

REALTY INCOME CORP  
Form 10-K  
February 11, 2016  
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**UNITED STATES**

**SECURITIES AND EXCHANGE COMMISSION**

**Washington, DC 20549**

**FORM 10-K**

**ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(D)**

**OF THE SECURITIES EXCHANGE ACT OF 1934**

**For the Fiscal Year Ended December 31, 2015**

**Commission File Number 1-13374**

**REALTY INCOME CORPORATION**

(Exact name of registrant as specified in its charter)

Maryland  
(State or Other Jurisdiction of  
Incorporation or Organization)

**33-0580106**  
(IRS Employer  
Identification Number)

11995 El Camino Real, San Diego, California, 92130

(Address of Principal Executive Offices)

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Registrant's telephone number, including area code: (858) 284-5000

Securities registered pursuant to Section 12 (b) of the Act:

Title of Each Class	Name of Each Exchange On Which Registered
Common Stock, \$0.01 Par Value	New York Stock Exchange
Class F Preferred Stock, \$0.01 Par Value	New York Stock Exchange

Securities registered pursuant to Section 12 (g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. YES  NO

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. YES  NO

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). YES  NO

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act.

Large accelerated filer  Accelerated filer  Non-accelerated filer  Smaller reporting company

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Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES  NO

At June 30, 2015, the aggregate market value of the Registrant's shares of common stock, \$0.01 par value, held by non-affiliates of the Registrant was \$10.4 billion based upon the last reported sale price of \$44.39 per share on the New York Stock Exchange on June 30, 2015, the last business day of the Registrant's most recently completed second fiscal quarter.

At January 29, 2016, the number of shares of common stock outstanding was 250,538,261 and the number of shares of Class F Cumulative Redeemable Preferred Stock outstanding was 16,350,000.

**DOCUMENTS INCORPORATED BY REFERENCE**

Part III, Items 10, 11, 12, 13, and 14 incorporate by reference certain specific portions of the definitive Proxy Statement for Realty Income Corporation's Annual Meeting to be held on May 17, 2016, to be filed pursuant to Regulation 14A. Only those portions of the proxy statement which are specifically incorporated by reference herein shall constitute a part of this annual report.

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**PART I**

**Item 1:                    Business**

**THE COMPANY**

Realty Income, The Monthly Dividend Company®, is an S&P 500 real estate company with the primary business objective of generating dependable monthly cash dividends from a consistent and predictable level of cash flow from operations. Our monthly dividends are supported by the cash flow from our property portfolio. We have in-house acquisition, portfolio management, asset management, credit research, real estate research, legal, finance and accounting, information technology, and capital markets capabilities. Over the past 47 years, Realty Income has been acquiring and managing freestanding commercial properties that generate rental revenue under long-term net lease agreements.

Realty Income (NYSE: O) was founded in 1969, and listed on the New York Stock Exchange, or NYSE, in 1994. We elected to be taxed as a real estate investment trust, or REIT, requiring us to distribute dividends to our stockholders aggregating at least 90% of our taxable income (excluding net capital gains).

We seek to increase earnings and distributions to stockholders through active portfolio management, asset management and the acquisition of additional properties.

Generally, our portfolio and asset management efforts seek to achieve:

- Contractual rent increases on existing leases;
- Rent increases at the termination of existing leases, when market conditions permit;
- Optimum exposure to certain tenants and markets through re-leasing vacant properties and selectively selling properties;
- Maximum asset-level returns on properties re-leased and/or sold;
- Optimum value of the existing portfolio by enhancing individual properties, pursuing alternative uses, and deriving ancillary revenue; and

- Investment opportunities in new asset classes for the portfolio.

At December 31, 2015, we owned a diversified portfolio:

- Of 4,538 properties;
- With an occupancy rate of 98.4%, or 4,467 properties leased and 71 properties available for lease;
- Leased to 240 different commercial tenants doing business in 47 separate industries;
- Located in 49 states and Puerto Rico;
- With over 76.0 million square feet of leasable space; and
- With an average leasable space per property of approximately 16,750 square feet; approximately 11,550 square feet per retail property and 216,550 square feet per industrial property.

