Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2009

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A This return/report is for:
- [ ] a multiemployer plan;
- [ ] a multiple-employer plan; or
- [X] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
ROYAL REALTY CORPORATION EMPLOYEES 401(K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1985

2a Plan sponsor's name and address (employer, if for a single-employer plan) (Address should include room or suite no.)
ROYAL REALTY CORPORATION

ONE BRYANT PARK, 49TH FLOOR
NEW YORK, NY 10036

2b Employer Identification Number (EIN)
13-6126704

2c Sponsor's telephone number
212-789-1155

2d Business code (see instructions)
531310

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	PAUL PICCININNI
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/14/2010	PAUL PICCININNI
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
ROYAL REALTY CORPORATION

ONE BRYANT PARK, 49TH FLOOR
NEW YORK, NY 10036

3b Administrator's EIN
13-6126704

3c Administrator's telephone number
212-789-1155

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	130
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	130
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	12
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	142
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	1
f	Total. Add lines **6d** and **6e**	**6f**	143
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	133
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	4
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2G 2J 2K 2T 2F 2R 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		___ **A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2009** **This Form is Open to Public Inspection.**

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
ROYAL REALTY CORPORATION EMPLOYEES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ROYAL REALTY CORPORATION

D Employer Identification Number (EIN)
13-6126704

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . [X] Yes [ ] No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

BANK OF AMERICA, N.A.

94-1687665

(b) Enter name and EIN or address of person who provided you disclosure on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

MERRILL LYNCH, PIERCE, FENNER AND S

13-5674085

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 51 52 56 59 60 62 63 71 72	RECORDKEEPER	5215	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	**(c)** Relationship to employer, employee organization, or person known to be a party-in-interest	**(d)** Enter direct compensation paid by the plan. If none, enter -0-.	**(e)** Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	**(f)** Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	**(g)** Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	**(h)** Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN:
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

a Name:	**b** EIN;
c Position:	
d Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
ROYAL REALTY CORPORATION EMPLOYEES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
ROYAL REALTY CORPORATION

D Employer Identification Number (EIN)
13-6126704

Part I Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)

(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: ML RETIREMENT PRESERVATION TRUST

b Name of sponsor of entity listed in (a): BANK OF AMERICA, N.A.

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)
22-6484011-001	C	2718987

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

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a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

a Plan name

b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
ROYAL REALTY CORPORATION EMPLOYEES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ROYAL REALTY CORPORATION

D Employer Identification Number (EIN)
13-6126704

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)		
(2) Participant contributions	1b(2)		
(3) Other	1b(3)		0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	1181	1135
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	267595	246306
(9) Value of interest in common/collective trusts	1c(9)	2601268	2718987
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5949904	8636260
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)	187588	362412

			(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:			
	(1) Employer securities	1d(1)	0	0
	(2) Employer real property	1d(2)		
e	Buildings and other property used in plan operation	1e		
f	Total assets (add all amounts in lines 1a through 1e)	1f	9007536	11965100
	Liabilities			
g	Benefit claims payable	1g		
h	Operating payables	1h		
i	Acquisition indebtedness	1i		
j	Other liabilities	1j		
k	Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
	Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	9007536	11965100

