SECURITIES AND EXCHANGE COMMISSION

FORM 10-K405

Annual report pursuant to section 13 and 15(d), Regulation S-K Item 405

Filing Date: **1999-03-26** | Period of Report: **1998-12-31**
SEC Accession No. 0000909518-99-000208

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FILER

THACKERAY CORP

CIK:**354639**| IRS No.: **042446697** | State of Incorp.:**DE** | Fiscal Year End: **1231**
Type: **10-K405** | Act: **34** | File No.: **001-08254** | Film No.: **99574195**
SIC: **6500** Real estate

Mailing Address
400 MADISON AVE
STE 1508
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STE 1508
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2127593695

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(MARK ONE)

[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 1998

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 1-8254

THACKERAY CORPORATION

(Exact Name of Registrant as Specified in its Charter)

DELAWARE	04-2446697
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

400 MADISON AVENUE, SUITE 309, NEW YORK, NEW YORK 10017

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (212) 759-3695

Securities registered pursuant to Section 12(b) of the Act:

TITLE OF EACH CLASS	NAME OF EACH EXCHANGE ON WHICH REGISTERED
Common Stock, $.10 par value	American Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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 [ ].

NY2:\316401\05\6S4X05!.DOC\69555.0001

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy materials or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. [X]

Aggregate market value of the voting stock (which consists solely of shares of Common Stock) held by non-affiliates of the registrant as of March 25, 1999 computed by reference to the closing bid price of the registrant's Common Stock on the American Stock Exchange on such date: $8,558,816.

Number of shares of the registrant's Common Stock outstanding as of March 25, 1999: 5,107,401.

DOCUMENTS INCORPORATED BY REFERENCE

1. Certain portions of the registrant's Annual Report to Stockholders for the fiscal year ended December 31, 1998 (the "Annual Report") are incorporated by reference into Parts I and II of this report.

2. Certain portions of the registrant's definitive Proxy Statement to be filed pursuant to Regulation 14A of the Securities Exchange Act of

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1934, as amended, in connection with the Annual Meeting of Stockholders of the registrant to be held on May 3, 1999 are incorporated by reference into Part III of this report.

[cover page 2 of 2 pages]

PART I

Item 1. Business

GENERAL DEVELOPMENT OF BUSINESS

Thackeray Corporation ("Thackeray" or the "Company") is a Delaware corporation which holds real estate for investment.

DESCRIPTION OF BUSINESS

Thackeray's business is the management of its real estate investments. The Company does not presently intend to acquire additional real estate assets. For information with respect to Thackeray's real estate, see Notes 1 and 2 of Notes to Consolidated Financial Statements included in the Annual Report, which Notes are incorporated herein by reference.

On May 20, 1996, the Company and affiliates of Belz Enterprises ("Belz") entered into an Agreement of Limited Partnership of BT Orlando Limited Partnership. Pursuant to this agreement, the Company agreed to contribute approximately 140 acres of its Orlando, Florida property to the partnership, which property is valued at $15,246,000 for capital account purposes. The partnership, with an affiliate of Belz and Brennand-Paige Industries, Inc., a subsidiary of the Company, as general partners, will develop, construct, operate and lease an 850,000 square foot retail and entertainment shopping center complex on the property. The Company will have a 35% general partner interest in the partnership and will be entitled to certain preferential distributions. The Company will participate in the cash flow, sales proceeds and refinancing proceeds from the operation, financing or disposition of such project. The Partnership originally was to terminate in the event construction financing was not obtained by May 20, 1998. Such date has been extended to June 30, 1999.

In addition, on May 20, 1996, the Company and Belz Investco entered into a binding letter agreement regarding the development of the remaining approximately 78 acres of the Company's Orlando, Florida property, which property will be valued at $8,487,000 for capital account purposes. Pursuant to this letter agreement, the parties agreed to form a new partnership to develop 22.5 acres of such property as commercial property and 55.5 acres thereof as multi-family residential property, upon completion of the development of the 140 acres and obtaining the requisite construction financing related to the 78 acres. The Company, through a subsidiary, and Belz, or one of its affiliates, will be 50% owners and general partners of such partnership and the Company will be entitled to certain preferential distributions.

With respect to the 140 acre property, approximately 370,000 square feet of anchor space has been leased to date and leases for approximately

178,000 square feet of anchor tenants are in various stages of negotiation. Ground breaking commenced mid-1998. Construction financing is currently being negotiated and, in the interim, Belz Enterprises is providing financing for construction and development activity.

Indebtedness

The Company has no outstanding borrowings.

General

As of December 31, 1998, the Company had two employees.

Item 2. Properties

For additional information with respect to the Company's investments in real estate and to its lease obligations, see Notes 1, 2 and 5 of Notes to Consolidated Financial Statements included in the Annual Report, which Notes are incorporated herein by reference.

Thackeray's executive offices are located at 400 Madison Avenue, New York, New York and are occupied on a month to month basis for $1,660

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per month.

