

REGENCY AFFILIATES, INC. ANNOUNCES DEREGISTRATION OF COMMON SHARES

NEW YORK, N.Y. October 25, 2010 – Regency Affiliates, Inc. (Pink Sheets: RAFI.PK) (the “Company”), a company with investments in a power generation facility and a single tenant office building occupied by the United States Social Security Administration, announced that the Company has filed to deregister its Common Shares under the Securities Exchange Act of 1934, as amended. The directors of the Company determined that any beneficial effect to the Company of being registered is substantially outweighed by the current and increasing regulatory burdens and costs of such registration. These include costs that would be involved to implement Section 404 of the Sarbanes-Oxley Act together with substantial, additional accounting and legal costs had the Company remained a reporting company. The Company anticipates that its shares will continue to be quoted on the Pink Sheets, although no assurance can be given that our common stock will continue to be quoted following our deregistration with the SEC.

Laurence Levy, Chairman and Chief Executive of Regency stated, “I am pleased to have achieved this milestone for Regency. It will enable us to streamline our cost structure and to continue building shareholder value while reducing our regulatory and professional expense costs.”

About Regency Affiliates, Inc.

Regency Affiliates, Inc. invests in assets that generate attractive, predictable and sustainable returns on capital. Our objective is to generate long term value for our common stock holders. Our management team and board of directors have a strong vested interest in our long term success as they collectively own the majority of our common stock. We continue to seek sound investment opportunities that meet our business characteristics and valuation criteria. We currently own two 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; and 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. For more information about Regency Affiliates, Inc., please visit www.regencyaffiliates.com or call 772.334.8181.

Forward-Looking Statements

This release may include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. The words “believe,” “expect,” “intend,” “plan,” “project,” “will” and similar phrases as they relate to Regency Affiliates, Inc. are intended to identify such forward-looking statements. These statements reflect the current views and assumptions of Regency Affiliates, Inc., and are subject to various risks and uncertainties that could cause actual results to differ

materially from expectations. For information regarding factors that could impact Regency Affiliates, Inc.s' future performance, see the factors detailed in Regency Affiliates, Inc.s' filings with the Securities and Exchange Commission, including its Annual Report on Form 10-K and Quarterly Reports on 10-Q. Regency Affiliates, Inc. expressly disclaims any obligation to release publicly any updates or revisions to the information contained in this press release or with respect to any future distribution of its stock by investors, or to update or revise any forward-looking statements to reflect any changes in expectations, or any change in events or circumstances on which those statements are based, unless otherwise required by law.

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