a mortgage note receivable in the amount of \$2,158,317.

In determining impairment on notes receivable, the Company also evaluates the property which supports the mortgage note. The accrual of interest on notes receivable is stopped at the time it is determined that collection of the receivable is unlikely, and has been stopped on the delinquent note. Actual losses could differ from those estimated.

NOTE 7. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company accounts for financial instruments as required by the Fair Value Measurements and Disclosure Topic of Financial Accounting Standards Board Accounting Standards Codification (“FASB ASC”). The largest carrying amounts of the Company’s financial assets and liabilities, including cash, accounts receivable, and accounts payable at September 30, 2009 and December 31, 2008, approximate fair value because of the short maturity of these instruments. The carrying amount of the Company’s notes receivable and notes payable is not materially different from market value due to the short maturities on the notes. The interest rate swap derivative is carried at its fair value at September 30, 2009 and December 31, 2008.

At the time the Company’s debt was refinanced in 2002, the Company entered into an interest rate swap agreement. This swap arrangement changes the variable-rate cash flow exposure on the debt obligations to fixed cash flows so that we can manage fluctuations in cash flows resulting from interest rate risk. This swap arrangement essentially creates the equivalent of fixed-rate debt. The above referenced transaction is accounted for under the Derivative Instruments and Hedging Activities Topic of FASB ASC which requires the derivative to be recognized on the balance sheet at its fair value and the changes in fair value to be accounted for as other comprehensive income or loss. The fair market value of the interest rate swap agreement was determined using Significant Other Observable Inputs (Level 2). A financial model is used to determine the fair market value of the interest rate swap. The model estimates the expected cash flows discounted at the risk-free rate, using the treasury yield curve, plus the current market observable LIBOR interest rate spread to treasuries, adjusted for the credit risk of the Company. The Fair Market Value recorded on the Balance Sheet at September 30, 2009, was a liability of \$756,388. The change in fair value, net of applicable taxes, in the cumulative amount of \$464,611 at September 30, 2009, has been recorded as accumulated other comprehensive loss, a component of shareholders’ equity.

The amortized cost, gross unrealized holding gains, gross unrealized holding losses and fair value of held-to-maturity investment securities by major security type and class of security at September 30, 2009, were as follows:

	Amortized Cost	Gross Unrealized Holding Gains	Gross Unrealized Holding Losses	Fair Value
At September 30, 2009				
Debt Securities Issued by States				
and Political Subdivisions of States	\$ 4,880,409	\$ 5,602	(95,483)	\$ 4,790,528
Preferred Stocks	129,244	--	(45,611)	83,633
	\$ 5,009,653	\$ 5,602	(141,094)	\$ 4,784,161

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NOTE 8. COMMITMENTS AND CONTINGENCIES

At the end of 2008, the Company focused its efforts on obtaining federal stimulus dollars to extend Dunn Avenue, a major east/west thoroughfare bridging Interstate 95, to provide improved access to Company lands. In June, the Company entered into a cost sharing agreement with the City of Daytona Beach and the County of Volusia that will allow the use of federal funds to build this road project. The Company's cost participation of \$1,125,000 is not due until 2010.

NOTE 9. BUSINESS SEGMENT DATA

The Company primarily operates in three business segments: real estate, income properties, and golf. Real estate operations include commercial real estate, land sales and development, agriculture, and leasing properties for oil and mineral exploration.

The Company evaluates performance based on income or loss from operations before income taxes. The Company's reportable segments are strategic business units that offer different products. They are managed separately because each segment requires different management techniques, knowledge, and skills.