Item 3. Legal Proceedings

There are no legal proceedings currently pending against the Company or its subsidiaries.

Item 4. Submission of Matters to a Vote of Stockholders

During the quarter ended December 31, 1998, no matters were submitted to a vote of stockholders through the solicitation of proxies or otherwise.

PART II

Item 5. Market for Registrant's Common Stock and Related Stockholder Matters

Reference is made to the information set forth in the section entitled "Market for Thackeray's Common Stock and Related Stockholder Matters" in the Annual Report, which section is incorporated herein by reference. Thackeray transferred the trading of its common stock to the American Stock Exchange from the New York Stock Exchange effective April 20, 1998.

Item 6. Selected Financial Data

Reference is made to the information set forth in the section entitled "Selected Financial Data" in the Annual Report, which section is incorporated herein by reference.

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

Reference is made to the information set forth in the section entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in the Annual Report, which section is incorporated herein by reference.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Not Applicable.

Item 8. Financial Statements and Supplementary Data

Reference is made to the information set forth in the following sections of the Annual Report, which sections are incorporated herein by reference:

1. Report of Independent Public Accountants.

2. Consolidated Balance Sheets --December 31, 1998 and 1997.

3. Consolidated Statements of Operations for the years ended December 31, 1998, 1997 and 1996.

4. Consolidated Statements of Cash Flows for the years ended December 31, 1998, 1997 and 1996.

5. Notes to Consolidated Financial Statements -- December 31, 1998, 1997 and 1996.

Item 9. Change in and Disagreements with Accountants on Accounting and Financial Disclosure

Not Applicable.

PART III

Item 10. Directors and Executive Officers of the Registrant

Reference is made to the information to be set forth in the section entitled "Election of Directors" in the definitive proxy statement involving the election of directors in connection with the Annual Meeting of Stockholders of the Company to be held on May 3, 1999 (the "Proxy Statement"), which section is incorporated herein by reference. The Proxy Statement will be filed with the Securities and Exchange Commission not later than 120 days after December 31, 1998 pursuant to Regulation 14A of the Securities Exchange Act of 1934, as amended.

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Item 11. Executive Compensation

Reference is made to the information to be set forth in the section entitled "Election of Directors" in the Proxy Statement, which section is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management

Reference is made to the information to be set forth in the sections entitled "Ownership of Voting Securities" and "Election of Directors - Security Ownership of Management" in the Proxy Statement, which sections are incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions

Reference is made to the information to be set forth in the section entitled "Election of Directors Compensation and Interest of Management in Certain Transactions" in the Proxy Statement, which section is incorporated herein by reference.

PART IV

Item 14. Exhibits, Financial Statement Schedules, and Reports on Form 8-K

(a)(1) and (2) - The response to this portion of Item 14 is submitted as a separate section of this report entitled "List of Financial Statements and Financial Statement Schedules."

(3) - Exhibits:

3(a)(i)	-	Certificate of Incorporation of the Company. (1)
3(a)(ii)	-	Certificate of Designation of $4.15 Cumulative Preferred Stock. (2)
3(a)(iii)	-	Amendment to Certificate of Incorporation of the Company.
3(b)	-	By-Laws of the Company. (1)
10(a)	-	Agreement of Limited Partnership of BT Orlando Limited Partnership, dated May 20, 1996, among BEF, Inc., Brennand-Paige Industries, Inc., BT Partnership and EST Orlando, Ltd. (3)
10(b)	-	Number 2 Partnership Letter Agreement, dated May 20, 1996, between the Company and Belz Investco L.P. (3)
11	-	Statement re Computation of Per Share Data.
13	-	The Company's 1998 Annual Report to Stockholders.
21	-	Subsidiaries of the Company.
27	-	Financial Data Schedule.

----

(1) Incorporated by reference to the Company's Registration Statement on Form S-14 (SEC File No. 2-73435).

(2) Incorporated by reference to the Company's Registration Statement on Form S-11 (SEC File No. 2-84299).

(3) Incorporated by reference to the Company's Proxy Statement, dated August 5, 1996.

(b) - During the quarter ended December 31, 1998, the Company did not file any reports on Form 8-K.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to

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be signed on its behalf by the undersigned, thereunto duly authorized.

Date: March 26, 1999

THACKERAY CORPORATION
(Registrant)

By: /s/ Martin J. Rabinowitz
Name: Martin J. Rabinowitz
Title: President

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Martin J. Rabinowitz Martin J. Rabinowitz	Chairman of the Board, President and Director (Principal Executive Officer)	March 26, 1999
/s/ Jules Ross Jules Ross	Vice President, Finance, Treasurer, Secretary and Director (Principal Financial and Accounting Officer)	March 26, 1999
/s/ Ronald D. Rothberg Ronald D. Rothberg	Director	March 26, 1999
/s/ Moses Rothman Moses Rothman	Director	March 26, 1999
/s/ John Sladkus John Sladkus	Director	March 26, 1999

ANNUAL REPORT ON FORM 10-K

ITEM 14(a)(1) and (2)

LIST OF FINANCIAL STATEMENTS AND

FINANCIAL STATEMENT SCHEDULES

YEAR ENDED DECEMBER 31, 1998

THACKERAY CORPORATION

NEW YORK, NEW YORK

Form 10-K -- Items 14(a)(1) and (2)

THACKERAY CORPORATION

LIST OF FINANCIAL STATEMENTS AND
FINANCIAL STATEMENT SCHEDULES

The following consolidated financial statements of Thackeray Corporation,

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included in the Annual Report to Stockholders for the year ended December 31, 1998, are incorporated by reference in Item 8 of this report.