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

	Income		(a) Amount	(b) Total
a	**Contributions:**			
	(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	68696	
	(B) Participants	2a(1)(B)	1139488	
	(C) Others (including rollovers)	2a(1)(C)	25165	
	(2) Noncash contributions	2a(2)	0	
	(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		1233349
b	**Earnings on investments:**			
	(1) Interest:			
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	4	
	(B) U.S. Government securities	2b(1)(B)	0	
	(C) Corporate debt instruments	2b(1)(C)		
	(D) Loans (other than to participants)	2b(1)(D)		
	(E) Participant loans	2b(1)(E)	17871	
	(F) Other	2b(1)(F)	0	
	(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		17875
	(2) Dividends: **(A)** Preferred stock	2b(2)(A)	0	
	(B) Common stock	2b(2)(B)	0	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	184304	
	(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		184304
	(3) Rents	2b(3)		
	(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)	0	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	0	
	(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)	0	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		263480
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		1493005
c	Other income	2c		82580
d	Total income. Add all **income** amounts in column (b) and enter total	2d		3274593
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	304997	
	(2) To insurance carriers for the provision of benefits	2e(2)		
	(3) Other	2e(3)	0	
	(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		304997
f	Corrective distributions (see instructions)	2f		3068
g	Certain deemed distributions of participant loans (see instructions)	2g		7234
h	Interest expense	2h		0
i	Administrative expenses: (1) Professional fees	2i(1)		
	(2) Contract administrator fees	2i(2)		
	(3) Investment advisory and management fees	2i(3)		
	(4) Other	2i(4)	1730	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		1730
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		317029
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		2957564
l	Transfers of assets:			
	(1) To this plan	2l(1)		0
	(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: ANCHIN, BLOCK AND ANCHIN LLP **(2)** EIN: 13-0436940

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	4a		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	4b		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e	Was this plan covered by a fidelity bond?	4e	X		1000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l	Has the plan failed to provide any benefit when due under the plan?	4l		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If yes, enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2009

This Form is Open to Public Inspection.

For calendar plan year 2009 or fiscal plan year beginning 01/01/2009 and ending 12/31/2009

A Name of plan
ROYAL REALTY CORPORATION EMPLOYEES 401(K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
ROYAL REALTY CORPORATION

D Employer Identification Number (EIN)
13-6126704

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1** 0

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 22-3513863 94-1687665

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 **a** Enter the minimum required contribution for this plan year **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box(es). If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 **a** Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

ROYAL REALTY CORPORATION
EMPLOYEES 401(k) PLAN

FINANCIAL STATEMENTS

DECEMBER 31, 2009

ROYAL REALTY CORPORATION
EMPLOYEES 401(k) PLAN

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DECEMBER 31, 2009

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ANCHIN

Anchin, Block & Anchin LLP
Accountants & Advisors
1375 Broadway New York, NY 10018
212 840-3456
www.anchin.com

INDEPENDENT AUDITORS' REPORT

To Royal Realty Corporation Employees 401(k) Plan:

We were engaged to audit the statements of net assets available for benefits - modified cash basis of Royal Realty Corporation Employees 401(k) Plan (the "Plan") as of December 31, 2009 and the related statement of changes in net assets available for benefits - modified cash basis for the year ended December 31, 2009, and the related supplemental schedule as of December 31, 2009. These financial statements and supplemental schedule are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the Plan instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 5, which was certified by Bank of America Merrill Lynch, the custodian/trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the Plan that the custodian/trustee holds the Plan's investment assets and executes investment transactions. The Plan has obtained a certification from the custodian/trustee as of and for the year ended December 31, 2009, that the information provided to the Plan by the custodian/trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the custodian/trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

We have compiled the accompanying statement of net assets available for benefits - modified cash basis of Royal Realty Corporation Employees 401(k) Plan as of December 31, 2008 in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying statement of net assets available for benefits - modified cash basis as of December 31, 2008 and, accordingly, do not express an opinion or any other form of assurance on it.

Anchin, Block & Anchin LLP

New York, New York
October 12, 2010

ROYAL REALTY CORPORATION
EMPLOYEES 401(k) PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

	December 31,	
	2009	2008 (Unaudited)
Assets:		
Investments, at Fair Value:		
Mutual funds	**$ 8,637,395**	$ 5,951,086
Common collective trust	**2,718,987**	2,601,267
Self-directed investment accounts	**362,412**	187,588
Loans to plan participants	**246,306**	267,595
Total Investments	**11,965,100**	9,007,536
Total Assets	**11,965,100**	9,007,536
Adjustment from fair value to contract value for interest in collective trust relating to a fully benefit-responsive investment contract	**198,381**	419,949
Net Assets Available for Benefits	**$ 12,163,481**	$ 9,427,485

See accompanying Notes to the Financial Statements.