Information about the Company's operations in different segments is as follows
(amounts in thousands):

	Three Months Ended		Nine Months Ended	
	September 30, 2009	September 30, 2008	September 30, 2009	September 30, 2008
Revenues:				
Real Estate	\$ 959	\$ 98	\$ 2,586	\$ 2,359
Income Properties	2,430	2,380	7,107	6,875
Golf	882	814	3,567	3,482
General, Corporate, and Other	74	681	194	1,330
	\$ 4,345	\$ 3,973	\$ 13,454	\$ 14,046
Income (Loss):				
Real Estate	\$ 703	\$ (247)	\$ 1,773	\$ 1,127
Income Properties	1,823	1,865	5,494	5,465
Golf	(659)	(718)	(1,281)	(1,436)
General, Corporate, and Other	(1,528)	(729)	(4,819)	(1,225)
	\$ 339	\$ 171	\$ 1,167	\$ 3,931
Identifiable Assets				
Real Estate			\$ 38,230	
Income Properties			117,572	
Golf			7,473	
General, Corporate, and Other			10,539	
			\$ 173,814	
Depreciation and Amortization				
Real Estate			\$ 312	
Income Properties			1,317	
Golf			366	
General, Corporate, and Other			69	
			\$ 2,064	
Capital Expenditures				

Real Estate	\$ 947
Income Properties	1,726
Golf	40
General, Corporate, and Other	16
	\$ 2,729

Income represents income (loss) from continuing operations before income taxes.

Identifiable assets by industry are those assets that are used in the Company's operations in each industry.

General corporate assets and assets used in the Company's other operations consist primarily of cash, investment securities, and property, plant, and equipment.

NOTE 10. CONCENTRATION OF RISKS AND UNCERTAINTIES

The Company's real estate investments are concentrated in the State of Florida. Uncertainty of the duration of the prolonged real estate and economic slump could have an adverse impact on the Company's real estate values.

NOTE 11. ACCOUNTING STANDARDS

In June 2009, the FASB issued Statement No. 168, "The FASB Accounting Standards Codification and the Hierarchy of Generally Accepted Accounting Principles", ("SFAS 168"). SFAS 168 replaces FASB Statement No. 162, The Hierarchy of Generally Accepted Accounting Principles, and establishes the FASB Accounting Standards Codification as the source of authoritative accounting principles recognized by the FASB to be applied by nongovernmental entities in the preparation of financial statements in conformity with generally accepted accounting principles (GAAP). The Company adopted SFAS 168 in the third quarter of 2009. The adoption did not have an impact on the consolidated results of the Company.

In December 2008 the FASB issued guidance on Employers' Disclosures about Pensions and Other Postretirement Benefits which requires disclosures about plan assets to be provided for fiscal years ending after December 15, 2009. Under the guidance disclosures requirements include information about how investment allocation decisions are made, the fair value of each major category of plan assets and the inputs and valuation techniques used to develop fair value measurements of plan assets. The Company plans to adopt the guidance during the fourth quarter of 2009. The adoption of this guidance is not expected to have an impact on the Company's financial statements.

NOTE 12. SUBSEQUENT EVENTS

The Company has evaluated subsequent events through November 9, 2009, the date of issuance of the accompanying consolidated financial statements. On November 6, 2009, the Company completed foreclosure on a mortgage receivable note in the amount of \$1,845,376.

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ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The Management's Discussion and Analysis of Financial Condition and Results of Operations is designed to be read in conjunction with the financial statements and Management's Discussion and Analysis of Financial Condition and Results of Operations in the last annual report on Form 10-K.

OPERATIONS OVERVIEW

We are primarily engaged in real estate land sales and development, reinvestment of land sales proceeds into income properties, self development of income properties, and golf course operations. We own approximately 11,200 acres in Florida, of which approximately 10,200 are located within and form a substantial portion of the western boundary of the City of Daytona Beach. Our lands are well-located in the central Florida Interstate-4 and Interstate-95 corridors, providing an excellent opportunity for reasonably stable land sales in future years.

With our substantial land holdings in Daytona Beach, we have parcels available for the entire spectrum of real estate uses. Along with land sales, we selectively develop parcels primarily for commercial uses. Although pricing levels and changes by us and our immediate competitors can affect sales, we generally enjoy a competitive edge due to low costs associated with long-time land ownership and a significant ownership position in the immediate market. As a general policy we do not discount sales prices to accelerate land sales.

