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FOR IMMEDIATE RELEASE

Cohen & Steers Total Return Realty Fund, Inc. (RFI) Declares its Fourth Quarter Distribution and Announces the Implementation of a Managed Distribution Policy

NEW YORK, NY, December 13, 2011—The Board of Directors of Cohen & Steers Total Return Realty Fund, Inc. (NYSE:RFI) declared its fourth quarter 2011 distribution as summarized in the chart below:

Amount of Distribution	Ex-Dividend Date	Record Date	Payable Date
\$0.2200	December 21, 2011	December 23, 2011	December 30, 2011

The Fund's Board of Directors announced that the Fund will be implementing a managed distribution policy in accordance with exemptive relief issued by the Securities and Exchange Commission. This policy will give the Fund greater flexibility to realize long-term capital gains throughout the year and to distribute those gains on a regular quarterly basis to shareholders.

The Fund's quarterly distributions may include long-term capital gains, short-term capital gains, net investment income and/or return of capital for federal income tax purposes. Return of capital includes distributions paid by the Fund in excess of its net investment income and net realized capital gains and such excess is distributed from the Fund's assets. In addition, distributions from the Fund's investments in real estate investment trusts (REITs) may later be characterized as capital gains and/or a return of capital, depending on the character of the dividends reported after year-end by REITs held by the Fund. The amount of quarterly distributions may vary depending on a number of factors, including changes in portfolio and market conditions.

At the time of each quarterly distribution, information will be posted to cohenandsteers.com and mailed to shareholders in a concurrent notice. However, this information may change at the end of the year because the final tax characteristics of the Fund's distributions cannot be determined with certainty until after the end of the calendar year. Final tax characteristics of all of the

Fund's distributions will be provided on Form 1099-DIV, which is mailed after the close of the calendar year.

The following table sets forth the estimated amounts of the current distribution and the cumulative distributions paid this fiscal year to date from the sources indicated.

DISTRIBUTION ESTIMATES	DECEMBER 2011		YEAR-TO-DATE (YTD) DECEMBER 31, 2011*	
	Per Share Amount	% of Current Distribution	Per Share Amount	% of 2011 Distributions
Source				
Net Investment Income	\$0.0696	31.64%	\$0.2097	23.83%
Net Realized Short-Term Capital Gains	\$0.0000	0.00%	\$0.0000	0.00%
Net Realized Long-Term Capital Gains	\$0.1504	68.36%	\$0.6703	76.17%
Return of Capital (or other Capital Source)	\$0.0000	0.00%	\$0.0000	0.00%
Total Current Distribution	\$0.2200	100.00%	\$0.8800	100.00%

You should not draw any conclusions about the Fund's investment performance from the amount of this distribution or from the terms of the Fund's managed distribution policy. The amounts and sources of distributions reported in this Notice are only estimates, are likely to change over time, and are not being provided for tax reporting purposes. The actual amounts and sources of the amounts for accounting and tax reporting purposes will depend upon the Fund's investment experience during the remainder of its fiscal year and may be subject to changes based on tax regulations. The amounts and sources of distributions year-to-date may be subject to additional adjustments.

***THE FUND WILL SEND YOU A FORM 1099-DIV FOR THE CALENDAR YEAR THAT WILL TELL YOU HOW TO REPORT THESE DISTRIBUTIONS FOR FEDERAL INCOME TAX PURPOSES.**

The Fund's cumulative year-to-date total return for fiscal year 2011 (January 1, 2011 through November 30, 2011) is set forth below. Shareholders should note the relationship between the Year-to-date Cumulative Total Return and the Year-to-date change in the Fund's net asset value per share (NAV) (during the same period) and compare those figures with the Fund's Cumulative Distribution Rate for 2011. Moreover, the Fund's Average Annual Total Return for the five year period ending November 30, 2011 is set forth below. Shareholders should also note the relationship between the Average Annual Total Return and the annualized change in the Fund's NAV (during the same period) and compare those figures with the Fund's current annualized distribution rate for 2011 and its Average Annual Distribution Rate. In addition, the performance and distribution rate information disclosed in the table below is based on the Fund's NAV. The Fund's NAV is calculated as the total market value of all the securities and other assets held by the Fund minus the total liabilities, divided by the total number of shares outstanding. While NAV performance may be indicative of the Fund's investment performance, it does not measure the value of a shareholder's individual investment in the Fund. The value of a shareholder's investment in the Fund is determined by the Fund's market price, which is based on the supply and demand for the Fund's shares in the open market.

Fund Performance and Distribution Rate Information:

Year-to-date January 1, 2011 to November 30, 2011	
Year-to-date Cumulative Total Return ¹	1.91%
Year-to-date change in NAV ²	(3.29%)
Cumulative Distribution Rate ³	5.48%
Five year period ending November 30, 2011	
Average Annual Total Return ⁴	0.22%
Average Annual Distribution Rate ⁵	12.15%
Annualized Change in NAV ⁶	(8.86%)
Current Annualized Distribution Rate ⁷	7.30%

1. Year-to-date Cumulative Total Return is the percentage change in the Fund's NAV over the year-to-date time period including distributions paid and assuming reinvestment of those distributions.
2. Year-to-date change in NAV using closing NAV at December 31, 2010 and closing NAV at November 30, 2011 excluding distributions paid and without reinvestment of those distributions.
3. Cumulative Distribution Rate for the Fund's current fiscal period (January 1, 2011 through November 30, 2011) measured on the dollar value of distributions in the year-to-date period as a percentage of the Fund's NAV as of November 30, 2011.
4. Average Annual Total Return represents the simple arithmetic average of the Annual NAV Total Returns of the Fund for the five year period ending November 30, 2011. Annual NAV Total Return is the percentage change in the Fund's NAV over a year including distributions paid and assuming reinvestment of those distributions.
5. Average Annual Distribution Rate is the simple arithmetic average of the Annual Distribution Rates. The Annual Distribution Rates are calculated by taking the total distributions paid during the period divided by average daily NAV for the period.
6. Annualized change in the NAV for the five year period ending November 30, 2011 excluding distributions paid and without reinvestment of those distributions.
7. The Current Annualized Distribution Rate is the current fiscal period's distribution rate annualized as a percentage of the Fund's NAV as of November 30, 2011.

This Fund has a managed distribution policy that seeks to deliver the Fund's long term total return potential through regular quarterly distributions declared at a fixed rate per share. Distributions may be paid in part or in full from net investment income, realized capital gains and by returning capital, or a combination thereof. Shareholders should note, however, that if the Fund's aggregate net investment income and net realized capital gains are less than the amount of the distribution level, the difference will be distributed from the Fund's assets and will constitute a return of the shareholder's capital. A return of capital is not taxable; rather it reduces a shareholder's tax basis in his or her shares of the Fund. The Board of Directors of the Fund may amend, terminate or suspend the managed distribution policy at any time, which could have an adverse effect on the market price of the Fund's shares.

Shareholders should not use the information provided in preparing their tax returns. Shareholders will receive a Form 1099-DIV for the calendar year indicating how to report fund distributions for federal income tax purposes.