ROYAL REALTY CORPORATION
EMPLOYEES 401(k) PLAN

STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS - MODIFIED CASH BASIS

FOR THE YEAR ENDED DECEMBER 31, 2009

Additions to (Deductions from) Net Assets Attributed to:		
Investment gain:		
Net increase in fair value of investments	$ 1,490,655	
Interest and dividends	324,229	
		$ 1,814,884
Contributions:		
Participant contributions	1,139,488	
Employer contributions	68,696	
Rollover contributions	25,165	
		1,233,349
Benefits paid to participants		**(310,507)**
Administrative expenses		**(1,730)**
Net Increase in Net Assets for the Year		**2,735,996**
Net Assets Available for Benefits:		
Beginning of year		**9,427,485**
End of year		**$ 12,163,481**

See accompanying Notes to the Financial Statements.

ROYAL REALTY CORPORATION
EMPLOYEES 401(k) PLAN

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE PLAN

The Royal Realty Corporation Employees 401(k) Plan (the "Plan") is a defined contribution plan, which was established January 1, 1985. Participants should refer to the Plan agreement for a more complete description of the Plan's provisions.

The Plan covers all eligible non-union employees of Royal Realty Corporation (the "Company" or the "Plan Sponsor" or the "Employer") and is funded by employee contributions as well as discretionary Employer matching contributions. The Employer matching contribution is up to 50% of the first 8% of plan compensation contributed as elective deferral contributions. The Plan allows eligible employees to elect to make contributions up to 15% of their annual compensation subject to the maximum allowable under the Internal Revenue Code. The Plan allows for Profit sharing contributions in an amount, if any, to be determined by the Employer. For the year ended December 31, 2009 the Employer made no Profit sharing contributions. Participants direct the investment of their contributions into various investment options offered by the Plan. The Plan is subject to the requirements of the Employee Retirement Income Security Act of 1974 ("ERISA").

To be eligible to participate in the Plan employees must have attained the age of 21 and completed one year of service in which they have worked at least 1,000 hours, starting with their hire date or anniversary thereof. Enrollment in the plan occurs on the first of the month following the date in which the employee has satisfied the eligibility requirements.

Participants are immediately 100% vested in Profit sharing contributions and their elective deferral contributions, plus actual earnings thereon. Vesting in each participant's Employer matching accounts, plus investment income earned thereon, is based on years of continuous service. Participants vest 20% per year of service beginning with the third year and are 100% vested after completing seven years.

Each participant account is credited with the participant's contribution, allocations of the Company's contribution and Plan earnings and is charged with an allocation of certain administrative expenses.

Information as to investment options and benefit payments has been published and made available to all participants.

Under the Plan, a participant who reaches normal retirement age or postpones retirement, dies, or becomes permanently disabled, as defined in the Plan, receives the amount in his or her account balance.

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Upon termination of employment prior to normal retirement age, except by virtue of disability or death, the participant is entitled to his or her vested interest in the account in a lump-sum amount or in installments.

Participants can obtain secured loans up to a maximum of the lesser of $50,000 or 50% of their vested account balance. The loans are secured by the balance in the participant's account and bear interest at prevailing rates. Principal and interest are paid ratably through payroll deductions. Participant loans are valued at amortized cost, which approximates fair value.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Plan are prepared under the modified cash basis of accounting, which differs from generally accepted accounting principles since contributions are recorded when received rather than when made. Benefits are recorded when paid.

The Plan's investments are maintained by Bank of America Merrill Lynch ("BOA"), custodian/trustee of the Plan, and are stated at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 10 for discussion of fair value measurements.

Investment contracts held by a defined-contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined-contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan. The Plan invests in an investment contract through a collective trust. The statement of net assets available for benefits presents the fair value of the investment in the collective trust as well as the adjustment of the investment in the collective trust from fair value to contract value relating to the investment contract.

