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 June 30, 2013
OR
[ ] 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 1-10153

HOMEFED CORPORATION

(Exact name of registrant as specified in its Charter)

Delaware (State or other jurisdiction of incorporation or organization)	33-0304982 (I.R.S. Employer Identification Number)
1903 Wright Place, Suite 220, Carlsbad, California (Address of principal executive offices)	92008 (Zip Code)

(760) 918-8200
(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 ____

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES X NO ____

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 "large accelerated filer," "accelerated filer" and "smaller reporting company" 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 X

APPLICABLE ONLY TO CORPORATE ISSUERS:
Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date. On July 29, 2013, there were 7,879,500 outstanding shares of the Registrant's Common Stock, par value $.01 per share.

Part I -FINANCIAL INFORMATION

Item 1. Financial Statements.

HOMEFED CORPORATION AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2013 and December 31, 2012
(Dollars in thousands, except par value)

	June 30, 2013	December 31, 2012
	(Unaudited)	
ASSETS		
Real estate	$ 116,108	$ 120,245
Cash and cash equivalents	19,608	22,987
Investments available for sale (amortized cost of $36,490 and $36,385)	36,493	36,390
Accounts receivable, deposits and other assets	2,180	1,030
Net deferred tax asset	9,049	8,757
TOTAL	$ 183,438	$ 189,409
LIABILITIES		
Accounts payable and accrued liabilities	$ 2,693	$ 5,097
Non-refundable option payments	1,692	-
Liability for environmental remediation	1,676	4,607
Deferred revenue	2,032	886
Income taxes payable	-	1,644
Other liabilities	134	136
Total liabilities	8,227	12,370
COMMITMENTS AND CONTINGENCIES		
EQUITY		
Common stock, $.01 par value; 25,000,000 shares authorized; 7,879,500 shares outstanding after deducting 395,409 shares held in treasury	79	79
Additional paid-in capital	381,077	380,982
Accumulated other comprehensive income	2	3
Accumulated deficit	(214,584)	(212,684)
Total HomeFed Corporation common shareholders' equity	166,574	168,380
Noncontrolling interest	8,637	8,659
Total equity	175,211	177,039
TOTAL	$ 183,438	$ 189,409

See notes to interim consolidated financial statements.

HOMEFED CORPORATION AND SUBSIDIARIES
Consolidated Statements of Operations
For the three and six month periods ended June 30, 2013 and 2012
(In thousands, except per share amounts)
(Unaudited)

	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2013	2012	2013	2012
REVENUES				
Sales of real estate	$ 953	$ -	$ 9,224	$ 3,350
Rental income	133	130	254	254
Co-op marketing and advertising fees	280	104	516	218
	1,366	234	9,994	3,822
EXPENSES				
Cost of sales	561	-	6,320	632
Reduction in estimated liability for environmental remediation	(662)	-	(662)	-
General and administrative expenses	2,870	1,899	6,123	3,851
Farming expenses	897	763	1,773	1,627
Administrative services fees to Leucadia National Corporation	45	45	90	90
	3,711	2,707	13,644	6,200
Loss from operations	(2,345)	(2,473)	(3,650)	(2,378)
Interest and other income	448	26	481	52
Loss before income taxes and noncontrolling interest	(1,897)	(2,447)	(3,169)	(2,326)
Income tax benefit	750	975	1,247	912
Net loss	(1,147)	(1,472)	(1,922)	(1,414)
Net income (loss) attributable to the noncontrolling interest	(16)	(49)	(22)	376
Net loss attributable to HomeFed Corporation common shareholders	$ (1,131)	$ (1,423)	$ (1,900)	$ (1,790)
Basic and diluted loss per common share attributable to HomeFed Corporation common shareholders	$ (0.14)	$ (0.18)	$ (0.24)	$ (0.23)

See notes to interim consolidated financial statements.

