

W. P. Carey Inc.  
Form 424B5  
March 11, 2014

Use these links to rapidly review the document

[Table of contents](#)  
[TABLE OF CONTENTS 2](#)

[Table of Contents](#)

**The information in this preliminary prospectus supplement is not complete and may be changed. This preliminary prospectus supplement and the accompanying prospectus are not an offer to sell and are not soliciting an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.**

**Subject to completion, dated March 11, 2014**

**Filed Pursuant to Rule 424(b)(5)  
Registration Statement No. 333-194389**

**Preliminary prospectus supplement  
(to prospectus dated March 7, 2014)**

## **\$** **% Senior Notes due 20**

*Interest payable on and*

W. P. Carey Inc. ("W. P. Carey") is offering \$ aggregate principal amount of its % Senior Notes due 20 (the "notes"). We will pay interest semiannually in arrears on and of each year, beginning on , 2014. The notes will mature on , 20 . However, W. P. Carey may, at its option, redeem the notes, in whole at any time or in part from time to time at the applicable redemption price described in this prospectus supplement under the caption "Description of the notes Optional redemption." The notes will be senior unsecured obligations of W. P. Carey and rank equally in right of payment with all of its other senior unsecured indebtedness from time to time outstanding.

**Investing in the notes involves risks. Before making a decision to invest in the notes, you should carefully read the information under the heading "Risk factors" beginning on page S-8 of this prospectus supplement and the risks set forth in the documents we have filed with the Securities and Exchange Commission that are incorporated by reference in this prospectus supplement and the accompanying prospectus.**

**Neither the Securities and Exchange Commission nor any state or other securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.**

**Public  
offering**

**Underwriting  
discount**

**Proceeds,  
before**

|          | <b>price(1)</b> |   | <b>expenses, to us</b> |   |
|----------|-----------------|---|------------------------|---|
|          |                 | % |                        | % |
| Per note |                 |   |                        |   |
| Total    | \$              |   | \$                     |   |

(1) Plus accrued interest, if any, from \_\_\_\_\_, 2014, if settlement occurs after that date.

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system.

**The underwriters expect to deliver the notes in book-entry form only through the facilities of The Depository Trust Company for the accounts of its participants on or about March \_\_\_\_\_, 2014.**

*Joint Book-Running Managers*

**J.P. Morgan**  
March \_\_\_\_\_, 2014.

**Citigroup**

**Wells Fargo Securities**

---

Table of Contents

**Table of contents**

|   |             |
|---|-------------|
| <b>Prospectus supplement</b>  |             |
| <u>About this prospectus supplement</u>                                   | <u>S-1</u>  |
| <u>Forward-looking statements</u>   | <u>S-2</u>  |
| <u>Prospectus supplement summary</u>                                      | <u>S-3</u>  |
| <u>Risk factors</u>   | <u>S-8</u>  |
| <u>Our portfolio</u>  | <u>S-13</u> |
| <u>Use of proceeds</u>  | <u>S-19</u> |
| <u>Capitalization</u>   | <u>S-20</u> |
| <u>W. P. Carey unaudited pro forma consolidated financial information</u> | <u>S-21</u> |
| <u>Description of the notes</u>   | <u>S-31</u> |
| <u>Additional material federal income tax considerations</u>              | <u>S-41</u> |
| <u>Underwriting</u>   | <u>S-46</u> |
| <u>Legal matters</u>  | <u>S-49</u> |
| <u>Experts</u>  | <u>S-49</u> |
| <u>Where you can find more information: Incorporation by reference</u>    | <u>S-49</u> |
| <b>Prospectus</b>   |             |
| <u>ABOUT THIS PROSPECTUS</u>  | <u>1</u>    |
| <u>FORWARD LOOKING STATEMENTS</u>   | <u>1</u>    |
| <u>WHERE YOU CAN FIND MORE INFORMATION: INCORPORATION BY REFERENCE</u>    | <u>2</u>    |
| <u>THE COMPANY</u>  | <u>4</u>    |
| <u>RISK FACTORS</u>   | <u>4</u>    |
| <u>USE OF PROCEEDS</u>  | <u>4</u>    |
| <u>RATIO OF EARNINGS TO FIXED CHARGES</u>                                 | <u>4</u>    |
| <u>DESCRIPTION OF CAPITAL STOCK</u>                                       | <u>5</u>    |
| <u>DESCRIPTION OF DEBT SECURITIES</u>                                     | <u>13</u>   |
| <u>DESCRIPTION OF DEPOSITARY SHARES</u>                                   | <u>28</u>   |
| <u>DESCRIPTION OF STOCK PURCHASE CONTRACTS AND STOCK PURCHASE UNITS</u>   | <u>29</u>   |
| <u>DESCRIPTION OF WARRANTS</u>  | <u>30</u>   |
| <u>MATERIAL FEDERAL INCOME TAX CONSIDERATIONS</u>                         | <u>31</u>   |
| <u>PLAN OF DISTRIBUTION</u>   | <u>51</u>   |
| <u>EXPERTS</u>  | <u>52</u>   |
| <u>SELLING SECURITYHOLDERS</u>  | <u>53</u>   |
| <u>LEGAL MATTERS</u>  | <u>53</u>   |

---

Table of Contents

**You should rely only on the information contained in, or incorporated by reference in, this prospectus supplement and the accompanying prospectus or any free writing prospectus prepared by or on behalf of us. We have not, and the underwriters have not, authorized anyone to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus supplement, the accompanying prospectus, any free writing prospectus and the documents incorporated by reference is accurate as of any date other than the dates of the specific information. Our business, financial condition, liquidity, results of operations, funds from operations, as adjusted ("AFFO") and prospects may have changed since those respective dates.**

## **About this prospectus supplement**

We are providing information to you about this offering in two parts. The first part is this prospectus supplement, which describes certain terms of the notes and the offer and sale of the notes. The second part, the accompanying prospectus, gives more general information about us and the securities we may offer from time to time, some of which does not apply to the notes or this offering. If there is a conflict between the terms of the notes or this offering in this prospectus supplement and those in the accompanying prospectus, the terms in this prospectus supplement shall control.

