

Via e-mail

May 25, 2016

To: NASDAQ Capital Market
Depository Trust & Clearing Corporation
Computershare, Inc.

From: Gyrodyne, LLC (“Gyrodyne”; Nasdaq: GYRO)
CUSIP: 403820103

Re: Qualified Notice Pursuant to U.S. Treasury Regulation §1.1446-4 for Special Dividend
Declaration Date: May 26, 2016
Record Date: June 6, 2016
Payment Date: June 15, 2016
Distribution per Share: \$9.25

U.S. FEDERAL INCOME TAX WITHHOLDING IMPLICATIONS OF SPECIAL DIVIDEND

Pursuant to U.S. Treasury Regulation §1.1446-4, this statement is intended to be a qualified notice to nominees with respect to the special dividend of \$9.25 per share declared by Gyrodyne on May 26, 2016 (the “Special Dividend”). In accordance therewith, each nominee (other than Gyrodyne) shall be treated as a withholding agent to the extent of the Special Dividend. Accordingly, each nominee shall be responsible for withholding on the distribution of the Special Dividend received by it on behalf of non-U.S. holders of Gyrodyne common shares of limited liability company interests (each, a “non-U.S. Holder”) in accordance with U.S. federal income tax law. The per share distribution components of the Special Dividend are as follows:

\$0.79	U.S. Effectively Connected Income
<u>\$8.46</u>	Return of Capital
\$9.25	Total Distribution per Share ¹

¹ Note that a non-U.S. Holder’s allocable share of Gyrodyne’s taxable income may differ from its allocable share of the Special Dividend.