

## For Immediate Release

### REGENCY AFFILIATES ANNOUNCES QUARTERLY DIVIDEND

#### *First Quarter Dividend Set At 7.5 Cents Per Common Share*

New York, NY – March 21, 2024 ---- Regency Affiliates, Inc. (OTC Pink: RAFI) (“Regency”) today announced that it will pay a quarterly dividend of 7.5 cents per common share on April 5, 2024, to shareholders of record at the close of trading on March 29, 2024.

#### Management Comments

“We are pleased to declare a quarterly dividend of 7.5 cents per common share reflecting a 3.4% increase over the quarterly dividend paid in April 2023,” commented Laurence Levy, Chairman, CEO and CFO of Regency. “We continue to be comfortable with this dividend level particularly as we benefit from the cash flows generated by the portfolio of self-storage assets in and around Harrisburg, Pennsylvania, and our cash resources.”

“Regency owns five stand-alone self-storage facilities in the Harrisburg, Pennsylvania vicinity acquired for a total purchase price of \$35MM of which \$25.3MM was financed via a non-recourse ten-year debt financing, with a four-year interest only period that ended in May 2020 and thereafter a thirty-year amortization schedule. The debt financing has a fixed interest rate of 5% per annum. The facilities were purchased via a joint venture with SSCP Management LLC (“SSCP”). Pursuant to the terms of the joint venture, Regency earns a 7.5% per annum preferred distribution on its \$11.2MM capital contribution. Surplus cash flow after the preferred distribution is allocated 80% to Regency and 20% to SSCP. Regency received a distribution from the joint venture in the first quarter of 2024 in the amount of \$210,576 reflecting the 7.5% per annum preferred distribution driven by the strong ongoing operating performance of the investment. Surplus cash over and above the 7.5% per annum preferred distribution is currently retained within the venture. Such surplus cash exceeds \$3MM and is invested in short-term US Treasuries. We remain pleased with the continued strong occupancy and related cash flows at our self-storage facilities.”

“Our Security West investment represents a 50% limited partnership interest in real estate previously occupied under a lease with the United States General Services Administration (“GSA”). On September 30, 2021, Security Land and Development Company Limited Partnership received a notice under GSA’s lease to terminate the lease and vacate the building effective November 1, 2023.”

“While the lease termination by GSA creates uncertainty about Regency’s investment in Security West, we have several reasons to be optimistic about this investment. Management is currently working with a team of professional real estate advisors and is evaluating alternative uses for the facility and real estate. At the lease termination date on November 1, 2023, the partnership was debt free and held cash in excess of \$7.5MM which provides significant financial flexibility. Security West’s manager has expressed confidence that, based on current markets conditions and other factors, there should be demand for Security West’s space or real estate from private sector tenants or investors. We will keep our shareholders updated about future developments at Security West.”

“We are continuing to review and evaluate further investment and cost reduction opportunities for Regency and intend to grow the company by acquiring or otherwise investing in other attractive long-term businesses that meet our investment characteristics and valuation criteria.”

In order to facilitate efficient processing of the dividend, management strongly suggests all shareholders with shares held in certificate form contact our transfer agent, Transfer Online, Inc. at (503) 227-2950 and confirm that the registration information is correct.

## **About Regency Affiliates**

Regency Affiliates, Inc. invests in businesses that generate attractive, predictable and sustainable returns on capital. We are currently invested in two assets:

1. A majority joint-venture interest in a portfolio of five stand-alone self-storage facilities in the Harrisburg, Pennsylvania vicinity comprising approximately 337,000 square feet of net rentable space in excess of 2,500 climate and non-climate-controlled storage units
2. A 50% limited partnership interest in the Security West Complex located on 34.3 acres in Woodlawn, Maryland. The facility is occupied under a lease with the United States General Services Administration. On September 30, 2021, Security Land and Development Company Limited Partnership received a notice under GSA's lease for the Security West building to terminate the lease and vacate the building effective November 1, 2023.

## **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](http://www.regencyaffiliates.com).

### **CONTACT:**

#### **Regency Affiliates, Inc.**

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