The preparation of financial statements in conformity with the modified cash basis of accounting requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and changes therein, and disclosure of contingent assets and liabilities. Actual results could differ from those estimates.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Forfeitures arising from Profit sharing contributions are first used to offset Plan administrative expenses then to reduce Company contributions under the Plan. There were no forfeitures arising from Profit sharing contributions during 2009. Forfeited non-vested accounts arising from employer matching contributions are allocated to the Plan participants based on the formula specified in the Plan documents. There was $15,757 and $4,303 in these accounts at December 31, 2009 and 2008, respectively. In 2009, $4,291 was allocated to plan participants from forfeited non-vested accounts.

Certain administrative expenses of the Plan are paid by the Company without charge to the Plan.

NOTE 3 - PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right to terminate the Plan subject to the provisions of ERISA. In the event of the Plan's termination, participants would become 100% vested in their accounts.

NOTE 4 - INCOME TAX STATUS

The Internal Revenue Service has determined and informed the Plan administrator, by a letter dated March 31, 2008, that the form of the amended prototype plan adopted by the Company is acceptable under the applicable sections of the Internal Revenue Code (IRC). The Plan has been amended since receiving the determination letter. The Company believes that the Plan is designed and is currently being operated in compliance with the applicable requirements of the IRC and is thus tax exempt.

The Plan has determined that there are no uncertain tax positions which would require adjustment to or disclosure in the financial statements. The previously filed tax years that remain subject to Treasury Department examination are 2006, 2007 and 2008.

NOTE 5 - UNAUDITED INFORMATION

BOA holds the Plan's investment assets and executes transactions thereon. Financial information relating to those assets is included in the accompanying financial statements and supplemental schedule based on information solely provided by BOA. The Plan administrator has obtained a certification from BOA that such information is complete and accurate. That information, which is unaudited, consists of all of the Plan's assets as of December 31, 2009 and 2008, and changes in net assets for the year ended December 31, 2009.

NOTE 6 - INVESTMENTS (UNAUDITED)

Upon enrollment in the plan, a participant may direct contributions to their accounts among several fund investments. The investing objectives of each fund have been made available to the participants.

The following table indentifies investments which represent 5% or more of the net assets available for benefits:

	December 31,	
	2009	2008
Alliance Bernstein International Growth Fund Inc Class A	**$ 608,085**	$ 348,622 **
American Growth Fund Of America Fund Class R3	**629,451**	382,900 **
Davis New York Venture Fund Class A	**2,562,648**	1,773,697
JPMorgan Government Bond Fund Class A	**1,149,556**	833,110
MFS Value Fund Class A	**742,561**	488,222
Merrill Lynch Retirement Preservation Trust	**2,917,368***	3,021,216 *
PIMCO Total Return Fund Class A	**1,551,609**	1,174,976

* - This amount represents contract value for this investment.
** - Less than 5%

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that change in the values of investment securities will occur in the near term and that such change could materially affect participants' account balances and the amounts reported in the statement of net assets available for benefits.

NOTE 8 - RECONCILIATION TO 5500

The following is a reconciliation of net assets available for benefits per the financial statements at December 31, 2009 and 2008 to amounts reportable on the Form 5500:

Net assets available for benefits:

	2009	2008
Net assets available for benefits per the financial statements	**$ 12,163,481**	$ 9,427,485
Less: Adjustment from contract value to fair value for fully benefit-responsive investment contracts	**(198,381)**	(419,949)
Net assets available for benefits per Form 5500	**$ 11,965,100**	$ 9,007,536

Changes in net assets available for benefits:

Net increase in net assets available for benefits per the financial statements	$ 2,735,996
Add: Adjustment from contract value to fair value for fully benefit-responsive investment contracts for prior year	419,949
Less: Adjustment from contract value to fair value for fully benefit-responsive investment contracts for current year	(198,381)
Net increase in net assets available for benefits per Form 5500	$ 2,957,564

NOTE 9 - RELATED PARTY TRANSACTIONS

Certain Plan investments are managed by Merrill Lynch a wholly owned subsidiary of BOA, which also has an ownership interest in Blackrock, Inc. and therefore, both Merrill Lynch and Blackrock, Inc. qualify as parties in interest. The Plan paid administrative fees in the amount of $1,730 to Merrill Lynch for the year ended December 31, 2009. Investment gain has been reduced by approximately $57,000 of fees paid by the underlying invested funds to BOA.