Of the 4,538 properties in the portfolio, 4,519, or 99.6%, are single-tenant properties, and the remaining are multi-tenant properties. At December 31, 2015, of the 4,519 single-tenant properties, 4,448 were leased with a weighted average remaining lease term (excluding rights to extend a lease at the option of the tenant) of approximately 10.0 years.

Our ten senior officers owned 0.2% of our outstanding common stock with a market value of \$30.6 million at January 29, 2016. Our directors and ten senior officers, as a group, owned 0.3% of our outstanding common stock with a market value of \$46.5 million at January 29, 2016.

Our common stock is listed on the NYSE under the ticker symbol `O` with a CUSIP number of 756109-104. Our central index key number is 726728.

Our 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock, or the Class F preferred stock, is listed on the NYSE under the ticker symbol `OprF` with a CUSIP number of 756109-807.

In January 2016, we had 132 employees, as compared to 125 employees in January 2015.

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We maintain a corporate website at [www.realtyincome.com](http://www.realtyincome.com). On our website we make available, free of charge, copies of our annual report on Form 10-K, quarterly reports on Form 10-Q, Form 3s, Form 4s, Form 5s, current reports on Form 8-K, and amendments to those reports, as soon as reasonably practicable after we electronically file these reports with the Securities and Exchange Commission, or SEC. None of the information on our website is deemed to be part of this report.

**RECENT DEVELOPMENTS****Increases in Monthly Dividends to Common Stockholders**

We have continued our 47-year policy of paying monthly dividends. In addition, we increased the dividend five times during 2015, and two times during 2016. As of February 2016, we have paid 73 consecutive quarterly dividend increases and increased the dividend 84 times since our listing on the NYSE in 1994.

	<b>Month Declared</b>	<b>Month Paid</b>	<b>Dividend per share</b>	<b>Increase per share</b>
<b>2015 Dividend increases</b>				
1st increase	Dec 2014	Jan 2015	\$ 0.1834167	\$ 0.0003125
2nd increase	Jan 2015	Feb 2015	0.1890000	0.0055833
3rd increase	Mar 2015	Apr 2015	0.1895000	0.0005000
4th increase	Jun 2015	Jul 2015	0.1900000	0.0005000
5th increase	Sep 2015	Oct 2015	0.1905000	0.0005000
<b>2016 Dividend increases</b>				
1st increase	Dec 2015	Jan 2016	\$ 0.1910000	\$ 0.0005000
2nd increase	Jan 2016	Feb 2016	\$ 0.1985000	\$ 0.0075000

The dividends paid per share during 2015 totaled approximately \$2.2714167, as compared to approximately \$2.1916254 during 2014, an increase of \$0.0798, or 3.6%.

The monthly dividend of \$0.1985 per share represents a current annualized dividend of \$2.382 per share, and an annualized dividend yield of approximately 4.3% based on the last reported sale price of our common stock on the NYSE of \$55.79 on January 29, 2016. Although we expect to continue our policy of paying monthly dividends, we cannot guarantee that we will maintain our current level of dividends, that we will continue our pattern of increasing dividends per share, or what our actual dividend yield will be in any future period.

**Acquisitions During 2015**

During 2015, we invested \$1.26 billion in 286 new properties and properties under development or expansion, with an initial weighted average contractual lease rate of 6.6%. The 286 new properties and properties under development or expansion are located in 40 states, will contain approximately 6.2 million leasable square feet, and are 100% leased with a weighted average lease term of 16.5 years. The tenants occupying the new properties operate in 21 industries and the property types consist of 87.3% retail and 12.7% industrial, based on rental revenue. During 2015, none of our real estate investments caused any one tenant to be 10% or more of our total assets at December 31, 2015.



The estimated initial weighted average contractual lease rate for a property is generally computed as estimated contractual net operating income, which, in the case of a net leased property, is equal to the aggregate base rent for the first full year of each lease, divided by the total cost of the property. Since it is possible that a tenant could default on the payment of contractual rent, we cannot provide assurance that the actual return on the funds invested will remain at the percentages listed above.

In the case of a property under development or expansion, the contractual lease rate is generally fixed such that rent varies based on the actual total investment in order to provide a fixed rate of return. When the lease does not provide for a fixed rate of return on a property under development or expansion, the estimated initial weighted average contractual lease rate is computed as follows: estimated net operating income (determined by the lease) for the first full year of each lease, divided by our projected total investment in the property, including land, construction and capitalized interest costs. Of the \$1.26 billion we invested during 2015, \$45.8 million was invested in 35 properties under development or expansion with an estimated initial weighted average contractual lease rate of 9.7%. We may continue to pursue development or expansion opportunities under similar arrangements in the future.