Any information contained in this prospectus supplement, the accompanying prospectus or any document incorporated by reference into the accompanying prospectus will be deemed to have been modified or superseded to the extent that a statement subsequently contained in this prospectus supplement or the accompanying prospectus, in any free writing prospectus we may provide to you in connection with this offering or in any document we file with the United States Securities and Exchange Commission (the "SEC") under or pursuant to the Securities Exchange Act of 1934, as amended (the "Exchange Act"), that also is incorporated by reference into this prospectus supplement and the accompanying prospectus modifies or supersedes the original statement. Any statement so modified or superseded will not be deemed, except as so modified or superseded, to be part of this prospectus supplement or the accompanying prospectus. You should read this prospectus supplement, the accompanying prospectus and any free writing prospectus we may provide to you in connection with this offering, together with the documents incorporated by reference into this prospectus supplement and the accompanying prospectus as described under the heading "Where you can find more information; Incorporation by reference" beginning on page S-49 of this prospectus supplement.

Unless the context otherwise requires or as otherwise specified, references in this prospectus to "W. P. Carey," the "Company," "we," "us," or "our" refers to W. P. Carey and its consolidated subsidiaries and predecessors. References in this prospectus supplement to the "Combined Company" refer to W. P. Carey and Corporate Property Associates 16 Global Incorporated ("CPA@:16 Global"). We have a number of investments, usually with our affiliates, in which our ownership is less than 100%. We present certain information throughout this prospectus supplement on a "pro rata" basis under which we present our proportionate share, based on our ownership of these jointly-owned investments, of the assets, liabilities, revenues and expenses of those investments.

Table of Contents

## **Forward-looking statements**

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus as described under "Where You Can Find More Information; Incorporation by Reference" contain certain information that is based on current expectations, estimates, forecasts and projections about us, our future performance, our business or others on our behalf, our beliefs and our management's assumptions and are to be considered "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act. These forward-looking statements relate to such things as discussions regarding debt markets, tenant credit, general economic outlook, discussions regarding our overall corporate strategy, statements regarding estimated or future results of operations, statements regarding the anticipated impact of the Merger (as hereinafter defined) on our results of operations, statements that we make regarding our ability to qualify or to remain qualified as a real estate investment trust ("REIT"), the amount and timing of any future distributions including those that we are required to make as a REIT, our existing or future leverage and debt service obligations, our future prospects of growth, our future capital expenditure levels, our future financing transactions, and our plans to fund our future liquidity needs, and are generally identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "plan," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Actual results could differ materially from those contemplated by these forward-looking statements as a result of many factors.

The information under the caption "Risk factors" contained herein and in our Annual Report on Form 10-K for the year ended December 31, 2013 and subsequent reports filed by us with the SEC that are incorporated by reference in this prospectus supplement and the accompanying prospectus, and other similar statements contained in this prospectus supplement, the accompanying prospectus or any related free writing prospectus and the documents incorporated by reference herein and therein identify important factors with respect to forward-looking statements, including certain risks and uncertainties, that could cause actual results to differ materially from those contemplated by such forward-looking statements. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial also may adversely affect us. Should any known or unknown risks and uncertainties develop into actual events, those developments could have a material adverse effect on our business, financial condition, liquidity, results of operations, AFFO and prospects.

In light of these risks and uncertainties, there can be no assurance that the results and events contemplated by the forward-looking information contained in this prospectus supplement, the accompanying prospectus and the documents incorporated by reference herein and therein will in fact transpire. Potential investors are cautioned not to place undue reliance on these forward-looking statements. We do not undertake any obligation to update or revise any forward-looking statements except as required by applicable law. All subsequent written or oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by these cautionary statements.

Table of Contents

## **Prospectus supplement summary**

*The following summary highlights information more fully described elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is not complete and does not contain all of the information that may be important to you. Before making a decision to invest in the notes, you should carefully read this entire prospectus supplement, the accompanying prospectus, any free writing prospectus we may provide to you in connection with this offering, and the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. This summary is qualified in its entirety by the more detailed information and financial statements, including the notes thereto, appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus.*

### ***The Company***

W. P. Carey is a leading global owner and manager of commercial properties net leased to companies on a long-term basis. In addition, we act as an advisor to various income-oriented non-traded REITs through our investment management business. As of December 31, 2013, the Combined Company owned a diversified global investment portfolio with a whole or partial interest in 712 properties located in 16 countries with 98% occupancy and an average remaining lease term of 9.0 years. We also managed \$5.7 billion of real estate assets on behalf of three affiliated non-traded REITs. Our properties are generally industrial, warehouse/distribution, office or retail facilities that we believe are essential to our corporate tenants' operations and are triple-net leased to single corporate tenants. Our leases typically require our tenants to pay substantially all of the costs associated with operating and maintaining the property. Our corporate tenants operate in a wide variety of business sectors. As of December 31, 2013, our enterprise value and the value of the assets managed through our investment management business was more than \$15 billion.

### ***Recent developments***

#### ***Merger with Corporate Property Associates 16 Global Incorporated***

On January 31, 2014, W. P. Carey completed its merger (the "Merger") with its publicly held, non-traded REIT affiliate, CPA@:16 Global in a transaction valued at approximately \$3.9 billion. As of December 31, 2013, CPA@: 16 Global's portfolio was comprised of full or partial interests in 467 properties, substantially all of which were triple-net leased, with an average remaining lease term of 9.5 years and an estimated annualized contractual base rent due under the leases, determined at December 31, 2013, or "ABR", on a pro-rata basis, totaling \$322.0 million, and two hotel properties. As a result of the Merger, as of January 31, 2014, W. P. Carey had a total enterprise value of approximately \$9.4 billion.