Until the dramatic downturn in the national and local economies in 2008, sales activity on Company owned lands had been strong over several years. Development activities on and around Company owned lands continued relatively strong throughout 2008 and into 2009 with the commencement and completion of projects planned or in process before the downturn. Sales and development activities over the last several years included: the sale of 120 acres of land to Florida Hospital for the construction of a new hospital, which opened in July of this year; the expansion of the Daytona Beach Auto Mall; the opening of a second office building in the Cornerstone Office Park; continued development within the 250-acre Gateway Commerce Park (where a 32,000 square-foot industrial building was completed in early 2009) and the 60-acre Interstate Commerce Park, both adjacent to Interstate 95; and the sale of approximately 100 acres of land west of Interstate 95 on which a private high school was constructed and opened in August 2008. In early 2009, the City of Daytona Beach police headquarters, located adjacent to Gateway Commerce Park, was completed and occupied. Also in 2009, construction was completed on a 288-unit apartment complex and a medical office building, with development of a townhouse residential community on the east side of Interstate 95 continuing. During the first quarter of 2009, construction commenced on an upscale restaurant on a parcel adjacent to the Interstate 95 and LPGA Boulevard interchange, which the Company sold during the fourth quarter of 2008. On the west side of Interstate 95, development has been completed on a fire station, a hotel, and a 59,000 square-foot furniture retail store in the Interstate Commerce Park, along with a new elementary school which opened in August 2009.

These commercial and residential development activities tend to create additional buyer interest and sales opportunities, although weak economic conditions led us to continue in 2009 with a smaller than normal backlog of contracts, with few select opportunities for additional transactions in the near term.

In 2000, we initiated a strategy of investing in income properties utilizing the proceeds of agricultural land sales qualifying for income tax deferral through like-kind exchange treatment for tax purposes. As of September 30, 2009, we have invested approximately \$120 million in twenty-six income properties through this process. With this investment base in income properties, lease revenue of approximately \$9.3 million is projected to be generated annually. This income, along with income from additional net-lease income property investments, is expected to decrease earnings volatility in future years and add to overall financial performance. This has enabled us to enter into the business of building, leasing, and holding in our portfolio select income-producing properties that are strategically

located on our lands.

In the third quarter of this year, we were notified by Barnes & Noble that it would be vacating its store in Lakeland, Florida, upon the expiration of the original lease term at the end of January 2010. The Company is exploring all strategic alternatives on this 18,150 square-foot property. All remaining properties remain leased with the average remaining lease term in excess of 11 years, excluding additional option years. The Barnes & Noble store in Daytona Beach, Florida which has a lease termination date at the end of January 2011, excluding option years, is the next lease up for renewal. No other leases have less than six-years remaining on the initial lease term.

We currently have two self-developed projects in the lease up stage. The first project is a two-building 31,000 square-foot flex office space complex located within Gateway Commerce Park. Construction of these buildings was completed in 2008. As of September 30, 2009, there was one tenant under lease for approximately 3,840 square feet, with negotiations ongoing with additional tenant prospects. Also under development is the first phase of a 12-acre, 4-lot commercial complex located at the corner of LPGA and Williamson Boulevards in Daytona Beach, Florida. The parcel includes a 23,000 square-foot "Class A" office building. With the exception of additional tenant improvements, which are to be made as vacant space is leased, construction of the building has been completed. Approximately 75% of the building is under lease to two tenants. The first tenant occupied the building in mid-July and the second tenant began occupying the building in September.

Golf operations consist of the operation of two championship golf courses and a clubhouse facility, including food and beverage activities, located within the LPGA International mixed-use residential community on the west side of Interstate 95, south and east of LPGA Boulevard. The Champions course was designed by Rees Jones and the Legends course was designed by Arthur Hills.

Our agricultural operations consist of growing, managing, and selling timber and hay on approximately 10,700 acres of land primarily on the west side of Daytona Beach, Florida. We are currently in the process of converting a significant portion of our timberlands to hay production.

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SUMMARY OF 2009 OPERATING RESULTS

During the quarter ended September 30, 2009, net income totaled \$209,662, equivalent to \$.04 per share. This income was generated on the sale of nine acres of land and continued strong earnings from income properties. During 2008's third quarter, when no land sales were recorded, net income amounting to \$105,246, equivalent to \$.02 per share, was produced.

