

For Immediate Release

**REGENCY AFFILIATES, INC. COMPLETES
PRIVATE OFFERING OF COMMON STOCK**

Appoints New Chief Financial Officer

NEW YORK, May 16, 2016 -- Regency Affiliates, Inc. (OTC Pink: RAFI) ("Regency" or the "Company") today announced that its private offering of common stock to accredited investors closed on May 12, 2016 with 1,078,633 shares of common stock being sold for gross sale proceeds of \$8,898,722.25 (inclusive of subscriptions from affiliates of the Company). Accredited subscribers were allotted the full number of shares indicated in their subscription agreements, share certificates for which will be delivered to such subscribers in due course.

Laurence S. Levy, Regency's Chairman and Chief Executive Officer stated, "We are thrilled with the level of participation in the offering by our existing stockholders, and we believe that we will be able to invest the remaining proceeds of the offering in attractive additional assets for Regency. We sincerely appreciate this demonstration of support by our stockholders."

Regency also announced that it has appointed John Ryan as the Company's Chief Financial Officer. Mr. Ryan has been a Managing Director at Hyde Park Holdings LLC, an affiliate of our Chief Executive Officer, since March 2013. From 1999 to 2013, Mr. Ryan served as a Managing Director at GE Capital Corporation, acting as Senior Risk Manager in GECC's Corporate and Structured Finance businesses. While at GECC, Mr. Ryan managed a loan portfolio in excess of \$2 billion consisting of corporate, structured and project financings, asset backed and asset-based facilities, single investor and leveraged leases and common equity and partnership vehicles, serving the infrastructure, energy, transportation, construction, manufacturing and logistics industries in the U.S. and internationally. Mr. Ryan received a B.S. in Economics from University of Pennsylvania's Wharton School of Business and an M.B.A. in Finance from New York University's Stern School of Business.

Mr. Levy commented, "We are pleased to have John join the management team at Regency. His background and experience will be of tremendous value as we continue to grow the Company."

About Regency

Regency invests in assets that generate attractive, predictable and sustainable returns on capital. We currently own three assets:

- 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.

- an indirect 50% interest in Mobile Energy 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.
- a majority joint-venture interest in a portfolio of five stand-alone self-storage facilities in the Harrisburg, Pennsylvania vicinity comprising approximately 330,000 square feet of net rentable space consisting of in excess of 2,500 climate and non-climate controlled storage units.

Forward-Looking Statements

This press release contains forward-looking statements. Forward-looking statements are statements that are predictive in nature or depend on or refer to future events and can be identified by the words "may," "might," "will," "should," "anticipate," "believe," "expect," "intend," "estimate," "hope," or similar expressions. Forward-looking statements are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy or are otherwise beyond our control and some of which might not even be anticipated. You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date they are made. Future events and actual results affecting our strategic plan as well as our financial position, results of operations and cash flows, could differ materially from those described in or contemplated by the forward-looking statements. Important factors that contribute to such risks include, but are not limited to, a default or catastrophe involving the properties in which we invest, the extent to which we are able to raise additional capital, and competition for additional investment opportunities. We undertake no obligation to update or revise any forward looking statement, whether as a result of new information, future events or otherwise. For a more detailed description of these uncertainties and other factors, please see our website at www.regencyaffiliates.com.

Contact

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