#### ***Amended credit facility***

In connection with the Merger and to assist us with accessing unsecured debt financing, on January 31, 2014 we renegotiated the terms and increased the capacity of our then-existing \$450.0 million unsecured revolving credit facility and \$175.0 million term loan facility (collectively, the "Previous Senior Credit Facility") to \$1.25 billion, comprised of a \$1.0 billion revolving line of credit and a \$250.0 million term loan (respectively, the "New Revolving Credit Facility" and the "New Term Loan" and, collectively, the "New Senior Credit Facility"). The New Revolving Credit Facility will mature in four years and the New Term Loan will mature in two

Table of Contents

years, unless extended pursuant to their respective terms. The remainder of the substantive terms of the New Senior Credit Facility are substantially the same as the Previous Senior Credit Facility. On January 31, 2014, we drew down \$515 million on our New Revolving Credit Facility and \$250 million on the New Term Loan to repay the balance on our Previous Senior Credit Facility, plus a separate unsecured term loan of \$300 million (the "Unsecured Term Loan"), as well as CPA®:16 Global's line of credit, which was terminated.

*Acquisition activity in 2013 and 2014*

In 2013, we completed asset acquisitions totaling approximately \$347 million for our own portfolio, approximately \$216 million of which were in Europe. In addition, we structured approximately \$1.4 billion of asset acquisitions on behalf of our managed REITs. In 2014, we have structured approximately \$230 million of asset acquisitions on behalf of our managed REITs through February 28, 2014.

Table of Contents**The offering**

*The following summary contains basic information about the notes and is not intended to be complete. It does not contain all the information that is important to you. For a more complete understanding of the notes, please refer to the sections entitled "Description of the notes" in this prospectus supplement and "Description of Debt Securities" in the accompanying prospectus.*

|                               |   |
|-------------------------------|---|
| <b>Issuer</b>                 | W. P. Carey Inc.  |
| <b>Securities offered</b>     | \$      aggregate principal amount of      % Senior Notes due 20      .   |
| <b>Stated maturity date</b>   | The notes will mature on      , 20      , unless redeemed prior to such date.   |
| <b>Interest rate</b>          | % per year, accruing from      , 2014.  |
| <b>Interest payment dates</b> | and      of each year, beginning on      , 2014.  |
| <b>Optional redemption</b>    | <p>The Company may, at its option, redeem the notes, in whole at any time or in part from time to time, for cash, in each case prior to      , 20      (      months prior to the stated maturity date of the notes), at a redemption price equal to the greater of (1) 100% of the principal amount of the notes to be redeemed and (2) a "make-whole" amount, plus, in each case, unpaid interest, if any, accrued to, but not including, the date of redemption.</p> <p>In addition, at any time on or after      (      months prior to the stated maturity date of the notes), the Company may, at its option, redeem the notes, in whole at any time or in part from time to time, for cash, at a redemption price equal to 100% of the principal amount of the notes to be redeemed plus unpaid interest, if any, accrued to, but not including, the date of redemption.</p> |
| <b>Use of proceeds</b>        | The net proceeds from the sale of the notes are estimated to be approximately \$      million after deducting the underwriting discount and our other estimated offering expenses payable by us. The Company intends to use the net proceeds from this offering for working capital and general corporate purposes, including the repayment of certain amounts outstanding under our New Senior Credit Facility and certain existing mortgage indebtedness over time, and making investments in the normal course of business. Affiliates of certain of the underwriters are lenders under our revolving credit facility, term loan, and certain mortgage indebtedness, and will receive their relative portions of any amounts repaid under these loans.   |



Table of Contents

|                              |  |
|------------------------------|--|
| <b>Restrictive covenants</b> | The indenture contains covenants that require the Company to maintain at all times a specified ratio of unencumbered assets to unsecured debt and limit the Company from incurring secured and unsecured indebtedness. However, those covenants are subject to significant exceptions. In addition, our ability to consummate a merger, consolidation or a transfer of all or substantially all of our consolidated assets to another person is limited unless certain conditions are satisfied. For additional information, see "Description of the notes Certain covenants" in this prospectus supplement and "Description of Debt Securities Merger, Consolidation and Transfer of Assets" in the accompanying prospectus.          |
| <b>Ranking</b>               | <p>The notes are senior unsecured obligations of the Company and rank equally in right of payment with all of the Company's other senior unsecured indebtedness from time to time outstanding and effectively junior to (i) all of the indebtedness and other liabilities, whether secured or unsecured, and any preferred equity of the Company's subsidiaries and (ii) all of the Company's indebtedness that is secured by the Company's assets to the extent of the value of the collateral securing such indebtedness.</p> <p>As of December 31, 2013, the Combined Company had pro forma indebtedness of \$3.8 billion outstanding, of which \$3.1 billion was secured indebtedness.</p>   |
| <b>Further issuances</b>     | The Company may, from time to time, without notice to or the consent of the holders of the notes, increase the principal amount of debt securities of the series in which the notes are a part and issue such additional debt securities, in which case any additional debt securities so issued will have the same form and terms (other than the date of issuance, public offering price and, under certain circumstances, the date from which interest thereon will begin to accrue and the initial interest payment date), and will carry the same right to receive accrued and unpaid interest, as the notes and such additional debt securities will form a single series of debt securities under the indenture with the notes. |
| <b>No public market</b>      | The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have advised us that they intend to make a market in the notes after this offering is completed, but they are not obligated to do so and may discontinue any market-making at any time without notice to or the consent of noteholders.   |

## Edgar Filing: W. P. Carey Inc. - Form 424B5

### Table of Contents

**Book-entry form**

The notes will be issued in book-entry only form and will be represented by one or more permanent global certificates deposited with a custodian for, and registered in the name of a nominee of, The Depository Trust Company, commonly known as DTC, in New York, New York. Beneficial interests in the global certificates representing the notes will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and such interests may not be exchanged for certificated notes, except in limited circumstances.