Net income of \$719,677, equivalent to \$.13 per share, was posted for the nine-month period ended September 30, 2009 on the sale of 16 acres of land. This net income represents a significant downturn from profits of \$2,432,562, equivalent to \$.42 per share, recorded in 2008's same period. The unfavorable results can primarily be attributed to higher general and administrative costs due to increased expenses associated with stock options and shareholder relations. In addition, during 2008's first nine months, the decrease in the price of the Company's stock during the first six months of the year resulted in an addition to income of \$879,470 after income taxes for stock option accruals.

We also use Earnings before Depreciation, Amortization, and Deferred Taxes (EBDDT) as a performance measure. Our strategy of investing in income properties through the deferred tax like-kind exchange process produces significant amounts of depreciation and deferred taxes.

The following is the calculation of EBDDT:

	Three Months Ended	
	September 30, 2009	September 30, 2008
Net Income	\$ 209,662	\$ 105,246
Add Back:		
Depreciation and Amortization	695,813	676,733
Deferred Taxes	47,308	321,607
Earnings before Depreciation, Amortization, and Deferred Taxes	\$ 952,783	\$ 1,103,586

	Nine Months Ended	
	September 30, 2009	September 30, 2008
Net Income	\$ 719,677	\$ 2,432,562
Add Back:		
Depreciation and Amortization	2,063,970	1,966,494
Deferred Taxes	161,171	1,137,206
Earnings before Depreciation, Amortization, and Deferred Taxes	\$ 2,944,818	\$ 5,536,262

EBDDT is calculated by adding depreciation, amortization, and the change in deferred income tax to net income, as they represent non-cash charges. EBDDT is not a measure of operating results or cash flows from operating activities as defined by U.S. generally accepted accounting principles. Further, EBDDT is not necessarily indicative of cash availability to fund cash needs and should not be considered as an alternative to cash flow as a measure of liquidity. We believe, however, that EBDDT provides relevant information about operations and is useful, along with net income, for an understanding of our operating results.

EBDDT totaling \$952,783 and \$2,944,818 for the third quarter and first nine months of 2009, respectively, was lower than 2008's third quarter and first nine months of EBDDT amounting to \$1,103,586 and \$5,536,262, respectively. The decrease in EBDDT for both periods was partially due to the reduced add back for deferred income taxes, primarily associated with taxes relating to stock options accruals, with lower earnings also contributing significantly to the decrease in EBDDT for the nine month period.

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REAL ESTATE OPERATIONS

REAL ESTATE SALES

During the third quarter of 2009 the sale of nine acres of land produced revenues and profits of \$959,081 and \$702,681, respectively. A loss of \$247,320 was reported in 2008's third quarter as no land sales occurred during the period. Real estate sales costs and expenses were reduced during 2009's third quarterly period primarily due to lower real estate taxes and compensation costs.

The sale of 16 acres of land during the first nine months of 2009 resulted in the realization of revenues and profits totaling \$2,585,974 and \$1,772,704, respectively. During 2008's same period the sale of 21 acres of land generated profits of \$1,126,881 on revenues totaling \$2,358,789. The decrease in costs and expenses during the nine month period was again the result of lower real estate taxes and compensation costs in addition to lower cost of sales associated with the land sales.

INCOME PROPERTIES

When compared to the prior year's same period, revenues from income properties rose a modest 2% for 2009's third quarter to \$2,429,747. This rise was due to additional rental income realized from leasing of the new self-developed Class A office building located in Daytona Beach, Florida. Income properties costs and expenses rose 18% during the period on costs, including depreciation, from the office building along with costs associated with the Gateway Commerce Park flex buildings. These increases in revenues and costs and expenses resulted in a 2% decrease in profits to \$1,822,976. Third quarter 2008 revenues and net income from income properties totaled \$2,380,052 and \$1,864,627, respectively.