1. Report of Independent Public Accountants.

2. Consolidated Balance Sheets --December 31, 1998 and 1997.

3. Consolidated Statements of Operations for the years ended December 31, 1998, 1997 and 1996.

4. Consolidated Statements of Cash Flows for the years ended December 31, 1998, 1997 and 1996.

5. Notes to Consolidated Financial Statements -- December 31, 1998, 1997 and 1996.

The following financial statement schedules of Thackeray Corporation are filed herewith:

Report of Independent Public Accountants on Financial Statement Schedules

Schedule II - Valuation and Qualifying Accounts

Schedule III - Real Estate and Accumulated Depreciation

All other schedules for which provision is made in the applicable accounting regulations of the Securities and Exchange Commission are not required under the related instructions or are inapplicable and therefore have been omitted.

REPORT OF INDEPENDENT PUBLIC ACCOUNTANTS

ON FINANCIAL STATEMENT SCHEDULES

To the Board of Directors and Stockholders of Thackeray Corporation:

We have audited in accordance with generally accepted auditing standards, the consolidated financial statements included in Thackeray Corporation's 1998 Annual Report to Stockholders incorporated by reference in this Form 10-K, and have issued our report thereon dated March 10, 1999. Our audit was made for the purpose of forming an opinion on those statements taken as a whole. The schedules listed in the List of Financial Statements and Financial Statement Schedules are the responsibility of the Company's management and are presented for purposes of complying with the Securities and Exchange Commission's rules and are not part of the basic consolidated financial statements. These schedules have been subjected to the auditing procedures applied in the audit of the basic consolidated financial statements and, in our opinion, fairly state in all material respects the financial data required to be set forth therein in relation to the basic consolidated financial statements taken as a whole.

Arthur Andersen LLP

New York, New York
March 10, 1999

THACKERAY CORPORATION AND SUBSIDIARIES SCHEDULE II
VALUATION AND QUALIFYING ACCOUNTS
FOR THE YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996

<TABLE>
<CAPTION>

	1998	1997	1996
<S>	<C>	<C>	<C>
Allowance for possible investment losses			
Deducted from "Investments in real estate"			
Balance at beginning of year	$ 0	$ 0	$ 713,000
Elimination of reserves relating to real	-	-	$ (713,000)

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estate recognized as sold in 1996			
Balance at end of year	$ 0	$ 0	$ 0
	========	========	===========

</TABLE>

Schedule III

Thackeray Corporation and Subsidiaries Real Estate and Accumulated Depreciation
For the years ended December 31, 1998, 1997 and 1996

<TABLE>
<CAPTION>

Description	Encumbrances	Initial cost to the Company	Cost capitalized subsequent to acquisition	Gross amount carried at which at close of period	Accumulated depreciation	Date of construction	Date acquired	Life on which depreciation in latest income statement is computed
218 Acres of unimproved land, Orlando, Florida	None	$5,331,000	$ 0	$5,331,000	$0	N/A	1981	N/A
Land Leased to others Miami, Florida	None	425,000	0	425,000	0	N/A	1981	N/A
Totals		$5,756,000	$ 0	$5,756,000	$0			

</TABLE>

<TABLE>
<CAPTION>

	1998	1997	1996
Balance at Beginning of period	$5,756,000	$5,756,000	$7,059,000
Cost of real estate sold	0	0	1,303,000
Balance at End of period	$5,756,000	$5,756,000	$5,756,000

Federal tax basis is the same as book basis.

</TABLE>

EXHIBIT INDEX

TO

THACKERAY CORPORATION

ANNUAL REPORT ON FORM 10-K

FOR FISCAL YEAR ENDED DECEMBER 31, 1998

Exhibit No.		Description of Document
3(a)(i)	-	Certificate of Incorporation of the Company. (1)
3(a)(ii)	-	Certificate of Designation of $4.15 Cumulative Preferred Stock. (2)
3(a)(iii)	-	Amendment to Certificate of Incorporation of the Company.*
3(b)	-	By-Laws of the Company. (1)

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10(a)	-	Agreement of Limited Partnership of BT Orlando Limited Partnership, dated May 20, 1996, among BEF, Inc., Brennand-Paige Industries, Inc., BT Partnership and EST Orlando, Ltd. (3)
10(b)	-	Number 2 Partnership Letter Agreement, dated May 20, 1996, between the Company and Belz Investco L.P. (3)
11	-	Statement re Computation of Per Share Data.*
13	-	The Company's 1998 Annual Report to Stockholders.*
21	-	Subsidiaries of the Company.*
27	-	Financial Data Schedule.*

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* Filed herewith

(1) Incorporated by reference to the Company's Registration Statement on Form S-14 (SEC File No. 2-73435).