**Risk factors**

You should read carefully the "Risk factors" beginning on page S-8 of this prospectus supplement, as well as the "Risk factors" incorporated by reference from our Annual Report on Form 10-K for the year ended December 31, 2013, before making a decision to invest in the notes.

**Trustee**

U.S. Bank National Association

**Governing law**

State of New York

S-7

---

Table of Contents

## **Risk factors**

In addition to the risks relating to our business, which are incorporated by reference into this prospectus supplement and the accompanying prospectus from our Annual Report on Form 10-K for the year ended December 31, 2013 filed by us with the SEC and the other information included or incorporated by reference in this prospectus supplement and the accompanying prospectus, you should carefully consider the following risk factors before you decide to invest in the notes. The realization of any of these risks could have a material adverse effect on W. P. Carey's business, financial condition, liquidity, results of operations, AFFO and prospects and our ability to service our indebtedness, including the notes. In addition, the market price of your notes could be adversely affected, potentially significantly, and you could lose all or a substantial part of your investment in the notes.

### **Risks related to this offering**

#### **We may not be able to meet all of our debt service obligations, including those under the notes.**

As of December 31, 2013, the Combined Company had pro forma indebtedness and other liabilities of \$4.5 billion outstanding, of which \$3.8 billion represented our total secured and unsecured debt.

Our level of indebtedness and the limitations imposed on us by our debt agreements could have significant adverse consequences to holders of the notes, including the following:

our cash flow may be insufficient to meet our debt service obligations with respect to the notes and our other indebtedness, which would enable lenders and other debtholders to accelerate the maturity of their indebtedness, or may be insufficient to fund other important business uses after meeting such obligations;

we may violate restrictive covenants in our debt agreements, which would entitle lenders and other debtholders to accelerate the maturity of their indebtedness;

we may be unable to refinance our indebtedness at maturity or earlier acceleration, if applicable, or the refinancing terms may be less favorable than the terms of our original indebtedness or otherwise be generally unfavorable;

because a portion of our debt bears interest at variable rates, increases in interest rates could materially increase our interest expense;

we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms;

upon any default on our secured indebtedness, the lenders may foreclose on our properties or our interests in the entities that own the properties that secure such indebtedness and receive an assignment of rents and leases; and

we may be unable to raise additional funds as needed or on favorable terms.

If any one of these events were to occur, our business, financial condition, liquidity, results of operations, AFFO and prospects, as well as our ability to satisfy all of our debt obligations,

Table of Contents

including those under the notes, could be materially and adversely affected. Furthermore, foreclosures could create taxable income without accompanying cash proceeds, a circumstance which could hinder the Company's ability to meet the REIT distribution requirements imposed by the Internal Revenue Code of 1986, as amended (the "Code").

**The effective subordination of the notes may limit our ability to meet all of our debt service obligations, including those under the notes.**

The notes will be our unsecured and unsubordinated obligations and will rank equally in right of payment with each other and with all of our unsecured and unsubordinated indebtedness. However, the notes will be effectively subordinated in right of payment to all of our secured indebtedness to the extent of the value of the collateral securing such indebtedness. While the indenture governing the notes will limit our ability to incur secured indebtedness in the future, it will not prohibit us from incurring such indebtedness if we and our subsidiaries are in compliance with certain financial ratios and other requirements at the time of its incurrence. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to us, the holders of any secured indebtedness will be entitled to proceed directly against the collateral that secures the secured indebtedness. Therefore, such collateral will not be available for satisfaction of any amounts owed under our unsecured indebtedness, including the notes, until such secured indebtedness is satisfied in full.

The notes also will be effectively subordinated to all liabilities, whether secured or unsecured, and any preferred equity of our subsidiaries, which is particularly important since we have no significant operations or assets other than our equity interests in our subsidiaries. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to any of our subsidiaries, we, as a common equity owner of such subsidiary, and therefore holders of our debt, including the notes, will be subject to the prior claims of such subsidiary's creditors, including trade creditors, and preferred equity holders. Furthermore, while the indenture governing the notes will limit the ability of our subsidiaries to incur additional indebtedness in the future, it will not prohibit our subsidiaries from incurring such indebtedness if we and our subsidiaries are in compliance with certain financial ratios and other requirements at the time of its incurrence.

**We may not be able to generate sufficient cash flow to meet all of our debt service obligations, including those under the notes.**

Our ability to meet all of our debt service obligations, including those under the notes, to refinance our indebtedness, including the notes, and to fund our operations, working capital, acquisitions, capital expenditures and other important business uses, depends on our ability to generate sufficient cash flow in the future. To a certain extent, our cash flow is subject to general economic, industry, financial, competitive, operating, legislative, regulatory and other factors, many of which are beyond our control.

We cannot assure you that our business will generate sufficient cash flow from operations or that future sources of cash will be available to us on favorable terms, or at all, in an amount sufficient to enable us to meet all of our debt service obligations, including those under the notes, or to fund our other important business uses. Additionally, if we incur additional indebtedness in connection with future acquisitions or development projects or for any other purpose, our debt service obligations could increase significantly and our ability to meet those

Table of Contents

obligations could depend, in large part, on the returns from such acquisitions or projects, as to which no assurance can be given.

We may need to refinance all or a portion of our indebtedness, including the notes, at or prior to maturity. Our ability to refinance our indebtedness or obtain additional financing will depend on, among other things:

our business, financial condition, liquidity, results of operations, AFFO and prospects and market conditions at the time; and

restrictions in the agreements governing our indebtedness.

As a result, we may not be able to refinance any of our indebtedness, including the notes, or obtain additional financing on favorable terms, or at all.

If we do not generate sufficient cash flow from operations, and additional borrowings or refinancings are not available to us, we may be unable to meet all of our debt service obligations, including those under the notes. As a result, we would be forced to take other actions to meet those obligations, such as selling properties, raising equity or delaying capital expenditures, any of which could have a material adverse effect on us. Furthermore, we cannot assure you that we will be able to effect any of these actions on favorable terms, or at all.

