Regency Affiliates, Inc.

Summary of the Meeting of Shareholders

A meeting of the shareholders of Regency Affiliates, Inc. (“Regency”) was held at 4:00pm on June 1st, 2011 at 500 Fifth Avenue, 50th Floor, New York N.Y.

Present at the meeting were Laurence Levy, Regency’s Chief Executive Officer and Chairman; Marc Baldinger, Regency’s CFO; Errol Glasser, a member of Regency’s board of directors and Neil Hasson; a member of Regency’s board of directors. Mr. Levy served as chairman of the meeting.

Mr. Levy indicated the purpose of the meeting was to discuss Regency’s corporate activity since its deregistration transaction and provide shareholders an opportunity to ask questions regarding Regency.

Mr. Levy reviewed the existing assets of the company. First, he described Regency’s investment in the Security Land and Development Company Limited Partnership (“Security Land”), through which Regency holds an indirect 50% interest in the 717,000 square foot facility Security West complex located on 34.3 acres in Woodlawn, Maryland. The facility is occupied under a lease expiring in 2018 by the United States Social Security Administration. Mr. Levy expected that negotiations with the Social Security administration for a lease extension would begin in approximately 2015. Although he indicated that in his view, the signing of a new lease was more likely than not, there could be no assurances or guarantees that a new lease would be signed. Mr. Levy then discussed the difference of opinion with Security Land’s general partner regarding the allocation of taxable income generated by the Security West property. From 2004, Regency has reported a different amount of income on its corporation income tax return than was reported to the IRS by Security Land. Regency management believes that its tax reporting is appropriate and expects to continue using this basis of reporting in the future, although there can be no assurance that the IRS would agree with Regency’s position regarding the proper allocation of Security Land’s taxable income.

Next, Mr. Levy described Regency’s 50% equity investment in MESC Capital, LLC, which owns and operates an energy facility located on approximately 11 acres of land in Mobile, Alabama. The facility supplies up to 61 megawatts of co-generated steam and electricity for use in the Kimberly-Clark's mill's operations under a 15 year agreement signed in 2004.

Mr. Levy then mentioned the remaining tax Net Operating Loss of approximately $8 million and the current cash position of approximately $5 million as Regency’s remaining assets.

Mr. Levy next reviewed the recent corporate activities, including the company “going dark” transaction and the recent dividend payment. Mr. Levy indicated that the dividend payment was made after Regency’s board evaluated the company’s cash balance and the projected future cash needs.

Management will periodically consider whether additional dividend payments can be made, but there are no current plans for additional dividend payments.

The current goals for Regency are to lower costs of operations, continue to maximize the value of its existing assets, and to continue to seek investment opportunities to create shareholder value. Management is, and has been, looking for additional investments. Mr. Levy noted that Regency has wide latitude for acquiring attractive investments allowing for more flexibility than some other investment vehicles. Although the current cash position might limit the size of a potential acquisition, Mr. Levy indicated that all means for financing would be considered if an appropriate investment opportunity was available.

Mr. Levy opened the meeting for questions from shareholders. One shareholder asked about the current holdings of outstanding options by insiders and the expectation of future issuances of additional options. Mr. Levy indicated that management has not discussed issuing further options.

Another shareholder expressed his concern with the difference between the current trading price of the shares and the underlying value of Regency's assets. Suggestions to narrow the gap included changing the composition of the Board of Directors to include additional independent directors, commencing a regular dividend, providing a management explanation letter to the financial reports, and providing the public with additional information to improve exposure. Mr. Levy indicated that the board of directors appreciated the suggestions and would give them consideration.

For further questions, please contact Marc Baldinger at 772.334.8181 or 2@marcbaldinger.com