(2) Incorporated by reference to the Company's Registration Statement on Form S-11 (SEC File No. 2-84299).

(3) Incorporated by reference to the Company's Proxy Statement, dated August 5, 1996.

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CERTIFICATE OF AMENDMENT

OF

CERTIFICATE OF INCORPORATION

OF

THACKERAY CORPORATION

Thackeray Corporation, a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware, DOES HEREBY CERTIFY:

FIRST: That at a meeting of the Board of Directors of Thackeray Corporation resolutions were duly adopted setting forth a proposed amendment to the Certificate of Incorporation of said Corporation, declaring said amendment to be advisable and calling for such amendment to be submitted to a vote of the stockholders of said Corporation of consideration thereof at the Annual Meeting of the stockholders of the Corporation. The resolutions setting forth the proposed amendment are as follows:

> RESOLVED, that the Certificate of Incorporation of the Corporation be amended in the following respect:
>
> By adding a new Article Eleventh thereof which Article Eleventh shall be and read as follows:
>
> "ELEVENTH: No director shall be personally liable to the Corporation or any stockholder for monetary damages for breach of fiduciary duty as a director, except for any matter in respect of which such director shall be liable under Section 174 of Title 8 of the Delaware Code (relating to the Delaware General Corporation Law) or any amendment thereto or

> successor provision thereto or shall be liable by reason that, in addition to any and all other requirements for such liability, he (i) shall have breached his duty of loyalty to the Corporation or its stockholders, (ii) shall not have acted in good faith or, in failing to act, shall not have acted in good faith, (iii) shall have acted in a manner involving

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intentional misconduct or a knowing violation of law or, in failing to act, shall have acted in a manner involving intentional misconduct or a knowing violation of law or (iv) shall have derived an improper personal benefit. Neither the amendment nor repeal of this Article Eleventh, nor the adoption of any provision of the Certificate of Incorporation inconsistent with this Article Eleventh, shall eliminate or reduce the effect of this Article Eleventh in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article Eleventh, would accrue or arise, prior to such amendment, repeal or adoption of an inconsistent provision."

SECOND: That thereafter, pursuant to resolutions of its Board of Directors and by vote taken at the Annual Meeting of the stockholders of said Corporation, the necessary number of shares as required by statute were voted in favor of the adoption of the amendment.

THIRD: That said amendment was duly adopted in accordance with the provisions of Section 242 of the General Corporation Law of the State of Delaware.

IN WITNESS WHEREOF, said Corporation has caused this certificate to be signed by Martin J. Rabinowitz, its President, and attested by Ronald D. Rothberg, its Secretary, this 21st day of May, 1987.

THACKERAY CORPORATION

By /s/ Martin J. Rabinowitz

Title: President

ATTEST:

By /s/ Ronald D. Rothberg

Secretary

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EXHIBIT 11

THACKERAY CORPORATION

STATEMENT RE COMPUTATION OF PER SHARE DATA

FOR THE YEARS ENDED DECEMBER 31, 1998, 1997 AND 1996

BASIC AND DILUTED

	1998	1997	1996
Weighted average shares outstanding during the year	$5,107,401	$5,107,401	$5,107,401
Net income (loss) attributable to common stock	($187,000)	$751,000	$594,000
Net income (loss) per share	($.04)	$.15	$.12

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Exhibit 13

Thackeray Corporation

Annual Report

1998

The Company

Thackeray Corporation (the "Company") is a Delaware corporation which holds real estate for investment.

Dear Stockholder:

Thackeray's focus is now centered on its principal real property asset, its 218 acre tract in Orlando, Florida. Thackeray entered into a joint venture agreement in 1996 with Belz Enterprises to develop the Orlando property, with its initial phase being an 850,000 sq.ft. retail/entertainment center. Ground breaking commenced mid-1998. Construction financing is currently being negotiated; in the interim, Belz Enterprises is financing construction and development activity.

We are pleased to report that 368,750 sq.ft. of anchor space has been leased to date and that leases for an additional 178,000 sq.ft. of anchors are in various stages of negotiation. Our anchor tenants, in addition to (previously reported) sporting goods retailer Bass Pro, include a Cinemark 20 screen movie theater, Van's, an in-line skating and skateboard facility, a Sea Life theme restaurant and Ron Jon, Florida's leading surfing and swimming gear retailer. Cinemark has commenced construction and is planning to open November, 1999. Bass Pro is awaiting a building permit, but expects to complete construction by mid-2000.

Thackeray Corporation ended 1998 with $4.7 million in cash and cash equivalents. We believe such balances will be more than sufficient to fund the Company's cash requirements in the foreseeable future.