**Despite our substantial outstanding indebtedness, we may still incur significantly more indebtedness in the future, which would exacerbate any or all of the risks described above.**

We may be able to incur substantial additional indebtedness in the future. Although the agreements governing our indebtedness do, and the indenture governing the notes will, limit our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and exceptions and, under certain circumstances, debt incurred in compliance with these restrictions could be substantial. To the extent that we incur substantial additional indebtedness in the future, the risks associated with our substantial leverage described above, including our inability to meet all of our debt service obligations, including those under the notes, would be exacerbated.

**The indenture governing the notes will contain restrictive covenants that restrict our ability to expand or fully pursue our business strategies.**

The indenture governing the notes will contain financial and operating covenants that, among other things, will restrict our ability to take specific actions, even if we believe them to be in our best interest, including (subject to various exceptions) restrictions on our ability to consummate a merger, consolidation or a transfer of all or substantially all of our consolidated assets to another person.

In addition, our current debt agreements require us to meet specified financial ratios and the indenture governing the notes will require us to limit the amount of our total debt and the amount of our secured debt before incurring new debt, to maintain at all times a specified ratio of unencumbered assets to unsecured debt and to meet a debt service coverage ratio before incurring new debt. These covenants may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with these and other provisions of our debt agreements may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events

Table of Contents

beyond our control. The breach of any of these covenants could result in a default under our indebtedness, which could result in the acceleration of the maturity of such indebtedness and potentially other indebtedness. If any of our indebtedness is accelerated prior to maturity, we may not be able to repay such indebtedness or refinance such indebtedness on favorable terms, or at all.

**There is no prior market for the notes, so if an active trading market does not develop or is not maintained for the notes, you may not be able to resell them on favorable terms when desired, or at all.**

Prior to this offering, there was no market for the notes and we cannot assure you that an active trading market will ever develop for the notes or, if one develops, will be maintained. Furthermore, we do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have informed us that they currently intend to make a market in the notes after this offering is completed. However, the underwriters may cease their market making at any time without notice to or the consent of existing noteholders. The lack of a trading market could adversely affect your ability to sell the notes when desired, or at all, and the price at which you may be able to sell the notes. The liquidity of the trading market, if any, and future market prices of the notes will depend on many factors, including, among other things, prevailing interest rates, our business, financial condition, liquidity, results of operations, AFFO and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. It is possible that the market for the notes will be subject to disruptions which may have a negative effect on the holders of the notes, regardless of our business, financial condition, liquidity, results of operations, AFFO or prospects.

**The market price for the notes may be volatile.**

The market price of the notes may be highly volatile and be subject to wide fluctuations. The market price of the note may fluctuate as a result of factors that are beyond our control or unrelated to our historical and projected business, financial condition, liquidity, results of operations, AFFO and prospects. It is impossible to assure investors that the market price of the notes will not fall in the future, and it may be difficult for investors to resell the notes at prices they find attractive, or at all.

**An increase in interest rates could result in a decrease in the market value of the notes.**

In general, as market interest rates rise, notes bearing interest at a fixed rate generally decline in value. Consequently, if you purchase these notes and market interest rates increase, the market price of your notes is likely to decline. We cannot predict the future level of market interest rates.

**An adverse action to our credit ratings could have a materially adverse effect on us and the market price of the notes.**

The credit ratings assigned to the notes could change based upon, among other things, our historical and projected business, financial condition, liquidity, results of operations, AFFO and prospects. These ratings are subject to ongoing evaluation by credit rating agencies, and we cannot assure you that any rating will not be changed or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant. Moreover, these credit ratings are not

Table of Contents

recommendations to buy, sell or hold the notes or any other securities. If any of the credit rating agencies that have rated the notes downgrades or lowers its credit rating, or if any credit rating agency indicates that it has placed any such rating on a so-called "watch list" for a possible downgrading or lowering or otherwise indicates that its outlook for that rating is negative, it could have a material adverse effect on the market price of the notes and our costs and availability of capital, which could in turn have a material adverse effect on us and on our ability to satisfy our debt service obligations, including those under the notes, and to make dividends and distributions on the Company's common stock and the market price of the notes.

**The unaudited pro forma consolidated financial information included and incorporated by reference in this prospectus supplement and the accompanying prospectus do not purport to be indicative of our results of operations or financial condition following the Merger and, the purchase price of the assets we acquired in the Merger may not reflect the prices that we would obtain if such assets were sold to a third party.**

The unaudited pro forma consolidated financial information included and incorporated by reference in this prospectus supplement and the accompanying prospectus has been presented for informational purposes only and is not necessarily indicative of what our actual financial position or results of operations would have been had the Merger with CPA®:16 Global been completed as of the date indicated, nor is it indicative of our future results of operations or financial condition.

The unaudited pro forma consolidated financial information does not reflect certain future events that have occurred or may occur as a result of the Merger, and does not consider potential impacts of current market conditions on revenues or expense efficiencies. This unaudited pro forma combined financial is subject to numerous assumptions, estimates and other uncertainties and, as discussed under "Unaudited pro forma consolidated financial information" in this prospectus supplement, it is likely that actual results and effects of the merger may differ, perhaps substantially, from our assumptions and estimates. We can provide no assurance that any or all of such assumptions or estimates are correct.