Year-to-date through September 30, 2009 income properties profit totaled \$5,493,982. These profits reflect a modest 1% rise from the profits posted in 2008's same period totaling \$5,465,157. The gain in profitability was produced on a 3% rise in revenues offset by a 14% increase in costs and expenses. The increase in revenues was the result of lease revenues from the new office building coupled with additional revenues from the Charlotte, North Carolina, Harris Teeter supermarket building, which was acquired in April 2008. These two factors, in addition to the Gateway Commerce Center flex buildings, also accounted for the rise in costs and expenses through September 30, 2009. Income properties revenues amounted to \$7,106,796 and \$6,874,518, respectively, for 2009 and 2008.

GOLF OPERATIONS

Losses from golf operations for the quarter ended September 30, 2009, totaled \$658,509, an 8% improvement over the loss of \$717,416 posted in 2008's third quarter. The improvement was achieved on an 8% gain in total revenues. Revenues of \$881,775 were generated in 2009's third quarter with revenues amounting to \$814,067 realized in 2008's same period. The increase in revenues was the result of a 7% gain in revenues from golfing activities, coupled with a 12% increase in food and beverage activities. The number of rounds played during the period rose 33%, but was somewhat offset by a 15% decline in the average rate paid per round played. Golf operations costs and expenses rose 1%, to \$1,540,284, on higher food and beverage cost of sales and wage costs, due to the increased activity, offset by lower golf course maintenance expenses.

During the first nine months of 2009, a loss of \$1,280,710 was realized from golf operations. This loss represented an 11% reduction from the loss of \$1,435,487 generated in 2008's first nine month period. Revenues amounting to \$3,566,746 were produced during the period, a 2% rise over the prior year's revenues totaling \$3,481,770. This revenue gain was generated on a 1% increase in golfing activities revenues in addition to an 8% gain in food and beverage revenues. The number of rounds of golf played during the nine month period rose 28% over the prior year, but was offset by a 19% decline in the average rate paid per round played. Lower compensation costs and golf course maintenance expenses resulted in a 1% decrease in golf operations costs and expenses.

GENERAL, CORPORATE, AND OTHER

During the first nine months of 2009, profits on the release of subsurface interests totaled \$32,839, of which \$18,289 was earned in the third quarter. Releases were granted on 18 acres and one acre for the nine months and third quarter of 2009, respectively. Profits on the sale of other real estate interests totaled \$590,439 and \$794,696 for the third quarter and first nine months of 2008, respectively. These profits were realized on the release of subsurface rights on 772 acres, of which the release of 537 acres occurred in the third quarter.

When compared to the prior year's same period, interest and other income decreased 39% for the quarter ended September 30, 2009, to \$55,718, and 70% for the nine-month period to \$161,712. These declines resulted from lower investment interest earned on decreased investment securities, lower interest earned on mortgage notes receivable due to the non-accrual of interest on delinquent notes, and lower interest on funds held for reinvestment through the like-kind exchange process. During 2008's third quarter and first nine months, interest and other income totaled \$91,089 and \$535,839, respectively.

General and administrative expenses totaled \$1,602,005 in 2009's third quarter, while in 2008's third quarter general and administrative expenses amounted to \$1,410,864. This 14% increase was principally the result of increased stock option expense.

Increased stock options accruals accounted for \$2,200,945 of the rise in general and administrative expenses during the first nine months of 2009. This variance resulted from a significant decrease in the price of Company stock in the first half of 2008, while the stock price has increased in 2009. Also contributing to the higher expenses were legal and other costs associated with a shareholder lawsuit and proxy contest of approximately \$735,000. General and administrative expenses totaled \$5,013,474 and \$2,555,806 for the nine-month periods ended September 30, 2009 and 2008, respectively.

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LIQUIDITY AND CAPITAL RESOURCES

Cash, restricted cash, and investment securities declined \$867,959 during the first nine months of 2009, with a balance of \$5,244,461 at September 30, 2009. This balance included no funds being held by a qualified intermediary for reinvestment through the like-kind exchange process. The balance of cash, restricted cash, and investment securities totaled \$6,112,420 at December 31, 2008. In addition to the decrease in cash and investment securities during the nine-month period, notes payable increased \$1,747,161, with \$3,983,598 outstanding on the Company's \$20,000,000 revolving line of credit at September 30, 2009.