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**Portfolio Discussion**

Leasing Results

At December 31, 2015, we had 71 properties available for lease out of 4,538 properties in our portfolio, which represents a 98.4% occupancy rate based on the number of properties in our portfolio. Since December 31, 2014, when we reported 70 properties available for lease out of 4,327 and a 98.4% occupancy rate, we:

- Had 283 lease expirations;
- Re-leased 253 properties; and
- Sold 29 vacant properties.

Of the 253 properties re-leased during 2015, 216 properties were re-leased to existing tenants, seven were re-leased to new tenants without vacancy, and 30 were re-leased to new tenants after a period of vacancy. The annual rent on these 253 leases was \$37.46 million, as compared to the previous rent on these same properties of \$37.12 million, which represents a rent recapture rate of 100.9% on the properties re-leased during 2015.

At December 31, 2015, our average annualized rental revenue was approximately \$13.31 per square foot on the 4,467 leased properties in our portfolio. At December 31, 2015, we classified ten properties with a carrying amount of \$9.8 million as held for sale on our balance sheet. The expected disposal of these properties does not represent a strategic shift that will have a major effect on our operations and financial results.

Investments in Existing Properties

In 2015, we capitalized costs of \$11.5 million on existing properties in our portfolio, consisting of \$748,000 for re-leasing costs, \$7.6 million for recurring capital expenditures and \$3.2 million for non-recurring building improvements. In 2014, we capitalized costs of \$6.0 million on existing properties in our portfolio.

As part of our re-leasing costs, we typically pay leasing commissions and sometimes provide tenant rent concessions. Leasing commissions are paid based on the commercial real estate industry standard and any rent concessions provided are minimal. We do not consider the collective impact of the leasing commissions or tenant rent concessions to be material to our financial position or results of operations.

The majority of our building improvements relate to roof repairs, HVAC improvements, and parking lot resurfacing and replacements. It is not customary for us to offer significant tenant improvements on our properties as tenant incentives. The amounts of our capital expenditures can vary significantly, depending on the rental market, tenant credit worthiness, the lease term and the willingness of tenants to pay higher rents over the terms of the leases.

**At-the-Market (ATM) Program**

In September 2015, we established an at the market equity distribution program, or our ATM program, pursuant to which we can offer and sell up to 12,000,000 shares of common stock to, or through a consortium of banks acting as our sales agents by means of ordinary brokers transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. During 2015, we issued 714,301 shares and raised approximately \$36.3 million under the ATM program.

**New Credit Facility**

In June 2015, we closed on a \$2.25 billion unsecured credit facility, or our new credit facility. Our new credit facility is comprised of a \$2.0 billion revolving credit facility and a \$250 million five-year unsecured term loan. As of December 31, 2015, \$1.76 billion was available on our new credit facility to fund additional acquisitions and for other general corporate purposes.

**Inclusion in S&P Indices**

In January 2015, we were added to the S&P High Yield Dividend Aristocrats® index. In April 2015, we were added to the S&P 500 index and are one of 26 REITs, and the only net lease REIT included in this index.

**Issuance of Common Stock**

In April 2015, we issued 5,500,000 shares of common stock. After underwriting discounts and other offering costs of \$1.4 million, the net proceeds of \$276.4 million were used to repay borrowings under our previous \$1.5 billion unsecured credit facility.

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In October 2015, we issued 11,500,000 shares of common stock, including 1,500,000 shares purchased by the underwriters upon the exercise of their option to purchase additional shares. After underwriting discounts and other offering costs of \$22.0 million, a portion of the net proceeds of \$517.1 million was used to repay borrowings under our new credit facility and the remaining portion was used for other general corporate purposes, including acquisitions.