Table of Contents**Our portfolio***Geographic diversification*

Information regarding the geographic diversification of the Combined Company's net-leased properties at December 31, 2013 on a pro rata basis is set forth below:

**Portfolio diversification by geography**

(in thousands, except percentages)

| Region                     | Square        |               | Total portfolio   |               | Square        |               | Unencumbered portfolio |               |
|----------------------------|---------------|---------------|-------------------|---------------|---------------|---------------|------------------------|---------------|
|                            | footage       | Percent       | ABR               | Percent       | footage       | Percent       | ABR                    | Percent       |
| <b>U.S.</b>                |               |               |                   |               |               |               |                        |               |
| South                      | 17,443        | 20.7%         | \$ 124,571        | 18.9%         | 7,751         | 33.3%         | \$ 44,124              | 28.9%         |
| East                       | 17,138        | 20.3%         | 121,097           | 18.4%         | 5,238         | 22.5%         | 34,736                 | 22.7%         |
| West                       | 12,088        | 14.3%         | 119,225           | 18.1%         | 3,582         | 15.4%         | 19,725                 | 12.9%         |
| Midwest                    | 12,945        | 15.4%         | 82,844            | 12.6%         | 3,815         | 16.4%         | 23,977                 | 15.7%         |
| <b>U.S. Total</b>          | <b>59,614</b> | <b>70.7%</b>  | <b>447,737</b>    | <b>68.0%</b>  | <b>20,386</b> | <b>87.5%</b>  | <b>122,562</b>         | <b>80.3%</b>  |
| <b>International</b>       |               |               |                   |               |               |               |                        |               |
| Germany                    | 7,079         | 8.4%          | 69,321            | 10.5%         | 1,580         | 6.8%          | 14,308                 | 9.4%          |
| France                     | 8,780         | 10.4%         | 54,613            | 8.3%          | 242           | 1.0%          | 1,812                  | 1.2%          |
| Finland                    | 2,403         | 2.9%          | 33,692            | 5.1%          | 184           | 0.8%          | 4,055                  | 2.7%          |
| Poland                     | 1,827         | 2.2%          | 18,596            | 2.8%          | 0             | 0.0%          | 0                      | 0.0%          |
| Other <sup>(1)</sup>       | 4,601         | 5.5%          | 34,620            | 5.3%          | 909           | 3.9%          | 9,971                  | 6.5%          |
| <b>International Total</b> | <b>24,690</b> | <b>29.3%</b>  | <b>210,842</b>    | <b>32.0%</b>  | <b>2,915</b>  | <b>12.5%</b>  | <b>30,146</b>          | <b>19.7%</b>  |
| <b>Total</b>               | <b>84,304</b> | <b>100.0%</b> | <b>\$ 658,579</b> | <b>100.0%</b> | <b>23,301</b> | <b>100.0%</b> | <b>\$ 152,708</b>      | <b>100.0%</b> |

(1) Includes assets in the United Kingdom, the Netherlands, Hungary, Spain, Belgium, Sweden, Canada, Mexico, Thailand, Malaysia and Japan.



Table of Contents*Property diversification*

Information regarding the property diversification of the Combined Company's net-leased properties at December 31, 2013 on a pro rata basis is set forth below:

**Portfolio diversification by property type**

(in thousands, except percentages)

| Property type                   | Square        |               | Total portfolio   |               | Square        |               | Unencumbered portfolio |               |
|---------------------------------|---------------|---------------|-------------------|---------------|---------------|---------------|------------------------|---------------|
|                                 | footage       | Percent       | ABR               | Percent       | footage       | Percent       | ABR                    | Percent       |
| Office                          | 10,928        | 13.0%         | \$ 176,244        | 26.8%         | 2,384         | 10.2%         | \$ 31,831              | 20.8%         |
| Industrial                      | 31,920        | 37.9%         | 170,440           | 25.9%         | 10,375        | 44.5%         | 51,785                 | 33.9%         |
| Warehouse /<br>Distribution     | 24,694        | 29.3%         | 126,106           | 19.1%         | 4,107         | 17.6%         | 19,348                 | 12.7%         |
| Retail                          | 7,739         | 9.2%          | 90,678            | 13.8%         | 586           | 2.5%          | 3,273                  | 2.1%          |
| Self Storage                    | 5,143         | 6.1%          | 28,738            | 4.4%          | 5,143         | 22.1%         | 28,738                 | 18.8%         |
| Other Properties <sup>(1)</sup> | 3,880         | 4.6%          | 66,373            | 10.1%         | 706           | 3.0%          | 17,733                 | 11.6%         |
| <b>Total</b>                    | <b>84,304</b> | <b>100.0%</b> | <b>\$ 658,579</b> | <b>100.0%</b> | <b>23,301</b> | <b>100.0%</b> | <b>\$ 152,708</b>      | <b>100.0%</b> |

(1) Includes hospitality, education, sports, theater, residential and unoccupied land.

Table of Contents*Tenant industry information*

Information regarding the tenant industry diversification of the Combined Company's net-leased properties at December 31, 2013 on a pro rata basis is set forth below:

**Portfolio diversification by tenant industry**

(in thousands, except percentages)