Funds used during the nine-month period were centered around construction and development activities, continued hay conversion, payment of income taxes and dividends. The completion of the 23,000 square-foot "Class A" office building along with the completion of the construction of a road, Tournament Drive, on our core lands adjacent to LPGA Boulevard in Daytona Beach, Florida were the primary uses of the \$3.1 million expended for construction and development. Hay conversion costs approximated \$850,000 during the period. The payment of income taxes amounted to \$1,949,919, with dividends paid totaling \$1,431,283, equivalent to \$.25 per share, for the nine month period.

During August of 2009 the Company completed the reacquisition of a 6 acre parcel of land through the foreclosure of a mortgage note receivable. The mortgage note receivable was written-off with the land recorded in Land and Development costs in the amount of \$1,961,324. There was no gain or loss recognized on the transaction. An additional mortgage note receivable was foreclosed in early November. The mortgage note, valued at \$2,269,580 including accrued interest, was secured by 317 acres of property. In determining impairment on notes receivable the Company also evaluates the property which supports the mortgage note.

During the fourth quarter of 2008, our Board of Directors authorized a program to repurchase shares of our common stock having an aggregate value of up to \$8,000,000. The authorization permits us to effect the repurchases from time to time through a variety of methods including open market repurchases and privately negotiated transactions. The repurchase plan is intended to be funded through reduced dividend payments in the future. We have no plans to increase debt to fund the repurchase plan. Through November 1, 2009, 4,660 shares had been repurchased at a total cost of \$104,648, with no repurchases occurring in the third quarter of 2009.

Capital expenditures for the remainder of 2009 are projected to approximate \$2.7 million. These expenditures include tenant improvements at the flex office building located in Gateway Commerce Park, and the continuation of the conversion of timber lands to hay. Also included in capital expenditures for the remainder 2009 is the acquisition of property through Internal Revenue Code Section 1033 involuntary conversion under threat of condemnation tax deferral provisions. We plan to reinvest \$2.2 million by year-end 2009 through this process with an additional \$7.9 million to be expended in subsequent years.

At the end of 2008, the Company focused its efforts on obtaining federal stimulus dollars to extend Dunn Avenue, a major east/west thoroughfare bridging Interstate 95, to provide improved access to Company lands. In June, the Company entered into a cost sharing agreement with the City of Daytona Beach and the County of Volusia that will allow the use of federal funds to build this road project. The Company's cost participation of \$1,125,000 is not due until 2010.

Capital to fund the planned expenditures in 2009 is expected to be provided from cash and investment securities (as they mature), operating activities, and financing sources that are currently in place, including the \$20 million revolving line of credit, which matures on March 29, 2010.

We also believe that we have the ability, if needed, to borrow on a non-recourse basis against our existing income properties, which are all free of debt as of the date of this filing. As additional funds become available through

qualified sales, we expect to reinvest in additional real estate opportunities.

Our Board of Directors and management continually review the allocation of any excess capital with the goal of providing the highest long-term return for all shareholders. The reviews consider various alternatives, including increasing or decreasing regular dividends, declaring special dividends, repurchasing stock, and retaining funds for reinvestment, including road development and hay conversion of timber lands. The Board of Directors has reaffirmed its support for the stated business plan of reinvesting agricultural land sales proceeds into 1031 tax-deferred income-producing properties, self-development of income properties, and the creation of infrastructure and entitlements on Company lands to increase long-term shareholder value.

At its regular Board of Directors meeting on October 28, 2009, the Company declared a dividend of \$.05 per share. The Company recognizes the importance of providing a quarterly dividend and maintaining that commitment during the recent economic downturn. The Board of Directors will continue to monitor the national and local economic conditions and balance the Company's capital needs against its desire to maintain the quarterly dividend at or near its current level

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CRITICAL ACCOUNTING POLICIES

The profit on sales of real estate is accounted for in accordance with the Accounting for Sales of Real Estate Topic of FASB ASC. We recognize revenue from the sale of real estate at the time the sale is consummated unless the property is sold on a deferred payment plan and the initial payment does not meet established criteria, or we retain continuing involvement with the property. A majority of our land sales contracts contain an anti-speculation clause. This clause requires the buyer to begin construction of their project within a specified period of time, generally two years. If this requirement is not met, we have the right, but not the obligation, to repurchase the property at its original sales price.