Very truly yours,

/s/ Martin J. Rabinowtiz

MARTIN J. RABINOWITZ
Chairman of the Board

March 24, 1999
New York, New York

Selected Financial Data
Five Year Summary

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The following tabulation presents selected financial data as restated for comparability with continuing operations for Thackeray for each of the five years in the period ended December 31, 1998 (amounts stated in thousands except for per share data):

	1998	1997	1996	1995	1994
Real estate revenues	$ 64	$ 64	$ 2,333	$ 80	$ 472
Income (loss) from continuing operations	(187)	751	594	(719)	(861)
Income (loss) from discontinued operations, net	--	--	--	(1,216)	1,031
Net income (loss)	(187)	751	594	(1,935)	170
Net income (loss) per share	(.04)	.15	.12	(.38)	.03
Total assets	11,345	11,564	10,884	10,203	12,506
Real estate assets	6,462	6,212	5,954	7,121	7,254
Stockholders' equity	10,912	11,099	10,348	9,754	11,689

No dividends were declared on Thackeray's common stock during the period covered by this tabulation.

Quarterly Financial Data: (Unaudited)

Financial data for interim periods were as follows (amounts stated in thousands except for per share data):

	March 31	June 30	September 30	December 31
1998				
Real estate revenues	$ 16	$ 16	$ 16	$ 16
Income from real estate operations	16	16	16	16
Net loss	(23)	(111)	(44)	(9)
Net loss per share	.00	(.02)	(.01)	(.01)
1997				
Real estate revenues	$ 16	$ 16	$ 16	$ 16
Income from real estate operations	16	16	16	16
Net income (loss)	(10)	(42)	855	(52)
Net income (loss) per share	.00	(.01)	.17	(.01)

Operating Review

Management's Discussion and Analysis of Financial Condition and Results of Operations

Liquidity and Capital Resources

The Company believes that its current cash balance will be sufficient to fund its requirements for the foreseeable future.

As more fully described in Note 2, it is expected that by year end 1999 the Company will contribute 140 acres of its real estate located in Orlando, Florida having a carrying value of $3,425,000 to the BT Orlando Limited Partnership (the "Partnership"). Subsequent to such contribution, the Company will not be required to provide any funding or financing to the Partnership.

Upon contribution of the land and the commencement of development by the Partnership of the retail and entertainment shopping center, the Company will be entitled to annual preferential distributions of approximately $1,350,000, and will participate in the cash flows, sales proceeds and refinancing proceeds from the operation, financing or disposition of such project.

Following the contribution of land to the Orlando partnerships (see Note 2), the Company will have sold (or contributed) virtually all of its real estate. Consequently, future income, with the exception of interest income

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earned on cash equivalents and $64,000 received annually from a long term land lease, is dependent upon the development of the Orlando partnerships.

At December 31, 1998, the Company had no commitments for capital expenditures.

Results of Operations

1998 vs. 1997

Real estate revenues in 1998 and 1997 were $64,000. General and administrative expenses were $515,000 in 1998 and $429,000 in 1997. The increase is due in part to costs aggregating $53,000 relating to the Company's listing on the American Stock Exchange in the second quarter of 1998 and increased employee compensation costs incurred in 1998.

Interest income was $264,000 in 1998 and $258,000 in 1997.

During 1997, the Company recorded a gain on sale of investment of $873,000. The gain was realized upon the Company's selling its remaining investment in a privately owned company.

1997 vs. 1996

Total real estate revenues were $64,000 in 1997 and $2,333,000 in 1996 which included real estate sales of $2,263,000.

Property carrying costs for 1997 were $0 versus $106,000 incurred in 1996. The absence of such costs in 1997 is due to the Partnership Agreement with Belz Enterprises, wherein certain expenditures of the related property are paid by the Company, but are reimbursable by the Partnership (see Note 2). During the year ended December 31, 1997 there were $258,000 of such expenditures charged to the Partnership.

General and administrative expenses for 1997 were essentially level with amounts incurred in 1996.

Interest income for 1997 was $258,000 versus $175,000 for 1996. The higher interest income in 1997 is due to higher cash investment balances maintained by the Company.

Impact of Inflation

The Company acknowledges that the costs of carrying and operating its real estate may be affected by inflation; however it expects that cost increases would be offset by commensurate increases in market value.

Year 2000

Management has evaluated the impact of Year 2000 issues on the Company's business and operations. The Company believes, based upon its internal reviews and other factors, that future external and internal costs to be incurred relating to the modification of internal use software for the Year 2000 will not have a material adverse effect on the Company's results of operations or financial position.

Report of Independent Public Accountants

To the Board of Directors
and Stockholders of
Thackeray Corporation:

We have audited the accompanying consolidated balance sheets of Thackeray Corporation (a Delaware corporation) and subsidiaries as of December 31, 1998 and 1997, and the related consolidated statements of operations and cash flows for each of the three years in the period ended December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes

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assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Thackeray Corporation and subsidiaries as of December 31, 1998 and 1997, and the results of their operations and their cash flows for each of the three years in the period ended December 31, 1998, in conformity with generally accepted accounting principles.