NOTE 10 - FAIR VALUE MEASUREMENTS (UNAUDITED)

Financial Accounting Standards Board (FASB) *Accounting Standards Codification* (ASC) 820, *Fair Value Measurements and Disclosures*, provides the framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Plan has the ability to access.

Level 2 Inputs to the valuation methodology include:

- quoted prices for similar assets or liabilities in active markets;
- quoted prices for identical or similar assets or liabilities in inactive markets;
- inputs other than quoted prices that are observable for the asset or liability;
- inputs that are derived principally from or corroborated by observable market data by correlation or other means

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value.

Mutual funds: Valued at the net asset value of shares held by the Plan at year end.

NOTE 10 - FAIR VALUE MEASUREMENTS (UNAUDITED) (CONTINUED)

Common collective trust: Valued based on the net asset value of the collective trust's underlying investments as based on information reported by the trustee. The common collective trust, which is a stable value fund, has an investment objective to maintain a constant net asset value. Generally, there are no restrictions on a participant's ability to redeem their investment in the common collective trust. However, withdrawals prompted by certain events (e.g., termination of the managed income portfolio, changes in laws or regulations) may restrict a participant's ability to redeem the investment.

Self-directed accounts: Valued at quoted market prices.

Participant loans: Valued at amortized cost, which approximates fair value.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the Plan believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2009 and 2008:

Assets at Fair Value at December 31, 2009:

Description	Total	Level 1	Level 2	Level 3
Mutual funds:				
Large cap	$ 3,327,318	$ 3,327,318	$ -	$ -
Mid-cap	15,905	15,905	-	-
Blended fund investment	725,460	725,460	-	-
International	1,196,557	1,196,557	-	-
Income	2,701,165	2,701,165	-	-
Small cap	670,990	670,990	-	-
Total mutual funds	8,637,395	8,637,395	-	-
Common collective trust	2,718,987	-	2,718,987	-
Self-directed investments	362,412	362,412	-	-
Participant loans	246,306	-	-	246,306
Total assets at fair value	$ 11,965,100	$ 8,999,807	$ 2,718,987	$ 246,306

NOTE 10 - FAIR VALUE MEASUREMENTS (UNAUDITED) (CONTINUED)

Assets at Fair Value at December 31, 2008:

Description	Total	Level 1	Level 2	Level 3
Mutual funds:				
Large cap	$ 2,277,173	$ 2,277,173	$ -	$ -
Mid-cap	8,880	8,880	-	-
Blended fund investment	472,549	472,549	-	-
International	783,944	783,944	-	-
Income	2,008,086	2,008,086	-	-
Small cap	400,454	400,454	-	-
Total mutual funds	5,951,086	5,951,086	-	-
Common collective trust	2,601,267	-	2,601,267	-
Participant directed investments	187,588	187,588	-	-
Participant loans	267,595	-	-	267,595
Total assets at fair value	$ 9,007,536	$ 6,138,674	$ 2,601,267	$ 267,595

Level 3 Gains and Losses - the following table sets forth a summary of changes in the fair value of the Plan's level 3 assets for the year ended December 31, 2009:

	Participant Loans
Balance, beginning of year	$ 267,595
New loans	99,570
Repayments	(120,859)
Balance, end of year	$ 246,306

NOTE 11 - SUBSEQUENT EVENTS

In May 2010 the Plan was amended that effective August 1, 2010 it will accept distributions from a qualified Roth plan as described in IRC Section 401(a) as rollover contributions.

Subsequent events have been evaluated through October 12, 2010, which is the date the financial statements were available to be issued.