HOMEFED CORPORATION AND SUBSIDIARIES
Consolidated Statements of Comprehensive Income
For the periods ended June 30, 2013 and 2012
(In thousands)
(Unaudited)

	For the Three Month Period Ended June 30,		For the Six Month Period Ended June 30,	
	2013	2012	2013	2012
Net loss	$ (1,147)	$ (1,472)	$ (1,922)	$ (1,414)
Other comprehensive income (loss):				
Net unrealized holding gains on investments arising during the period, net of taxes of $0, $1, $(1) and $1	-	1	(1)	-
Net change in unrealized holding gains on investments, net of taxes of $0, $1, $(1), and $1	-	1	(1)	-
Other comprehensive income (loss), net of income taxes	-	1	(1)	-
Comprehensive loss	(1,147)	(1,471)	(1,923)	(1,414)
Comprehensive income (loss) attributable to the noncontrolling interest	16	49	22	(376)
Comprehensive loss attributable to HomeFed Corporation common shareholders	$ (1,131)	$ (1,422)	$ (1,901)	$ (1,790)

See notes to interim consolidated financial statements.

HOMEFED CORPORATION AND SUBSIDIARIES

Consolidated Statements of Changes in Equity

For the six month periods ended June 30, 2013 and 2012

(In thousands, except par value)

(Unaudited)

	HomeFed Corporation Common Shareholders						
	Common Stock $.01 Par Value	Additional Paid-In Capital	Accumulated Other Comprehensive Income	Accumulated Deficit	Subtotal	Noncontrolling Interest	Total
Balance, January 1, 2012	$ 79	$ 376,332	$ 1	$ (218,706)	$ 157,706	$ 16,723	$ 174,429
Net income (loss)				(1,790)	(1,790)	376	(1,414)
Other comprehensive income, net of taxes			-		-		-
Share-based compensation expense		82			82		82
Balance, June 30, 2012	$ 79	$ 376,414	$ 1	$ (220,496)	$ 155,998	$ 17,099	$ 173,097
Balance, January 1, 2013	$ 79	$ 380,982	$ 3	$ (212,684)	$ 168,380	$ 8,659	$ 177,039
Net loss				(1,900)	(1,900)	(22)	(1,922)
Other comprehensive loss, net of taxes			(1)		(1)		(1)
Share-based compensation expense		95			95		95
Balance, June 30, 2013	$ 79	$ 381,077	$ 2	$ (214,584)	$ 166,574	$ 8,637	$ 175,211

See notes to interim consolidated financial statements.

HOMEFED CORPORATION AND SUBSIDIARIES

Consolidated Statements of Cash Flows

For the six month periods ended June 30, 2013 and 2012

(In thousands)

(Unaudited)

	2013	2012
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (1,922)	$ (1,414)
Adjustments to reconcile net loss to net cash used for operating activities:		
Reduction in estimated liability for environmental remediation	(662)	-
Provision for deferred income taxes	(291)	(388)
Share-based compensation expense	95	82
Depreciation and amortization of property, equipment and leasehold improvements	126	124
Accretion of discount on investments available for sale	(21)	(14)
Changes in operating assets and liabilities:		
Real estate	4,086	(1,893)
Accounts receivable, deposits and other assets	(182)	26
Non-refundable option payments	1,692	(350)
Deferred revenue	1,146	-
Accounts payable and accrued liabilities	(2,404)	(289)
Liability for environmental remediation	(2,269)	(421)
Income taxes receivable/payable	(2,687)	(2,524)
Other liabilities	(2)	14
Net cash used for operating activities	(3,295)	(7,047)
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of real estate	-	(17,345)
Purchases of investments (other than short-term)	(36,484)	(47,478)
Proceeds from maturities of investments available for sale	36,400	53,500
Net cash used for investing activities	(84)	(11,323)
Net decrease in cash and cash equivalents	(3,379)	(18,370)
Cash and cash equivalents, beginning of period	22,987	40,820
Cash and cash equivalents, end of period	$ 19,608	$ 22,450
Supplemental disclosures of cash flow information:		
Cash paid for income taxes	$ 1,732	$ 2,000

See notes to interim consolidated financial statements.