We acquire income properties with long-term leases in place. Upon acquisition, the portion of the purchase price that represents the market value associated with the lease is allocated to an intangible asset. The amount of the intangible asset represents the cost of replacing the tenant should the lease be discontinued. Factors such as vacancy period, tenant improvements, and lease commissions, among others, are considered in calculating the intangible asset. The intangible asset is amortized over the remaining life of the lease at the time of acquisition. At September 30, 2009, the intangible asset associated with the income properties totaled \$4,693,942, net of amortization of \$1,902,598.

In accordance with Accounting for the Impairment or Disposal of Long-Lived Assets Topic of FASB ASC we have reviewed the recoverability of long-lived assets, including real estate development, income properties, and other property, plant, and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may or may not be recoverable. Long-lived assets are evaluated for impairment by using an undiscounted cash flow approach which considers future estimated capital expenditures. Impairment on long-lived assets is measured at fair value. There has been no impairment of long-lived assets reflected in the consolidated financial statements.

At the time our debt was refinanced in 2002, we entered into an interest rate swap agreement. This swap arrangement changes the variable-rate cash flow exposure on the debt obligations to fixed cash flows so that we can manage fluctuations in cash flows resulting from interest rate risk. This swap arrangement essentially creates the equivalent of fixed-rate debt. The above referenced transaction is accounted for under Derivative Instruments and Certain Hedging Activities Topic of FASB ASC. The accounting requires the derivative to be recognized on the balance sheet at its fair value and the changes in fair value to be accounted for as other comprehensive income or loss.

We measure the ineffectiveness of the interest rate swap derivative by comparing the present value of the cumulative change in the expected future cash flows on the variable leg of the swap with the present value of the cumulative change in the expected future interest cash flows on the floating rate liability. This measure resulted in no ineffectiveness for the periods ended September 30, 2009 and September 30, 2008. A liability in the amount of \$756,388 at September 30, 2009, has been established on our balance sheet. The change in fair value, net of applicable taxes, in the cumulative amount of \$464,611 at September 30, 2009, has been recorded as accumulated other comprehensive loss, a component of shareholders' equity.

We maintain a stock option plan pursuant to which 500,000 shares of our common stock may be issued. The current Plan was approved at the April 25, 2001 shareholders' meeting. Under the Plan, the option exercise price equals the stock market price on the date of grant. The options generally vest over five years and all expire after ten years. The Plan provides for the grant of (1) incentive stock options, which satisfy the requirements of Internal Revenue Code (IRC) Section 422, and (2) non-qualified options, which are not entitled to favorable tax treatment under IRC Section 422. No optionee may exercise incentive stock options in any calendar year for shares of common stock having a total market value of more than \$100,000 on the date of grant (subject to certain carryover provisions).

In connection with the grant of non-qualified options, a stock appreciation right for each share covered by the option may also be granted. The stock appreciation right will entitle the optionee to receive a supplemental payment, which may be paid in whole or in part in cash or in shares of common stock equal to a portion of the spread between the

exercise price and the fair market value of the underlying shares at the time of exercise. All options granted to date have been non-qualified options.

Both our stock options and stock appreciation rights are liability classified awards under the Share Based Payment Topic of FASB ASC and are required to be remeasured to fair value at each balance sheet date until the award is settled.

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ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The principal market risk (i.e., the risk of loss arising from adverse changes in market rates and prices) to which we are exposed is interest rates. The objective of our asset management activities is to provide an adequate level of liquidity to fund operations and capital expansion, while minimizing market risk. We utilize overnight sweep accounts and short-term investments to minimize the interest rate risk. We do not actively invest or trade in equity securities. We do not believe that our interest rate risk related to cash equivalents and short-term investments is material due to the nature of the investments.

