

2015 (1/1/15 – 8/31/15) 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 2015 (1/1/15 – 8/31/15). 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
 2015 - New York

		New York
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)	(733,794)
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%	6,626
B	Noncash Contributions %	-
H	Investment interest expense	-
I	Royalty Deduction	-
J	section 59(+)2) expenditures	-
K	Deductions - portfolio (2% floor)	-
L	Deductions - portfolio other	-
W	Other Deductions	-
16L	Total foreign taxes paid	-
M	Total Foreign Taxes accrued	-
Federal Taxable Income from partnerships		(740,420)
Additions: IRC 168(k)		8,972
Subtractions: IRC 168(k)		(17,985)
New York Apportionment Factor		71.8845%
New York Sourced Income		(538,726)

	Total	New York	Percentage
Real Property Owned	22,434,150	16,123,572	
Tangible Personal Property	11,015	11,015	
Property Percentage	22,445,165	16,134,587	71.8845%
Payroll Percentage	608,080	410,317	67.4775%
Gross Income Percentage	3,529,381	2,483,728	70.3729%