1. Accounting Developments

The unaudited interim consolidated financial statements, which reflect all adjustments (consisting of normal recurring items or items discussed herein) that management believes necessary to fairly state results of interim operations, should be read in conjunction with the Notes to Consolidated Financial Statements (including the Summary of Significant Accounting Policies) included in the Company's audited consolidated financial statements for the year ended December 31, 2012, which are included in the Company's Annual Report filed on Form 10-K for such year (the "2012 10-K"). Results of operations for interim periods are not necessarily indicative of annual results of operations. The consolidated balance sheet at December 31, 2012 was extracted from the audited annual consolidated financial statements and does not include all disclosures required by accounting principles generally accepted in the United States of America ("GAAP") for annual financial statements.

In January 2013, the Company adopted new Financial Accounting Standards Board ("FASB") Accounting Standards guidance with respect to the reporting of reclassifications out of accumulated other comprehensive income. The new guidance requires an entity to report the effect of significant reclassifications out of accumulated other comprehensive income on the respective line items in net income if the amount being reclassified is required under GAAP to be reclassified in its entirety to net income. For other amounts that are not required under GAAP to be reclassified in their entirety from accumulated other comprehensive income to net income in the same reporting period, an entity is required to cross-reference other disclosures required under GAAP that provide additional detail about those amounts. Adoption of this guidance did not have any impact on the Company's consolidated financial statements.

In January 2013, the Company adopted new FASB guidance that required new disclosures regarding balance sheet offsetting and related arrangements. For derivatives and financial assets and liabilities, the amendments require disclosure of gross asset and liability amounts, amounts offset on the balance sheet, and amounts subject to the offsetting requirements but not offset on the balance sheet. The guidance is to be applied retrospectively. This guidance does not amend the existing guidance on when it is appropriate to offset; this guidance did not have any impact the Company's consolidated financial statements.

In January 2013, the Company adopted new FASB guidance that permits an entity to first assess qualitative factors to determine whether it is more likely than not that an indefinite-lived intangible asset, other than goodwill, is impaired as a basis for determining whether it is necessary to perform the quantitative impairment test. The guidance did not revise the requirement to test indefinite-lived intangible assets annually for impairment, or more frequently if deemed appropriate. The adoption of this guidance had no impact on the Company's consolidated financial statements.

In January 2013, the Company adopted new FASB guidance that outlines amendments to the two-step goodwill impairment test permitting an entity to first assess qualitative factors in determining whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step quantitative goodwill impairment test. The adoption of this guidance had no impact on the Company's consolidated financial statements.

2. Income Taxes

The Company does not have any amounts in its consolidated balance sheet for unrecognized tax benefits related to uncertain tax positions at June 30, 2013. The statute of limitations with respect to the Company's federal income tax returns has expired for all years through 2008 and with respect to California state income tax returns has expired for all years through 2007.

3. Loss Per Common Share

Basic and diluted loss per share amounts were calculated by dividing net loss by the weighted average number of common shares outstanding. The numerators and denominators used to calculate basic and diluted loss per share for the three and six month periods ended June 30, 2013 and 2012 are as follows (in thousands):

	For the three months ended June 30,		For the six months ended June 30,	
	2013	2012	2013	2012
Numerator – net loss attributable to HomeFed Corporation common shareholders	$ (1,131)	$ (1,423)	$ (1,900)	$ (1,790)
Denominator for basic and diluted loss per share– weighted average	7,880	7,880	7,880	7,880

For the 2013 and 2012 periods, there is no difference between basic and diluted per share amounts because all stock options were antidilutive.