**Dividend Reinvestment and Stock Purchase Plan**

Our Dividend Reinvestment and Stock Purchase Plan, or the DRSP, provides our common stockholders, as well as new investors, with a convenient and economical method of purchasing our common stock and reinvesting their distributions. The DRSP also allows our current stockholders to buy additional shares of common stock by reinvesting all or a portion of their distributions. The DRSP authorizes up to 26,000,000 common shares to be issued. In 2013, we revised our DRSP so that we would pay for a majority of the plan-related fees, which were previously paid by investors, and to institute a waiver approval process, allowing larger investors or institutions, per a formal approval process, to purchase shares at a small discount, if approved by us. During 2015, we issued 7,608,354 shares and raised approximately \$363.0 million under the DRSP, of which 7,413,207 shares and \$353.7 million was raised under the waiver approval process.

**Net Income Available to Common Stockholders**

Net income available to common stockholders was \$256.7 million in 2015, compared to \$227.6 million in 2014, an increase of \$29.1 million. On a diluted per common share basis, net income was \$1.09 in 2015, as compared to \$1.04 in 2014, an increase of \$0.05, or 4.8%. Net income available to common stockholders for 2014 includes a non-cash redemption charge of \$6.0 million on the shares of Class E preferred stock that were redeemed in October 2014, which represents \$0.03 on a diluted per common share basis. This charge is for the excess of redemption value over the carrying value of the Class E preferred stock and represents the original issuance cost that was paid in 2006.

The calculation to determine net income available to common stockholders includes impairments and/or gains from the sale of properties. The amount of impairments and/or gains varies from period to period based on the timing of property sales and can significantly impact net income available to common stockholders.

Gains from the sale of properties during 2015 were \$22.2 million, as compared to gains from the sale of properties of \$42.1 million during 2014.

**Funds from Operations (FFO) Available to Common Stockholders**

In 2015, our FFO increased by \$89.5 million, or 15.9%, to \$652.4 million, compared to \$562.9 million in 2014. On a diluted per common share basis, FFO was \$2.77 in 2015, compared to \$2.58 in 2014, an increase of \$0.19, or 7.4%. Our FFO in 2014 included a non-cash redemption charge of \$6.0 million on the shares of Class E preferred stock that were redeemed in October 2014, which represents \$0.03 on a diluted per common share basis.

**Adjusted Funds from Operations (AFFO) Available to Common Stockholders**

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In 2015, our AFFO increased by \$85.3 million, or 15.2%, to \$647.0 million versus \$561.7 million in 2014. On a diluted per common share basis, AFFO was \$2.74 in 2015, compared to \$2.57 in 2014, an increase of \$0.17, or 6.6%.

See our discussion of FFO and AFFO (which are not financial measures under generally accepted accounting principles, or GAAP), later in the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations, in this annual report, which includes a reconciliation of net income available to common stockholders to FFO and AFFO.

### **Dividend Policy**

Distributions are paid monthly to holders of shares of our common stock and Class F preferred stock if, and when, declared by our Board of Directors.

Distributions are paid monthly to the limited partners holding common units of Tau Operating Partnership, L.P. and Realty Income, L.P., each on a per unit basis that is generally equal to the amount paid per share to our common stockholders.

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In order to maintain our status as a REIT for federal income tax purposes, we generally are required to distribute dividends to our stockholders aggregating annually at least 90% of our taxable income (excluding net capital gains), and we are subject to income tax to the extent we distribute less than 100% of our taxable income (including net capital gains). In 2015, our cash distributions to preferred and common stockholders totaled \$560.3 million, or approximately 136.9% of our estimated taxable income of \$409.4 million. Our estimated taxable income reflects non-cash deductions for depreciation and amortization. Our estimated taxable income is presented to show our compliance with REIT dividend requirements and is not a measure of our liquidity or operating performance. We intend to continue to make distributions to our stockholders that are sufficient to meet this dividend requirement and that will reduce or eliminate our exposure to income taxes. Furthermore, we believe our funds from operations are sufficient to support our current level of cash distributions to our stockholders. Our cash distributions to common stockholders in 2015 totaled \$533.2 million, representing 82.4% of our adjusted funds from operations available to common stockholders of \$647.0 million. In comparison, our 2014 cash distributions to common stockholders totaled \$479.3 million, representing 85.3% of our adjusted funds from operations available to common stockholders of \$561.7 million.

The Class F preferred stockholders receive cumulative distributions at a rate of 6.625% per annum on the \$25.00 per share liquidation preference (equivalent to \$1.65625 per annum per share). Dividends on our Class F preferred stock are current.