ROYAL REALTY CORPORATION
EMPLOYEES 401(k) PLAN

PN 001
EIN 13-6126704

SCHEDULE H, LINE 4 (i) -
SCHEDULE OF ASSETS (HELD AT END OF YEAR)

DECEMBER 31, 2009

Identity of Issuer, Borrower or Similar Party	Description	Current Value
Alliance Bernstein	AllianceBernstein International Growth Fund Inc Cl A	$ 608,085
Alliance Bernstein	Allianz NFJ Small-Cap Value Class A	337,525
Alliance Bernstein	AllianceBernstein Global Thematic Growth Fund Class A	43,563
American Capital	American Capital World Growth & Income Class R3	19,282
American Capital	American Growth Fund Of America Fund Class R3	629,451
BlackRock*	BlackRock Fundamental Growth Class A	14,122
BlackRock*	BlackRock Global Allocation Class A	109,406
BlackRock*	BlackRock Healthcare Fund Class A	28,669
BlackRock*	BlackRock S&P 500 Index Class I	93,544
Davis Funds	Davis New York Venture Fund Class A	2,562,648
Davis Funds	Davis Series Financial Fund Class A	935
Delaware Inv.	Delaware Trend Fund Class A	252,667
Fraklin Templeton	Franklin Small-Mid Cap Growth Fund Class A	80,798
ING	ING Global Value Choice Fund A	136,308
IVY	Ivy Global Natural Resources Fund Class A	251,244
JP Morgan	JPMorgan Government Bond Fund Class A	1,149,556
Lord Abbett	Lord Abbett Affiliated Fund Class P	7,988
MFS	MFS Value Fund Class A	742,561
Bank of America*	Merrill Lynch Retirement Preservation Trust	2,718,987
Munder	Munder Internet Fund Class A	394
Pimco	PIMCO Total Return Fund Class A	1,551,609
Invesco	Van Kampen Mid Cap Growth Fund A	15,904
	Other	1,136
		11,356,382
	Self-directed Investments	362,412
	Loans to plan participants (A)	246,306
	TOTAL	$ 11,965,100

(A) Pursuant to the Plan agreement, loans are made to participants at reasonable rates of interest as defined in the Plan over terms of 1 to 5 years (up to 15 years for acquisition of a primary residence). During the year ended December 31, 2009 interest rates ranged from 4.25% to 9.25%.

* - Party in Interest

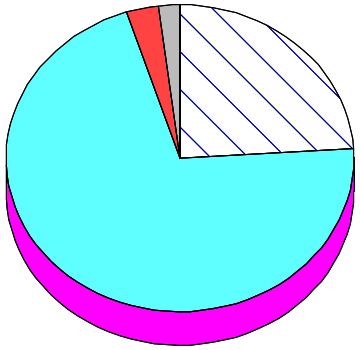
See Independent Auditors' Report.

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2009 - 12/31/2009

ROYAL REALTY CORPORATION
EMPLOYEES 401(K) PLAN
CONSOLIDATION

ALLOCATION OF PLAN ASSETS



- 23.98% COMMON / COLLECTIVE TRUSTS
- 71.00% MUTUAL FUNDS
- 2.98% OTHER ASSETS
- 2.02% LOANS
- 0.01% ACCRUED INCOME

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
COMMON / COLLECTIVE TRUSTS					
ML RET PRESERVATION TRUST	2,917,367.5800	1.000	2,917,367.58	2,917,367.58	23.98%
MUTUAL FUNDS					
JPMORGAN GOVERNMENT BOND	16,908.7404	10.540	177,556.24	178,218.12	1.47%
JPMORGAN GOVERNMENT BOND GM	92,157.3381	10.540	972,255.09	971,338.34	7.99%
AMERICAN CAP WORLD GR & INC R3	568.6272	33.910	19,733.33	19,282.15	0.16%
AMERICAN GROWTH FD OF AMER R3	3,818.8054	26.930	116,368.53	102,840.43	0.85%
AMERICAN GRTH FD OF AMER R3 GM	19,554.7750	26.930	532,598.34	526,610.09	4.33%
BLACKROCK FUNDMNTL GRW A	732.8228	19.270	13,586.37	14,121.50	0.12%
FRANKLIN SML-MID CAP GRWTH A	2,781.3498	29.050	104,919.80	80,798.21	0.66%
ING GLOBAL VALUE CHOICE FUND A	4,873.3560	27.970	98,452.54	136,307.77	1.12%