/s/ Arthur Andersen LLP

Arthur Andersen LLP

New York, New York
March 10, 1999

Consolidated Balance Sheets
December 31, 1998 and 1997

<TABLE>
<CAPTION>

<S>	<C> 1998	<C> 1997
Assets:		
Cash and cash equivalents	$ 4,683,000	$ 5,156,000
Receivables from real estate partnership	706,000	456,000
Investments in real estate	5,756,000	5,756,000
Other assets, net	200,000	196,000
	$ 11,345,000	$ 11,564,000
Liabilities and Stockholders' Equity:		
Accounts payable and accrued expenses	$ 18,000	$ 31,000
Accrued income and other taxes	293,000	306,000
Other liabilities	122,000	128,000
Total liabilities	433,000	465,000
Commitments		
Stockholders' equity (Note 4):		
Common stock, $.10 par value (20,000,000 shares authorized; 5,107,401 shares issued and outstanding at December 31, 1998 and 6,187,401 shares issued at December 31, 1997	511,000	619,000
Capital in excess of par value	43,542,000	53,424,000
Accumulated deficit	(33,141,000)	(32,954,000)
Treasury stock (1,080,000 shares at December 31, 1997)	--	(9,990,000)
Total stockholders' equity	10,912,000	11,099,000
	$ 11,345,000	$ 11,564,000

</TABLE>

The accompanying notes are an integral part of these balance sheets.

Consolidated Statements of Operations
For the Years Ended December 31, 1998, 1997 and 1996

<TABLE>
<CAPTION>

<S>	<C> 1998	<C> 1997	<C> 1996
Revenues from real estate operations:			
Rental income	$ 64,000	$ 64,000	$ 70,000
Sales of real estate, net	--	--	2,263,000

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	1998	1997	1996
Total real estate revenues	64,000	64,000	2,333,000
Expenses of real estate operations:			
Property carrying costs, including real estate taxes	--	--	106,000
Cost of property sold	--	--	1,303,000
Total real estate expenses	--	--	1,409,000
Income from real estate operations	64,000	64,000	924,000
General and administrative expenses	(515,000)	(429,000)	(435,000)
Interest income	264,000	258,000	175,000
Gain on sale of investment	--	873,000	--
Income (loss) before income taxes	(187,000)	766,000	664,000
Income taxes	--	15,000	70,000
Net income (loss)	$ (187,000)	$ 751,000	$ 594,000
Income (loss) per share:			
Income (loss) per share	$ (.04)	$ .15	$ .12
Number of shares	5,107,401	5,107,401	5,107,401

</TABLE>

The accompanying notes are an integral part of these statements.

Consolidated Statements of Cash Flows
For the Years Ended December 31, 1998, 1997 and 1996

<TABLE>
<CAPTION>

<S>	<C> 1998	<C> 1997	<C> 1996
Cash Flows from Operating Activities:			
Net income (loss)	$ (187,000)	$ 751,000	$ 594,000
Adjustments to reconcile net income (loss) to net cash used in operating activities:			
Depreciation and amortization	3,000	4,000	30,000
Gain on sale of investment	--	(873,000)	--
Gain on sale of real estate	--	--	(960,000)
Changes in assets and liabilities:			
Increase in receivables from real estate partnership	(250,000)	(258,000)	(198,000)
(Decrease) increase in accounts payable and accrued liabilities	(32,000)	(71,000)	87,000
Other, net	(7,000)	(1,000)	(177,000)
Net cash used in operating activities	(473,000)	(448,000)	(624,000)
Cash Flows from Investing Activities:			
Collections of mortgage loans	--	--	60,000
Proceeds from sale of investment	--	887,000	--
Proceeds from sale of real estate	--	102,000	2,161,000
Additions to office furniture and fixtures	--	--	(2,000)
Net cash provided by investing activities	--	989,000	2,219,000
(Decrease) increase in cash and cash equivalents	(473,000)	541,000	1,595,000
Cash and cash equivalents -- beginning of year	5,156,000	4,615,000	3,020,000
Cash and cash equivalents -- end of year	$4,683,000	$5,156,000	$4,615,000

</TABLE>

The accompanying notes are an integral part of these statements.

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Notes to Consolidated Financial Statements

December 31, 1998, 1997 and 1996

1. Summary of Significant Accounting Policies

Principles of Consolidation

The consolidated financial statements include the accounts of Thackeray Corporation ("Thackeray" or the "Company") and its subsidiaries, all of which are wholly owned. All significant intercompany transactions and balances have been eliminated.

The Company's operations are comprised exclusively of managing its real estate investments. Accordingly, the Company prepares an unclassified balance sheet. In addition, the accompanying consolidated statements of operations reflect the activities of such operations.

Cash Equivalents

The Company considers investments in certificates of deposit which will mature in three months or less, to be cash equivalents.