4. Related Party Transactions

Pursuant to an administrative services agreement, Leucadia National Corporation (“Leucadia”) provides administrative and accounting services, including providing the services of the Company’s Secretary. Administrative services fee expenses were $45,000 and $90,000 for each of the three and six month periods ended June 30, 2013 and 2012, respectively. The administrative services agreement automatically renews for successive annual periods unless terminated in accordance with its terms. The Company subleases office space to Leucadia under a sublease agreement until October 2018. Amounts reflected in other income pursuant to this agreement were $3,000 for each of the three month periods ended June 30, 2013 and 2012, and $6,000 for each of the six month periods ended June 30, 2013 and 2012.

5. Interest and Other Income

During the three and six month periods ended June 2013, Otay Land Company and Flat Rock were awarded $400,000, which was recognized as other income, regarding the lawsuit against one of the parties related to the contamination of the property.

Interest and other income includes interest income of $15,000 for each of the three month periods ended June 30, 2013 and 2012, and $35,000 and $45,000 for the six month periods ended June 30, 2013 and 2012, respectively.

6. Financial Instruments

The Company's material financial instruments include cash and cash equivalents and investments classified as available for sale; investments classified as available for sale are the only assets or liabilities that are measured at fair value on a recurring basis. All of the Company's investments mature in one year or less. The par value, amortized cost, gross unrealized gains and losses and estimated fair value of investments classified as available for sale as of June 30, 2013 and December 31, 2012 are as follows (in thousands):

					Fair Value Measurements Using		
	Par Value	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Total Fair Value Measurements
June 30, 2013							
U.S. Treasury securities	$ 36,500	$ 36,490	$ 3	$ -	$ 36,493	$ -	$ 36,493
December 31, 2012							
U.S. Treasury securities	$ 36,400	$ 36,385	$ 5	$ -	$ 36,390	$ -	$ 36,390

As of June 30, 2013, the Company did not have any assets or liabilities measured at fair value on a nonrecurring basis.

For cash and cash equivalents, the carrying amounts of such financial instruments approximate their fair values.

The Company does not invest in any derivatives or engage in any hedging activities.

7. Real Estate Activity

During the three and six month periods ended June 30, 2013, the Company sold 6 and 8 lots, respectively, from Village A at the Ashville Park project for net cash consideration of $1,050,000 and $1,350,000, respectively. During the six month period ended June 30, 2013, the Company sold 90 lots from Village B at the Ashville Park project for net cash consideration of $9,000,000. Since the Company is obligated to complete certain improvements to the property sold, a portion of the revenue from sales of real estate is deferred, and is recognized as revenues upon the completion of the required improvements to the property, including costs related to common areas, under the percentage of completion method of accounting.

As of July 29, 2013, the Company has entered into agreements to sell an aggregate of 126 single family residential lots at the San Elijo Hills project to homebuilders for aggregate cash proceeds of $48,500,000, for which it has received non-refundable option deposits of $3,250,000 ($1,700,000 as of June 30, 2013), and to sell 6 lots from Village A at the Ashville Park project to a homebuilder for aggregate cash proceeds of $1,100,000, for which it received a non-refundable option deposit of $25,000 in July 2013. If the San Marcos school district decides it needs to purchase land for another school, then the sale to one of the homebuilders at the San Elijo Hills project will be reduced by 16 single family lots and $6,400,000. The option payments are non-refundable if the Company fulfills its obligations under the agreements, and will be applied to reduce the amount due from the purchasers at closing. Although these agreements are binding on the purchasers, should the Company fulfill its obligations under the agreements within the specified timeframes and the purchaser decides not to close, the Company's recourse will be primarily limited to retaining the option payment.

8. Environmental Remediation

As more fully discussed in the 2012 10-K, during the fourth quarter of 2012 the Company commenced remediation activities for 30 acres of land owned by a subsidiary of Otay Land Company. Remediation activities were completed in February 2013. The Company received final approval from the County of San Diego Department of Environmental Health in June 2013; as a result, the Company reduced its liability for environmental remediation by $650,000.