Future distributions will be at the discretion of our Board of Directors and will depend on, among other things, our results of operations, FFO, AFFO, cash flow from operations, financial condition, capital requirements, the annual distribution requirements under the REIT provisions of the Internal Revenue Code of 1986, as amended, or the Code, our debt service requirements, and any other factors the Board of Directors may deem relevant. In addition, our new credit facility contains financial covenants that could limit the amount of distributions payable by us in the event of a default, and which prohibit the payment of distributions on the common or preferred stock in the event that we fail to pay when due (subject to any applicable grace period) any principal or interest on borrowings under our new credit facility.

Distributions of our current and accumulated earnings and profits for federal income tax purposes generally will be taxable to stockholders as ordinary income, except to the extent that we recognize capital gains and declare a capital gains dividend, or that such amounts constitute qualified dividend income subject to a reduced rate of tax. The maximum tax rate of non-corporate taxpayers for qualified dividend income is generally 20%. In general, dividends payable by REITs are not eligible for the reduced tax rate on qualified dividend income, except to the extent that certain holding requirements have been met with respect to the REIT's stock and the REIT's dividends are attributable to dividends received from certain taxable corporations (such as our taxable REIT subsidiaries) or to income that was subject to tax at the corporate or REIT level (for example, if we distribute taxable income that we retained and paid tax on in the prior taxable year).

Distributions in excess of earnings and profits generally will first be treated as a non-taxable reduction in the stockholders' basis in their stock, but not below zero. Distributions in excess of that basis generally will be taxable as a capital gain to stockholders who hold their shares as a capital asset. Approximately 23.8% of the distributions to our common stockholders, made or deemed to have been made in 2015, were classified as a return of capital for federal income tax purposes. We estimate that in 2016, between 20% and 35% of the distributions may be classified as a return of capital.

## **BUSINESS PHILOSOPHY AND STRATEGY**

### **Investment Philosophy**

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We believe that owning an actively managed, diversified portfolio of commercial properties under long-term, net leases produces consistent and predictable income. A net lease typically requires the tenant to be responsible for monthly rent and certain property operating expenses including property taxes, insurance, and maintenance. In addition, tenants of our properties typically pay rent increases based on: (1) increases in the consumer price index (typically subject to ceilings), (2) fixed increases, or (3) additional rent calculated as a percentage of the tenants' gross sales above a specified level. We believe that a portfolio of properties under long-term, net leases generally produces a more predictable income stream than many other types of real estate portfolios, while continuing to offer the potential for growth in rental income.

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Diversification is also a key component of our investment philosophy. We believe that diversification of the portfolio by tenant, industry, geography, and, to a certain extent, property type leads to more predictable investment results for our shareholders by reducing vulnerability that can come with any single concentration. Our investment efforts have led to a diversified property portfolio that, as of December 31, 2015, consisted of 4,538 properties located in 49 states and Puerto Rico, leased to 240 different commercial tenants doing business in 47 industries. Each of the 47 industries represented in our property portfolio individually accounted for no more than 10.9% of our rental revenue for the quarter ended December 31, 2015. Since 1970, our occupancy rate at the end of each year has never been below 96%. However, we cannot assure you that our future occupancy levels will continue to equal or exceed 96%.

**Investment Strategy**

Our investment strategy is to act as a source of capital to regional and national tenants by acquiring and leasing back their real estate locations. When identifying new properties for investment, we generally focus on acquiring the real estate tenants consider important to the successful operation of their business. We generally seek to acquire real estate that has the following characteristics:

- Properties that are freestanding, commercially-zoned with a single tenant;
- Properties that are in significant markets or strategic locations critical to generating revenue for regional and national tenants (i.e. they need the property in which they operate in order to conduct their business);
- Properties that we deem to be profitable for the tenants and/or can generally be characterized as important to the successful operations of the company's business;
- Properties that are located within attractive demographic areas relative to the business of our tenants, and have good visibility and easy access to major thoroughfares;
- Properties with real estate valuations that approximate replacement costs;
- Properties with rental or lease payments that approximate market rents; and
- Properties that can be purchased with the simultaneous execution or assumption of long-term, net lease agreements, offering both current income and the potential for future rent increases.