We manage our debt considering investment opportunities and risk, tax consequences, and overall financial strategies. We are primarily exposed to interest rate risk on our \$8,000,000 (\$6,313,878 outstanding at September 30, 2009) long-term mortgage. The borrowing bears a variable rate of interest based on market rates. Management's objective is to limit the impact of interest rate changes on earnings and cash flows and to lower the overall borrowing costs. To achieve this objective, we entered into an interest rate swap agreement during the second quarter of 2002. A hypothetical change in the interest rate of 100 basis points (i.e. 1%) would not materially affect our financial position, results of operations, or cash flows.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, an evaluation, as required by Rules 13a-15 and 15d-15 under the Securities Exchange Act of 1934 (the "Exchange Act"), was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act). Based on that evaluation, the CEO and CFO have concluded that the design and operation of the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and to provide reasonable assurance that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) under the Exchange Act) during the fiscal quarter ended September 30, 2009, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II - OTHER INFORMATION

ITEM 1A. RISK FACTORS

Certain statements contained in this report (other than statements of historical fact) are forward-looking statements. The words “believe,” “estimate,” “expect,” “intend,” “anticipate,” “will,” “could,” “may,” “should,” “plan,” “potential,” “predict,” “project,” and similar expressions and variations thereof identify certain of such forward-looking statements, which speak only as of the dates on which they were made. Forward-looking statements are made based upon management’s expectations and beliefs concerning future developments and their potential effect upon the Company. There can be no assurance that future developments will be in accordance with management’s expectations or that the effect of future developments on the Company will be those anticipated by management.

We wish to caution readers that the assumptions which form the basis for forward-looking statements with respect to or that may impact earnings for the year ended December 31, 2009, and thereafter, include many factors that are beyond the Company’s ability to control or estimate precisely. These risks and uncertainties include, but are not limited to, the strength of the real estate market in the City of Daytona Beach and Volusia County, Florida; the impact of a prolonged recession or further downturn in economic conditions; our ability to successfully execute acquisition or development strategies; any loss of key management personnel; changes in local, regional, and national economic conditions affecting the real estate development business and income properties; the impact of environmental and land use regulations; the impact of competitive real estate activity; variability in quarterly results due to the unpredictable timing of land sales; the loss of any major income property tenants; and the availability of capital. These risks and uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements.

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2008. There have been no material changes to those risk factors. The risks described in the Annual Report on Form 10-K are not the only risks facing the Company. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial also may materially adversely affect the Company.

While we periodically reassesses material trends and uncertainties affecting our results of operations and financial condition, we do not intend to review or revise any particular forward-looking statement referenced herein in light of future events.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

ISSUER REPURCHASES OF EQUITY SECURITIES

In November 2008, the Company’s Board of Directors authorized the repurchase by the Company from time to time of up to \$8 million of its common stock. This share repurchase program does not have a stated expiration date. There were no repurchases made under the program during the quarter ended September 30, 2009. From inception of the program, the Company has repurchased 4,660 shares of its common stock at a total cost of \$104,648.

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ITEM 6. EXHIBITS

(a) Exhibits:

Exhibit 3.1 - Amended and Restated Articles of Incorporation of Consolidated-Tomoka Land Co., dated October 28, 2009, filed as Exhibit 3.1 to the registrant's

Current Report on Form 8-K filed October 30, 2009, and incorporated herein by reference.

Exhibit 3.2 - Amended and Restated By Laws of Consolidated-Tomoka Land Co., dated October 28, 2009, filed as Exhibit 3.2 to the registrant's Current Report

on Form 8-K filed October 30, 2009, and incorporated herein by reference.

Exhibit 31.1 - Certification furnished pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

Exhibit 31.2 - Certification furnished pursuant to Section 302 of Sarbanes-Oxley Act of 2002.

Exhibit 32.1 - Certification pursuant to 18 U.S.C. Section 1350, as Adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Exhibit 32.2 - Certification pursuant to 18 U.S.C. Section 1350, as Adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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Signatures

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

CONSOLIDATED-TOMOKA LAND CO.
(Registrant)

November 9, /s/William H.
2009 By: McMunn
William H. McMunn,
President and
Chief Executive
Officer

November 9, 2009 /s/Bruce W. Teeters
By: Bruce W. Teeters, Senior Vice
President
Finance and Treasurer

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