9. Stock Options

On July 11, 2013, options to purchase an aggregate of 6,000 shares of common stock were granted to the members of the Board of Directors under the Company's 1999 Stock Incentive Plan at an exercise price of $32.30 per share.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Interim Operations.

Statements included in this Report may contain forward-looking statements. See "Cautionary Statement for Forward-Looking Information" below. The following should be read in conjunction with the Management's Discussion and Analysis of Financial Condition and Results of Operations included in the 2012 10-K.

Liquidity and Capital Resources

For the six month periods ended June 30, 2013 and 2012, net cash was used for operating activities, principally for environmental remediation expenditures, general and administrative expenses, farming expenses at the Rampage property, estimated federal and state tax payments and real estate expenditures. The Company's principal sources of funds are cash and cash equivalents and investments, proceeds from the sale of real estate, proceeds from sales of bulk grapes, rental income primarily from the San Elijo Hills Towncenter, fee income from the San Elijo Hills project, dividends and tax sharing payments from its subsidiaries and borrowings from or repayment of advances by its subsidiaries. As of June 30, 2013, the Company had aggregate cash, cash equivalents and investments of $56,100,000 to meet its current liquidity needs and for future investment opportunities.

As of June 30, 2013, the remaining land at the San Elijo Hills project to be developed and sold or leased consisted of the following (including real estate under contract for sale):

Single family lots	264
Multi-family units	11
Square footage of commercial space	37,800

As more fully discussed in the 2012 10-K, during the last few years residential property sales volume, prices and new building starts declined significantly in many U.S. markets, including California and the greater San Diego region, which negatively affected sales and profits at the San Elijo Hills project.

The Company has substantially completed development of all of its remaining residential single family lots at the San Elijo Hills project, many of which are "premium" lots which are expected to command premium prices if, and when, the market fully recovers. Although recent homebuilder interest and sales activity in the project are encouraging, it is too soon to determine if the Company will be able to sell its remaining inventory at prices it finds acceptable. The Company believes that by exercising patience and waiting for market conditions to improve it can maximize shareholder value with its remaining residential lot inventory. However, on an ongoing basis the Company evaluates the local real estate market and economic conditions in general, and updates its expectations of future market conditions as it continues to assess the best time to market its remaining residential lot inventory for sale.

During the three and six month periods ended June 30, 2013, the Company sold 6 and 8 lots, respectively, from Village A at the Ashville Park project for net cash consideration of $1,050,000 and $1,350,000, respectively. During the six month period ended June 30, 2013, the Company sold 90 lots from Village B at the Ashville Park project for net cash consideration of $9,000,000. When the Company is obligated to complete certain improvements to sold lots at the San Elijo Hills and Ashville Park projects, a portion of the revenue from the sales is deferred, and is recognized as revenues upon the completion of the required improvements to the property, including costs related to common areas, under the percentage of completion method of accounting. As of June 30, 2013, $2,050,000 of revenue has been deferred pending completion of the required improvements. The Company estimates that it will spend approximately $1,350,000 to complete the required improvements, including costs related to common areas.

As of July 29, 2013, the Company has entered into agreements to sell an aggregate of 126 single family residential lots at the San Elijo Hills project to homebuilders for aggregate cash proceeds of $48,500,000, for which it has received non-refundable option deposits of $3,250,000 ($1,700,000 as of June 30, 2013), and to sell 6 lots from Village A at the Ashville Park project to a homebuilder for aggregate cash proceeds of $1,100,000, for which it received a non-refundable option deposit of $25,000 in July 2013. If the San Marcos school district decides it needs to purchase land for another school, then the sale to one of the homebuilders at the San Elijo Hills project will be reduced by 16 single family lots and $6,400,000. The option payments are non-refundable if the Company fulfills its obligations under the agreements, and will be applied to reduce the amount due from the purchasers at closing. Although these agreements are binding on the purchasers, should the Company fulfill its obligations under the agreements within the specified timeframes and the purchaser decides not to close, the Company’s recourse will be primarily limited to retaining the option payment.

