

For Immediate Release

GSA PROPOSES TO EXERCISE A 10-YEAR RENEWAL OPTION AT SECURITY WEST

New York, NY – April 16, 2018 ---- Regency Affiliates, Inc. (OTC Pink: RAFI) (“Regency”) today reported that the General Services Administration (GSA) announced that it proposes to exercise a 10-year renewal option to lease up to 824,563 rentable square feet (RSF) of space for the Social Security Administration (SSA) at the Security West complex at 1500 Woodlawn Drive in Woodlawn, MD. Regency owns a 50% limited partnership interest in the Security West complex.

The GSA factsheet describing the lease extension proposal, a copy of which can be found at the link below, indicates that the GSA proposes remaining at the Security West complex through exercise of an existing 10 year renewal option in light of a pending evaluation of the long-term need for additional leased space surrounding the SSA's headquarters in Woodlawn. The renewal option under the lease contemplates the lease of 824,563 RSF at a monthly rental rate of \$1.15 per square foot which is consistent with the current rental rate, with full or partial termination rights in favor of the GSA starting after the second year of the new lease. The existing mortgage balance on the property is expected to be amortized down to approximately \$10 million as of the projected October 2018 lease renewal date contemplated by the GSA's proposal.

Laurence Levy, CEO of Regency stated “We are very pleased with the proposed lease renewal by GSA and the confirmation that 1500 Woodlawn Drive represents the least expensive alternative for the Government and the taxpayer. The proposed renewal, if consummated, is expected to create significant value for Regency’s shareholders.”

A full copy of the GSA factsheet describing the GSA lease extension proposal can be found at: [https://www.gsa.gov/cdnstatic/Security%20West%20Factsheet%20PDF%20\(1\).pdf](https://www.gsa.gov/cdnstatic/Security%20West%20Factsheet%20PDF%20(1).pdf)

About Regency Affiliates

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

1. 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 expiring in 2018 by the United States Social Security Administration;
2. 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 Kimberly-Clark's mill operations under a 15 year agreement signed in 2004; and
3. 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.

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, any change in the GSA's determination with respect to renewal of the lease at the Security West complex, 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:

Regency Affiliates, Inc.

Laurence S. Levy, Chairman and Chief Executive
(212) 644-3450