Real Estate

Substantially all of Thackeray's real estate was acquired through or in lieu of foreclosure. The carrying value of such real estate represents unpaid principal and interest at the date of acquisition.

Long-Lived Assets

Long lived assets to be held and used are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If such review indicates that the carrying amount of an asset exceeds the sum of its expected future cash flows, on an undiscounted basis, the asset's carrying amount is written down to fair value. Long-lived assets to be disposed of are reported at the lower of carrying amount or fair value less cost to sell.

Investment in Real Estate Partnership

The investment in the real estate partnership (see Note 2) is accounted for on the equity method of accounting. The partnership is in the development phase and incurred certain development costs in 1998, 1997 and 1996.

Earnings Per Share

Net income (loss) applicable to common stock in each of the years 1998, 1997, and 1996 was divided by the weighted average number of shares outstanding during the period.

The Financial Accounting Standards Board issued new pronouncements which established new standards for computing and presenting earnings per share as well as new standards for disclosing information about an entity's capital structure. These statements were adopted in 1997 and had no impact on the consolidated financial statements.

Revenue Recognition

Rental income is recognized based upon the contractual terms of the lease.

Profit on sales of real estate is recognized in full when the profit is determinable, an adequate down payment has been received, collectability of the sales price is reasonably assured and the earnings process is substantially complete. If the sales transaction does not meet the criteria, all profit or a portion thereof is deferred until such criteria are met.

Accounting Estimates

The preparation of these consolidated financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses

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during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain 1996 amounts have been reclassified to conform to 1997 and 1998 presentations.

2. Investments in Real Estate

The various classifications of real estate owned by Thackeray, all of which is located in Florida, at December 31, 1998 and 1997 were as follows:

Undeveloped land...	$5,331,000
Land leased to others.....................................	425,000
	$5,756,000

On May 20, 1996, the Company and affiliates of Belz Enterprises ("Belz") entered into an Agreement of Limited Partnership of BT Orlando Limited Partnership (the "Partnership"). Pursuant to this agreement, the Company agreed to contribute approximately 140 acres of its Orlando, Florida property to the Partnership, which property is valued at $15,246,000 for capital account purposes, when the requisite construction financing is obtained. The Partnership, with an affiliate of Belz and the Company, as general partners, will develop, construct, operate and lease a retail and entertainment shopping center complex on the property. The Company will have a 35% general partner interest in the Partnership and will be entitled to certain preferential distributions. The Company will participate in the cash flow, sales proceeds and refinancing proceeds from the operation, financing or disposition of such project. The Partnership originally was to terminate in the event construction financing was not obtained by May 20, 1998; however, the date was extended to June 30, 1999.

In addition, on May 20, 1996, the Company and Belz Investco entered into a binding letter agreement regarding the development of the remaining approximately 78 acres of the Company's Orlando, Florida property, which property will be valued at $8,487,000 for capital account purposes. Pursuant to this letter agreement, the parties agreed to form a new partnership to develop 22.5 acres of such property as commercial property and 55.5 acres thereof as multi-family residential property, upon completion of the development of the 140 acres and obtaining the requisite construction financing related to the 78 acres. The Company, through a subsidiary, and Belz, or one of its affiliates, will be 50% owners and general partners of such partnership and the Company will be entitled to certain preferential distributions.

In August, 1996, the Company sold its 90.9 acre Dade County, Florida property for $2,159,000, realizing a gain on the transaction of $1,009,000.

In November 1996, the Company entered into an agreement for the sale of its Sumter County, Florida property for $104,000, generating a loss on the transaction of $49,000. The transaction closed in January 1997. For financial reporting purposes, the transaction was recorded as having closed in 1996.

3. Income Taxes

For the year 1998 on a consolidated basis, the Company reported a taxable loss and, therefore, no Federal income taxes were provided.

On a consolidated basis the Company reported taxable income for each of the years ended December 31, 1997 and 1996. However, the Company had net operating loss carryforwards well in excess of the reported taxable income and, therefore, no Federal income taxes are payable for the years ended December 31, 1997 and 1996. Accordingly, the 1997 and 1996 Federal income tax provisions ($260,000 and $225,000, respectively) have been eliminated through utilization of such loss carryforwards in the accompanying Consolidated Statements of Operations through the reversal of the related valuation reserve (see below). The 1997 and 1996 provision for income taxes is comprised primarily of Federal alternative minimum income taxes.

As of December 31, 1998, Thackeray had net operating loss carryforwards for Federal income tax purposes of approximately $5,000,000, which can be carried forward to offset future taxable income through 2013. In addition, the Company has capital loss carryforwards of $700,000, all of which expire in 2000.

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The tax effect of these net operating loss carryforwards is recorded as a deferred tax asset. However, because no substantial amount of these net operating loss carryforwards are expected to be realized, a valuation reserve equal to such deferred tax asset has been established.