As more fully discussed in the 2012 10-K, existing project entitlements for the Fanita Ranch property were successfully challenged under the California Environmental Quality Act related to alleged defects in the Environmental Impact Report (“EIR”). As a result, during the second quarter of 2013, the City of Santee has decertified the project’s EIR and rescinded the project’s discretionary approvals pending City compliance with the court order. The Company continues to evaluate its options, which could include addressing the defects in the existing entitlements or submitting an entirely new plan for the project.

Results of Operations

Real Estate Sales Activity

San Elijo Hills Project:

There were no real estate sales at the San Elijo Hills project during the three and six months ended June 30, 2013 and during the three months ended June 30, 2012. During the six months ended June 30, 2012, the Company closed on sales of real estate and recognized revenues as follows:

Single family units		18
Sales price	$	3,350,000

As discussed in the 2012 10-K, a portion of the revenue from sales of real estate in prior years was deferred, and has been recognized as revenue upon the completion of the required improvements to the property, including costs related to common areas, under the percentage of completion method of accounting. For the six month period ended June 30, 2013, revenues include amounts that were previously deferred of $200,000. These amounts were recognized upon the completion of certain required improvements. There was no work completed on sold lots during the three month period ended June 30, 2013. Revenues did not include any previously deferred amounts for the three and six month periods ended June 30, 2012 since the Company had completed all the required improvements on the sold properties.

During the six month periods ended June 30, 2013 and 2012, cost of sales of real estate aggregated $40,000, and $650,000, respectively.

Otay Ranch Project:

There was no real estate sales activity at the Otay Ranch project during the three and six months ended June 30, 2013 and 2012. As discussed in the 2012 10-K, the Company continues to evaluate how to maximize the value of this investment while pursuing land sales and processing further entitlements on portions of its property. The Otay Ranch project is in the early stages of development; as a result, the Company does not expect any sales activity in the near future.

Ashville Park Project:

During the three and six month periods ended June 30, 2013, the Company closed on sales of real estate and recognized revenues as follows:

	For the three months ended June 30, 2013	For the six months ended June 30, 2013
Single family units	6	98
Sales price, net of closing costs	$ 1,050,000	$ 10,350,000
Revenues recognized on closing date	$ 950,000	$ 9,050,000

As discussed above, a portion of the revenue from sales of real estate is deferred, and is recognized as revenues upon the completion of the required improvements to the property.

During the three and six month periods ended June 30, 2013, cost of sales of real estate aggregated $600,000 and $6,300,000, respectively. Cost of sales is recognized in the same proportion to the amount of revenue recognized under the percentage of completion method of accounting.

Other Results of Operations Activity

The Company recorded co-op marketing and advertising fees with respect to its San Elijo Hills and Ashville Park projects of $300,000 and $100,000 for the three month periods ended June 30, 2013 and 2012, respectively, and $500,000 and $200,000 for the six month period ended June 30, 2013 and 2012, respectively. The Company records these fees when the San Elijo Hills and Ashville Park project builders sell homes, and are generally based upon a fixed percentage of the homes' selling price. These fees provide the Company with funds to conduct its marketing activities.

General and administrative expenses increased for the three and six month periods ended June 30, 2013, as compared to the same periods ended June 30, 2012, primarily due to legal fees and salaries expenses. Legal expenses increased by $600,000 and $1,800,000 during the three and six month periods ended June 30, 2013, respectively, as compared to the same periods in 2012. Legal fees increased for the lawsuit seeking compensation from parties who Otay Land Company and Flat Rock believe are responsible for the environmental contamination of the property. The increase in salaries of $150,000 and $300,000 during the three and six month periods ended June 30, 2013, respectively, as compared to the same periods in 2012 principally reflects higher estimated general bonus expense and the addition of two employees at the Ashville Park project.