| Industry type <sup>(1)</sup>                | Square        |               | Total portfolio   |               | Square        |               | Unencumbered portfolio |               |
|---|---------------|---------------|-------------------|---------------|---------------|---------------|------------------------|---------------|
|   | footage       | Percent       | ABR               | Percent       | footage       | Percent       | ABR                    | Percent       |
| Retail Trade                                | 17,165        | 20.4%         | \$ 132,701        | 20.1%         | 644           | 2.8%          | \$ 3,639               | 2.4%          |
| Electronics                                 | 4,967         | 5.9%          | 66,140            | 10.0%         | 1,118         | 4.8%          | 9,926                  | 6.5%          |
| Chemicals, Plastics, Rubber and Glass       | 6,428         | 7.6%          | 36,827            | 5.6%          | 1,437         | 6.2%          | 8,593                  | 5.6%          |
| Automobile                                  | 6,268         | 7.4%          | 34,638            | 5.3%          | 2,347         | 10.1%         | 11,901                 | 7.8%          |
| Business and Commercial Services            | 2,542         | 3.0%          | 34,380            | 5.2%          | 207           | 0.9%          | 2,336                  | 1.5%          |
| Healthcare, Education and Childcare         | 2,757         | 3.3%          | 34,055            | 5.2%          | 852           | 3.7%          | 7,984                  | 5.2%          |
| Construction and Building                   | 8,045         | 9.5%          | 29,953            | 4.5%          | 2,655         | 11.4%         | 11,018                 | 7.2%          |
| Beverages, Food and Tobacco                 | 4,328         | 5.1%          | 27,642            | 4.2%          | 784           | 3.4%          | 3,917                  | 2.6%          |
| Media: Printing and Publishing              | 2,759         | 3.3%          | 25,001            | 3.8%          | 511           | 2.2%          | 2,944                  | 1.9%          |
| Hotels and Gaming                           | 1,089         | 1.3%          | 22,976            | 3.5%          | 53            | 0.2%          | 6,876                  | 4.5%          |
| Telecommunications                          | 1,495         | 1.8%          | 21,123            | 3.2%          | 632           | 2.7%          | 7,620                  | 5.0%          |
| Leisure, Amusement and Entertainment        | 1,114         | 1.3%          | 20,963            | 3.2%          | 375           | 1.6%          | 7,050                  | 4.6%          |
| Machinery                                   | 2,955         | 3.5%          | 20,937            | 3.2%          | 1,895         | 8.1%          | 15,731                 | 10.3%         |
| Transportation Cargo                        | 2,197         | 2.6%          | 20,099            | 3.1%          | 426           | 1.8%          | 1,928                  | 1.3%          |
| Buildings and Real Estate                   | 3,343         | 4.0%          | 18,679            | 2.8%          | 3,343         | 14.3%         | 18,679                 | 12.2%         |
| Federal, State and Local Government         | 628           | 0.7%          | 16,333            | 2.5%          | 254           | 1.1%          | 4,864                  | 3.2%          |
| Consumer Non-Durable Good                   | 2,881         | 3.4%          | 15,762            | 2.4%          | 130           | 0.6%          | 1,074                  | 0.7%          |
| Insurance                                   | 1,060         | 1.3%          | 13,029            | 2.0%          | 132           | 0.6%          | 1,883                  | 1.2%          |
| Grocery                                     | 1,198         | 1.4%          | 12,387            | 1.9%          | 246           | 1.1%          | 2,203                  | 1.4%          |
| Transportation Personal                     | 1,825         | 2.2%          | 10,266            | 1.6%          | 1,825         | 7.8%          | 10,266                 | 6.7%          |
| Aerospace and Defense                       | 1,101         | 1.3%          | 8,583             | 1.3%          | 448           | 1.9%          | 2,327                  | 1.5%          |
| Textiles, Leather and Apparel               | 2,006         | 2.4%          | 8,196             | 1.2%          | 707           | 3.0%          | 4,072                  | 2.7%          |
| Mining, Metals and Primary Metal Industries | 1,455         | 1.7%          | 7,886             | 1.2%          | 344           | 1.5%          | 1,308                  | 0.9%          |
| Other <sup>(2)</sup>                        | 3,298         | 3.9%          | 20,023            | 3.0%          | 1,369         | 5.9%          | 4,569                  | 3.0%          |
| Vacant                                      | 1,400         | 1.7%          |                   | 0.0%          | 567           | 2.4%          |                        | 0.0%          |
| <b>Total</b>                                | <b>84,304</b> | <b>100.0%</b> | <b>\$ 658,579</b> | <b>100.0%</b> | <b>23,301</b> | <b>100.0%</b> | <b>\$ 152,708</b>      | <b>100.0%</b> |

(1) Based on the Moody's Classification System and information provided by the tenant.

(2) Includes rent from tenants in the following industries: consumer and durable goods; banking; forest products and paper; consumer services; utilities; and multi-tenant properties.

Table of Contents*Top ten tenants*

Information regarding the Combined Company's top ten tenants at December 31, 2013 on a pro rata basis is set forth below:

**Top tenants total portfolio**

(in thousands, except percentages)

| Tenant   | Square<br>footage | Percent of<br>total | ABR               | Percent of<br>total |
|--|-------------------|---------------------|-------------------|---------------------|
| Hellweg Die Profi-Baumarkte GmbH Und Co. KG        | 3,507             | 4.2%                | \$ 42,411         | 6.4%                |
| Carrefour France SAS                               | 6,265             | 7.4%                | 33,433            | 5.1%                |
| U-Haul Moving Partners Inc. / Mercury Partners, LP | 5,143             | 6.1%                | 28,738            | 4.4%                |
| OBI Group  | 1,827             | 2.2%                | 18,596            | 2.8%                |
| Marcourt Investments Inc. (Marriott Corporation)   | 1,036             | 1.2%                | 16,100            | 2.4%                |
| UTI Holdings, Inc.                                 | 1,096             | 1.3%                | 14,514            | 2.2%                |
| True Value Company                                 | 3,628             | 4.3%                | 14,486            | 2.2%                |
| Advanced Micro Devices                             | 362               | 0.4%                | 11,944            | 1.8%                |
| The New York Times Company                         | 321               | 0.4%                | 11,552            | 1.8%                |
| Dick's Sporting Goods, Inc.                        | 1,169             | 1.4%                | 11,538            | 1.8%                |
| <b>Total</b>                                       | <b>24,354</b>     | <b>28.9%</b>        | <b>\$ 203,312</b> | <b>30.9%</b>        |

*Rent escalations*

Information regarding the rent escalations in the leases of the Combined Company's net-leased properties at December 31, 2013 on a pro rata basis is set forth below:

**Contractual rent increases**

(in thousands, except percentages)

| Increase type        | Square        |               | Total portfolio   |               | Square        |               | Unencumbered portfolio |               |
|----------------------|---------------|---------------|-------------------|---------------|---------------|---------------|------------------------|---------------|
|                      | footage       | Percent       | ABR               | Percent       | footage       | Percent       | ABR                    | Percent       |
| CPI Uncapped         | 36,805        | 43.7%         | \$ 286,312        | 43.5%         | 10,939        | 46.9%         | \$ 68,075              | 44.6%         |
| Fixed                | 22,083        | 26.2%         | 166,335           | 25.3%         | 4,992         | 21.4%         | 37,978                 | 24.9%         |
| CPI Capped           | 20,577        | 24.4%         | 166,947           | 25.3%         | 5,863         | 25.2%         | 38,609                 | 25.3%         |
| Other <sup>(1)</sup> | 1,342         | 1.6%          | 22,203            | 3.4%          | 211           | 0.9%          | 4,502                  | 2.9%          |
| None                 | 2,097         | 2.5%          | 16,782            | 2.5%          | 729           | 3.1%          | 3,544                  | 2.3%          |
| Vacant               | 1,400         | 1.7%          |                   | 0.0%          | 567           | 2.4%          |                        | 0.0%          |
| <b>Total</b>         | <b>84,304</b> | <b>100.0%</b> | <b>\$ 658,579</b> | <b>100.0%</b> | <b>23,301</b> | <b>100.0%</b> | <b>\$ 152,708</b>      | <b>100.0%</b> |

(1) Includes additional rent based upon tenant revenue.

Table of Contents*Lease maturity*

Information regarding the Combined Company's lease maturities at December 31, 2013 on a pro rata basis is set forth below:

**Lease maturity schedule**

(in thousands, except percentages)

| Year of lease expiration <sup>(1)</sup> | Square footage |               | Total portfolio   |               | Square footage |               | Unencumbered portfolio |               |
|---|----------------|---------------|-------------------|---------------|----------------|---------------|------------------------|---------------|
|   | Percent        | ABR           | Percent           | ABR           | Percent        | ABR           | Percent                |               |
| 2014                                    | 1,327          | 1.6%          | \$ 12,745         | 1.9%          | 225            | 1.0%          | \$ 1,812               | 1.2%          |
| 2015                                    | 8,489          | 10.1%         | 55,904            | 8.5%          | 580            | 2.5%          | 2,922                  | 1.9%          |
| 2016                                    | 3,186          | 3.8%          | 28,329            | 4.3%          | 1,339          | 5.7%          | 10,403                 | 6.8%          |
| 2017                                    | 3,209          | 3.8%          | 19,738            | 3.0%          | 1,083          | 4.6%          | 5,810                  | 3.8%          |
| 2018                                    | 2,752          | 3.3%          | 31,183            | 4.7%          | 2,116          | 9.1%          | 13,151                 | 8.6%          |
| 2019                                    | 4,110          | 4.9%          | 45,189            | 6.9%          | 611            | 2.6%          | 2,964                  | 1.9%          |
| 2020                                    | 4,227          | 5.0%          | 35,470            | 5.4%          | 1,784          | 7.7%          | 7,855                  | 5.1%          |
| 2021                                    | 7,606          | 9.0%          | 48,486            | 7.4%          | 2,022          | 8.7%          | 11,341                 | 7.4%          |
| 2022                                    | 8,694          | 10.3%         | 61,856            | 9.4%          | 2,206          | 9.5%          | 11,598                 | 7.6%          |
| 2023                                    | 5,451          | 6.5%          | 47,730            | 7.2%          | 1,151          | 4.9%          | 9,275                  | 6.1%          |
| 2024                                    | 12,497         | 14.8%         | 86,493            | 13.1%         | 5,942          | 25.5%         | 31,128                 | 20.4%         |
| 2025                                    | 2,016          | 2.4%          | 16,329            | 2.5%          | 165            | 0.7%          | 1,248                  | 0.8%          |
| 2026                                    | 2,707          | 3.2%          | 19,862            | 3.0%          | 317            | 1.4%          | 2,046                  | 1.3%          |
| 2027                                    | 5,592          | 6.6%          | 37,954            | 5.8%          | 1,393          | 6.0%          | 13,729                 | 9.0%          |
| Thereafter                              | 11,041         | 13.1%         | 111,311           | 16.9%         | 1,800          | 7.7%          | 27,426                 | 18.0%         |
| Vacant                                  | 1,400          | 1.7%          |                   | 0.0%          | 567            | 2.4%          |                        | 0.0%          |
| <b>Total</b>                            | <b>84,304</b>  | <b>100.0%</b> | <b>\$ 658,579</b> | <b>100.0%</b> | <b>23,301</b>  | <b>100.0%</b> | <b>\$ 152,708</b>      | <b>100.0%</b> |

(1) Assumes tenant does not exercise renewal option.

Table of Contents*Debt maturity*

Information regarding the Combined Company's debt maturities at December 31, 2013 on a pro rata basis is set forth below:

**Debt Maturity Schedule**

*(in thousands, except number of properties and percentages)*

| <b>Year of Maturity</b> | <b>Number of Properties</b> | <b>ABR</b> | <b>Balloon Payments</b> | <b>Other Principal Payments</b> | <b>Pro Rata Outstanding Balance</b> | <b>Weighted Average Interest Rate<sup>(1)</sup></b> |
|-------------------------|-----------------------------|------------|-------------------------|---------------------------------|-------------------------------------|---|
| 2014                    | 24                          | \$ 48,632  | \$ 276,952              | \$ 9,190                        | \$ 286,142                          | 4.23%   |
| 2015                    | 37                          | 45,726     | 262,858                 | 6,231                           | 269,089                             | 4.88%   |
| 2016                    | 107                         | 42,222     | 253,291                 | 19,462                          | 272,753                             | 5.74%   |
| 2017                    | 92                          | 103,388    | 659,503                 | 15,481                          | 674,984                             | 5.18%   |
| 2018                    | 36                          | 55,222     | 288,452                 | 52,491                          | 340,943                             | 5.28%   |
| 2019                    | 11                          | 16,511     | 51,450                  | 17,716                          | 69,166                              | 6.16%   |
| 2020                    | 22                          | 38,985     | 204,635                 | 45,821                          | 250,456                             | 5.21%   |
| 2021                    | 12                          | 20,846     | 90,874                  | 32,704                          |                                     |   |