4. Stockholders' Equity

Changes in stockholders' equity for the years ended December 31, 1998, 1997 and 1996 were as follows:

<TABLE>
<CAPTION>

	Common Stock		Capital in excess of Par Value	Accumulated Deficit	Treasury Stock	
	Number of Shares	Amount			Number of Shares	Amount
<S>	<C>	<C>	<C>	<C>	<C>	<C>
Balance December 31, 1995............	6,187,401	$ 619,000	$53,424,000	$(34,299,000)	(1,080,000)	$(9,990,000)
Net income for the year..............	--	--	--	594,000	--	--
Balance December 31, 1996............	6,187,401	619,000	53,424,000	(33,705,000)	(1,080,000)	(9,990,000)
Net income for the year..............	--	--	--	751,000	--	--
Balance December 31, 1997............	6,187,401	619,000	53,424,000	(32,954,000)	(1,080,000)	(9,990,000)
Cancellation of Treasury Shares......	(1,080,000)	(108,000)	(9,882,000)	--	1,080,000	9,990,000
Net loss for the year................	--	--	--	(187,000)	--	--
Balance December 31, 1998............	5,107,401	$ 511,000	$43,542,000	$(33,141,000)	--	$ --

</TABLE>

In March 1998, the Company cancelled the 1,080,000 shares of its common stock held in treasury, returning them to the status of authorized and unissued shares of the Company. Accordingly, the Company has eliminated its Treasury Stock in the amount of $9,990,000, and charged Common Stock and Capital in Excess of Par Value for $108,000 and $9,882,000, respectively.

5. Commitments

Thackeray leases office space on a month to month basis.

Total rent expense amounted to $20,000 in 1998, $29,000 in 1997 and $31,000 in 1996.

Future minimum rental revenue from the non-cancellable lease, relating to one of the land parcels, in effect at December 31, 1998, is as follows:

Year	Amount
1999..	$ 64,000
2000..	64,000
2001..	64,000
2002..	64,000
2003..	64,000
Thereafter..	4,416,000

6. Business Segments

The operations are comprised exclusively of real estate.

7. Sale of Investment

In August, 1997, the Company sold its remaining investment in a privately owned company. The Company realized a gain on the sale of $873,000.

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Stockholder Reference

Availability of Form 10-K

Stockholders may obtain a copy of Thackeray's Annual Report on Form 10-K for the year ended December 31, 1998, without exhibits, free of charge by writing to the Assistant Secretary, Thackeray Corporation, 400 Madison Avenue, Suite 309 New York, New York 10017

Registrar and Transfer Agent

Chase Mellon
450 W. 33rd Street
New York, New York 10001

Independent Public Accountants

Arthur Andersen LLP
New York, New York

General Counsel

Weil, Gotshal & Manges LLP
New York, New York

Market for Thackeray's Common Stock and
Related Stockholder Matters

Effective April 20, 1998, the Company's common stock, which previously had been listed on the New York Stock Exchange, became listed on the American Stock Exchange. The following table sets forth the reported high and low sales prices for Thackeray's common stock during the periods indicated as reported in the record of composite transactions for New York Stock Exchange listed securities and American Stock Exchange listed securities, as appropriate.

		Quarter Ended			
		March 31	June 30	September 30	December 31
1998	High	3 15/16	3 13/16	4 1/16	3 1/2
	Low	3	3 1/4	3 5/16	3 1/16
1997	High	3 1/8	2 5/8	4	4 3/16
	Low	2 1/4	2 1/4	2 7/16	3 1/4

As of the close of business on March 25, 1999, there were approximately 1,300 holders of record of Thackeray's common stock.

During the three years ended December 31, 1998, no dividends were paid on Thackeray's common stock.

Directors

Martin J. Rabinowitz(1)
Managing member RFIA Holdings LLC,
a private investment company.

Jules Ross(1)

Ronald D. Rothberg(2)
President, The RDR Group Inc., a private
investment company
Pomona, New York

Moses Rothman(2)
Chairman, Black Inc. A.G., a film distributor
London, England

John Sladkus(1)
Consultant,
Peter Sharp & Co., Inc.,
a real estate management company

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New York, New York

Officers

Martin J. Rabinowitz
Chairman of the Board and President

Jules Ross
Vice President, Finance, Treasurer and Secretary

Executive Office

400 Madison Avenue, Suite 309
New York, New York 10017
(212) 759-3695

(1) Member of Executive Committee and Nominating Committee
(2) Member of Audit Committee

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EXHIBIT 21

SUBSIDIARIES OF THACKERAY CORPORATION

NAME OF CORPORATION	STATE OF INCORPORATION
Wholly-Owned by Thackeray Corporation	
Brennand-Paige Industries, Inc.	Delaware

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THIS SCHEDULE CONTAINS SUMMARY FINANCIAL INFORMATION EXTRACTED FROM THE FINANCIAL STATEMENTS INCLUDED IN THE ACCOMPANYING FORM 10-K AND IS QUALIFIED IN ITS ENTIRETY BY REFERENCE TO SUCH FINANCIAL STATEMENTS.
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