Interest and other income increased for the three and six month periods ended June 30, 2013, as compared to the same periods ended June 30, 2012. During the three and six month periods ended June 2013, Otay Land Company and Flat Rock were awarded $400,000 regarding the lawsuit against one of the parties related to the contamination of the property.

The Company’s effective income tax rate is higher than the federal statutory rate due to state income taxes.

Cautionary Statement for Forward-Looking Information

Statements included in this Report may contain forward-looking statements. Such statements may relate, but are not limited, to projections of revenues, income or loss, development expenditures, plans for growth and future operations, competition and regulation, as well as assumptions relating to the foregoing. Such forward-looking statements are made pursuant to the safe-harbor provisions of the Private Securities Litigation Reform Act of 1995.

Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted or quantified. When used in this Report, the words “estimates,” “expects,” “anticipates,” “believes,” “plans,” “intends” and variations of such words and similar expressions are intended to identify forward-looking statements that involve risks and uncertainties. Future events and actual results could differ materially from those set forth in, contemplated by or underlying the forward-looking statements.

Factors that could cause actual results to differ materially from any results projected, forecasted, estimated or budgeted or may materially and adversely affect the Company’s actual results include but are not limited to the following: the performance of the real estate industry in general; changes in mortgage interest rate levels or changes in consumer lending practices that reduce demand for housing; turmoil in the mortgage lending markets; the economic strength of the Southern California region where our business is currently concentrated; changes in domestic laws and government regulations or in the implementation and/or enforcement of government rules and regulations; demographic changes in the United States generally and California in particular that reduce the demand for housing; increases in real estate taxes and other local government fees; significant competition from other real estate developers and homebuilders; delays in construction schedules and cost overruns; increased costs for land, materials and labor; imposition of limitations on our ability to develop our properties resulting from condemnations, environmental laws and regulations and developments in or new applications thereof; earthquakes, fires and other natural disasters where our properties are located; construction defect liability on structures we build or that are built on land that we develop; our ability to insure certain risks economically; shortages of adequate water resources and reliable energy sources in the areas where we own real estate projects; the actual cost of environmental liabilities concerning our land could exceed liabilities recorded; opposition from local community or political groups at our development projects; and our ability to generate sufficient taxable income to fully realize our deferred tax asset. For additional information see Part I, Item 1A. Risk Factors in the 2012 10-K.

Undue reliance should not be placed on these forward-looking statements, which are applicable only as of the date hereof. The Company undertakes no obligation to revise or update these forward-looking statements to reflect events or circumstances that arise after the date of this Report or to reflect the occurrence of unanticipated events.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Information required under this Item is contained in Item 7A of the 2012 10-K, and is incorporated by reference herein.

Item 4. Controls and Procedures.

The Company’s management evaluated, with the participation of the Company’s principal executive and principal financial officers, the effectiveness of the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”)), as of June 30, 2013. Based on their evaluation, the Company’s principal executive and principal financial officers concluded that the Company’s disclosure controls and procedures were effective as of June 30, 2013.

There has been no change in the Company’s internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the Company’s fiscal quarter ended June 30, 2013, that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II – OTHER INFORMATION

Item 6. Exhibits.

31.1	Certification of President pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Vice President, Treasurer and Controller pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	Financial statements from the Quarterly Report on Form 10-Q of HomeFed Corporation for the quarter ended June 30, 2013, formatted in Extensible Business Reporting Language (XBRL): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) Consolidated Statements of Comprehensive Income (Loss), (iv) the Consolidated Statements of Changes in Equity, (v) the Consolidated Statements of Cash Flows, and (vi) the Notes to Consolidated Financial Statements.

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.

HOMEFED CORPORATION
(Registrant)

Date: July 29, 2013

By: /s/ Erin N. Ruhe
Erin N. Ruhe
Vice President, Treasurer and Controller
(Principal Accounting Officer)

EXHIBIT INDEX

Exhibit Number	Description
31.1	Certification of President pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
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