We seek to invest in industries in which several, well-organized, regional and national tenants are capturing market share through the selection of prime locations, service, quality control, economies of scale, strong consumer brands, and advertising. In addition, we frequently acquire large portfolios of single-tenant properties net leased to different tenants operating in a variety of industries. We have an internal team dedicated to sourcing such opportunities, often using our relationships with various tenants, owners/developers, and advisers to uncover and secure transactions. We also undertake thorough research and analysis to identify what we consider to be appropriate property locations, tenants, and industries for investment. This research expertise is instrumental to uncovering net lease opportunities in markets where we believe we can add value.



In selecting potential investments, we look for tenants with the following attributes:

- Tenants with reliable and sustainable cash flow;
- Tenants with revenue and cash flow from multiple sources;
- Tenants that are willing to sign a long-term lease (10 or more years); and
- Tenants that are large owners and users of real estate.

From a retail perspective, our investment strategy is to target tenants that have a service, non-discretionary, and/or low-price-point component to their business. We believe these characteristics better position tenants to operate in a variety of economic conditions and to compete more effectively with internet retailers. As a result of the execution of this strategy, over 90% of our annualized retail rental revenue is derived from tenants with a service, non-discretionary, and/or low price point component to their business. From a non-retail perspective, we target industrial properties leased to Fortune 1000, primarily investment grade rated companies. We believe rental revenue generated from businesses with these characteristics is generally more durable and stable.

After applying this investment strategy, we pursue those transactions where we can achieve an attractive investment spread over our cost of capital and favorable risk-adjusted returns.

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**Underwriting Strategy**

We believe the principal financial obligations for most of our tenants typically include their bank and other debt, payment obligations to suppliers, and real estate lease obligations. Because we typically own the land and building in which a tenant conducts its business or which are critical to the tenant's ability to generate revenue, we believe the risk of default on a tenant's lease obligation is less than the tenant's unsecured general obligations. It has been our experience that tenants must retain their profitable and critical locations in order to survive. Therefore, in the event of reorganization, they are less likely to reject a lease of a profitable or critical location because this would terminate their right to use the property. Thus, as the property owner, we believe that we will fare better than unsecured creditors of the same tenant in the event of reorganization. If a property is rejected by the tenant during reorganization, we own the property and can either lease it to a new tenant or sell the property. In addition, we believe that the risk of default on real estate leases can be further mitigated by monitoring the performance of the tenants' individual locations and considering whether to proactively sell locations that are weaker performers.

In order to be considered for acquisition, properties must meet stringent investment and credit requirements. The properties must generate attractive current yields and the tenant must meet our credit criteria. We have established a four-part analysis that examines each potential investment based on:

- Overall real estate characteristics, including property value and comparative rental rates;
- Industry, company, market conditions, and credit profile;
- Store profitability for retail locations, if profitability data is available; and
- The importance of the real estate location to the operations of the tenants' business.

Prior to entering into any transaction, our research department conducts a review of a tenant's credit quality. The information reviewed may include reports and filings, including any public credit ratings, financial statements, debt and equity analyst reports, and reviews of corporate credit spreads, stock prices, market capitalization, and other financial metrics. We conduct additional due diligence, including additional financial reviews of the tenant and a more comprehensive review of the business segment and industry in which the tenant operates. We continue to monitor our tenants' credit quality on an ongoing basis by reviewing the available information previously discussed, and providing summaries of these findings to management. We estimate that approximately 44% of our annualized rental revenue comes from properties leased to investment grade rated companies or their subsidiaries. At December 31, 2015, our top 20 tenants represent approximately 55% of our annualized revenue and eight of these tenants have investment grade credit ratings or are subsidiaries of investment grade companies.

**Asset Management Strategy**

The active management of the property portfolio is an essential component of our long-term strategy. We continually monitor our portfolio for any changes that could affect the performance of our tenants, our tenants' industries and the locations in which we have invested. We also regularly analyze our portfolio with a view towards optimizing its returns and enhancing its overall credit quality.

We regularly review and analyze:

- The quality of the underlying real estate locations;
- The performance of the various industries of our tenants; and
- The operation, management, business planning, and financial condition of our tenants.

We have an active asset management program that incorporates the sale of assets when we believe the reinvestment of the sale proceeds will:

- Generate higher returns;
- Enhance the credit quality of our real estate portfolio;
- Extend our average remaining lease term; or
- Decrease tenant or industry concentration.

