

2013 K-1 Tax Summary Information

Gyrodyne Special Distribution, LLC

The following summary K-1 information represents the consolidated K-1 summary line items for Gyrodyne Special Distribution, LLC (“GSD”) for 2013 and 2014. Gyrodyne Company of America, Inc. (“Gyrodyne”) had 1,482,680 common shares outstanding on December 31, 2013, which was the ex-dividend date for receiving shares in GSD. Inasmuch as the GSD shares were non-transferable, we assume for GSD K-1 purposes that your fractional ownership interest in GSD was the same as your share ownership in Gyrodyne as of December 31, 2013. Therefore, the summary schedules provide you certain information which may be used to assist you in computing your tax based pro-rata interest in the applicable line items of the K-1 summary.

The accompanying information was summarized from the Federal, New York State and Virginia partnership tax returns filed with the respective taxing authorities. The following was used to calculate the pro-rata share of amounts to be reported on the partners’ Form K-1, based on each partner’s applicable shares.

The information contained in this summary is not intended to be, nor should it be, construed as tax advice with regard to the preparation of your individual income tax return. The partnership and individual income tax laws are complex and may be subject to varying interpretations. You are urged to consult with your tax advisor concerning the proper reporting on your individual income tax return of the tax items set forth on Schedule K-1.

Gyrodyne Special Distribution, LLC
Schedule K-1 Summary: Federal
October 15, 2013 - December 31, 2013

		Federal
Line #	Schedule K-1 line description	Gyrodyne Special Distribution
1	Ordinary Income (loss) from trade or business activities	-
2	Net Income (loss) from rental real estate activities (Form 8825)	(38,632)
3	Other net rental income (loss)	-
4	Guaranteed payments	-
5	Interest Income	-
6a	Ordinary dividends	-
b	Qualified dividends (info only)	-
7	Royalty Income	-
8	Net short-term capital gain/(loss)	-
9a	Net long-term capital gain/ (loss)	-
b	Collectibles (28%) gain/(loss) (info only)	-
c	Unrecaptured section 1250 gain (info only)	-
10	Net section 1231 gain/(loss)	-
11A	Other portfolio income/(loss) (F/X Gain (loss))	-
B	Involuntary Conversion	-
C	Section 1256 contracts	-
E	Cancellation of Debt	-
F	Other income/(loss):	-
12	Section 179 deduction	-
13A	Cash Contributions 50%	-
B	Noncash Contributions (50%)	-
H	Investment interest expense	-
I	Royalty Deduction	-
J	Section 59(e)(2) expenditures	-
K	Deductions - portfolio (2% floor)	-
L	Deductions - portfolio other	-
W	Other deductions:	-
16L	Total foreign taxes paid	-
M	Total Foreign Taxes accrued	-
Taxable income from partnerships		(38,632)
Book to tax adjustments:		
Book/Tax Differences (includes 18a,b,c)		30,631
Book income (loss) from partnerships		(8,001)
K Partner's share of liabilities at year end:		
Nonrecourse		482,112
Qualified Nonrecourse		13,840,889
Recourse		-
L Partner's capital account analysis:		
Beginning capital		-
Contributions - cash		-
Contributions - property		18,640,387
Current year book income		(8,001)
Other Adjustments		-
Distributions - cash		-
Distributions - property		-
Ending capital		18,632,386
ADDITIONAL PARTNER FOOTNOTES		
14 Self-Employment Earnings (Loss)		
A	Net earnings from Self employment	-
B	Gross nonfarm income	-
16 Foreign Transactions		
16B	Gross income from all sources	-
C	Gross income sourced at partner level	-
D	Foreign gross income sourced at partnership level - Passive	-
E	Foreign gross income sourced at partnership level - General Category	-
F	Foreign gross income sourced at partnership level - Other	-
G	Deductions allocated and apportioned at partner level - Interest expense	-
H	Deductions allocated and apportioned at partner level - Other	-
I	Deductions allocated and apportioned at partnership level - Passive	-
J	Deductions allocated and apportioned at partnership level- General Category	-
K	Deductions allocated and apportioned at partnership level- Other	-
L	Total Foreign Taxes paid	-
M	Total Foreign Taxes accrued	-
17 Alternative Minimum Tax (AMT) Items		
A	Depreciation adjustment on property placed in service after 1986	155
B	Adjusted gain or loss	-
C	Depletion (other than oil and gas)	-
D	Gross income from oil, gas, and geothermal properties	-
E	Deductions allocable to oil, gas, and geothermal properties	-
F	Other adjustments and tax preference items (attach schedule)	-
18A	Tax-exempt interest income	-
18B	Other tax-exempt income	-
18C	Nondeductible expenses per K-1	-
20 Other Information		
A	Investment Income	-

Line #	Schedule K-1 line description		Gyrodyne Special Distribution
B	Investment Expenses		-
T	Items from depletion properties		-
V	Unrelated business taxable income		-