Balances include the effect of pending trades

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2009 - 12/31/2009

ROYAL REALTY CORPORATION
EMPLOYEES 401(K) PLAN
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
DAVIS SERIES FINANCIAL FD CL A	32.5271	28.760	855.97	935.48	0.01%
ALLIANCEBERNSTEIN INT GRWTH A	8,281.2049	14.080	139,905.21	116,599.36	0.96%
ALLIANCEBERNSTEIN INT GRWTH GM	34,906.6610	14.080	514,229.91	491,485.79	4.04%
BLACKROCK GLOBAL ALLOC A	6,115.4822	17.890	91,250.65	109,405.98	0.90%
BLACKROCK HEALTHCARE A	5,260.4154	5.450	31,930.22	28,669.26	0.24%
IVY GLBL NATURAL RES FD CL A	2,195.6667	18.490	64,043.54	40,597.88	0.33%
IVY GLBL NATURAL RES A GM	11,392.4385	18.490	217,686.60	210,646.19	1.73%
PIMCO TOTAL RETURN FUND CL A	50,713.9242	10.800	528,171.82	547,710.38	4.50%
PIMCO TOT RET FD CL A GM	92,953.5622	10.800	981,858.45	1,003,898.47	8.25%
BLACKROCK S&P500 INDEX I	6,863.0634	13.630	101,123.72	93,543.55	0.77%
ALLIANZ NFJ SM-CAP VALUE CL A	2,720.8672	23.190	73,384.46	63,096.91	0.52%
ALLIANZ NFJ SM-CAP VL CL A GM	11,833.9187	23.190	279,666.91	274,428.57	2.26%
VAN KAMPEN MID CAP GROWTH FD A	680.5442	23.370	30,127.07	15,904.32	0.13%
MFS VALUE FUND CL A	3,339.4611	20.770	75,942.47	69,360.61	0.57%
MFS VAL FD CL A GM	32,412.1723	20.770	692,463.41	673,200.82	5.53%
LORD ABBETT AFFILIATED FUND CL	783.8970	10.190	7,592.07	7,987.91	0.07%
MUNDER GROWTH OPPORT FD CL A	16.8762	23.360	253.30	394.23	0.00%
ALLNCBRNSTN GLOBAL THEMATIC A	667.9348	65.220	70,531.99	43,562.71	0.36%
DELAWARE GROUP TREND FD	2,736.5279	13.960	47,217.23	38,201.93	0.31%
DELAWARE GROUP TREND FD GM	15,362.8292	13.960	214,375.70	214,465.10	1.76%

Balances include the effect of pending trades

STATEMENT OF ASSETS

FOR THE PERIOD 01/01/2009 - 12/31/2009

ROYAL REALTY CORPORATION
EMPLOYEES 401(K) PLAN
CONSOLIDATION

Investment Category	Shares/ Units	Price/ NAV	Cost/Book Value	Market Value	% Total Value
DAVIS NY VENTURE FD CL A	82,719.4338	30.980	2,825,469.71	2,562,648.06	21.07%
TOTAL MUTUAL FUNDS			9,023,550.65	8,636,260.12	71.00%
OTHER ASSETS					
SELF-DIRECT ACCT	118,972.3400	1.000	118,972.34	118,972.34	0.98%
SELF-DIRECT ACCT	243,439.4700	1.000	243,439.47	243,439.47	2.00%
TOTAL OTHER ASSETS			362,411.81	362,411.81	2.98%
LOANS					
LOAN FUND	246,305.5700	1.000	246,305.57	246,305.57	2.02%
INVESTMENT TOTAL			12,549,635.61	12,162,345.08	99.99%
UNINVESTED CASH			0.00	0.00	0.00%
ACCRUED INCOME			1,134.80	1,134.80	0.01%
CASH			0.00	0.00	0.00%
TOTAL ASSETS			12,550,770.41	12,163,479.88	100.00%

The balance in the cash fund may be temporarily invested in the CMA Money Fund. Additional amounts not reported as cash may also be invested in the CMA Money Fund pending settlement of trades.

Balances include the effect of pending trades