At December 31, 2015, we classified ten properties with a carrying amount of \$9.8 million as held for sale on our balance sheet. For 2016, we intend to continue our active disposition efforts to further enhance our real estate portfolio and anticipate \$50 to \$75 million in property sales in 2016. We intend to invest these proceeds into new property acquisitions, if there are attractive opportunities available. However, we cannot guarantee that we will sell properties during 2016 at our estimated values or be able to invest the property sale proceeds in new properties.

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**Capital Philosophy**

Historically, we have met our long term capital needs by issuing common stock, preferred stock and long-term unsecured notes and bonds. Over the long-term, we believe that common stock should be the majority of our capital structure; however, we may issue additional preferred stock or debt securities. We may issue common stock when we believe that our share price is at a level that allows for the proceeds of any offering to be accretively invested into additional properties. In addition, we may issue common stock to permanently finance properties that were financed by our new credit facility or debt securities. However, we cannot assure you that we will have access to the capital markets at times and at terms that are acceptable to us.

Our primary cash obligations, for the current year and subsequent years, are included in the Table of Obligations, which is presented later in this section. We expect to fund our operating expenses and other short-term liquidity requirements, including property acquisitions and development costs, payment of principal and interest on our outstanding indebtedness, property improvements, re-leasing costs and cash distributions to common and preferred stockholders, primarily through cash provided by operating activities, borrowing on our new credit facility and periodically through public securities offerings.

**Conservative Capital Structure**

We believe that our stockholders are best served by a conservative capital structure. Therefore, we seek to maintain a conservative debt level on our balance sheet and solid interest and fixed charge coverage ratios. At December 31, 2015, our total outstanding borrowings of senior unsecured notes and bonds, term loans, mortgages payable and credit facility borrowings were \$4.85 billion, or approximately 26.6% of our total market capitalization of \$18.22 billion.

We define our total market capitalization at December 31, 2015 as the sum of:

- Shares of our common stock outstanding of 250,416,757, plus total common units outstanding of 648,386, multiplied by the last reported sales price of our common stock on the NYSE of \$51.63 per share on December 31, 2015, or \$12.96 billion;
- Aggregate liquidation value (par value of \$25.00 per share) of the Class F preferred stock of \$408.8 million;
- Outstanding borrowings of \$238.0 million on our new credit facility;
- Outstanding mortgages payable of \$637.7 million, excluding net mortgage premiums of \$9.1 million;
- Outstanding borrowings of \$320.0 million on our term loans; and
- Outstanding senior unsecured notes and bonds of \$3.65 billion, excluding unamortized original issuance discounts of \$13.3 million.

### **Impact of Real Estate and Credit Markets**

In the commercial real estate market, property prices generally continue to fluctuate. Likewise, during certain periods, the U.S. credit markets have experienced significant price volatility, dislocations, and liquidity disruptions, which may impact our access to and cost of capital. We continually monitor the commercial real estate and U.S. credit markets carefully and, if required, will make decisions to adjust our business strategy accordingly.

### **Universal Shelf Registration**

In December 2015, we filed a shelf registration statement with the SEC, which is effective for a term of three years and will expire in December 2018. This replaced our prior shelf registration statement. In accordance with SEC rules, the amount of securities to be issued pursuant to this shelf registration statement was not specified when it was filed and there is no specific dollar limit. The securities covered by this registration statement include (1) common stock, (2) preferred stock, (3) debt securities, (4) depositary shares representing fractional interests in shares of preferred stock, (5) warrants to purchase debt securities, common stock, preferred stock, or depositary shares, and (6) any combination of these securities. We may periodically offer one or more of these securities in amounts, prices and on terms to be announced when and if these securities are offered. The specifics of any future offerings, along with the use of proceeds of any securities offered, will be described in detail in a prospectus supplement, or other offering materials, at the time of any offering.

### **\$2.0 Billion Revolving Credit Facility**

In June 2015, we entered into a new \$2 billion unsecured revolving credit facility, which replaced our \$1.5 billion credit facility that was scheduled to expire in May 2016. The initial term of our new credit facility expires in June 2019 and includes, at our option, two six-month extensions. Our new credit facility has a \$1.0 billion accordion expansion option. Under our new credit facility, our current investment grade credit ratings provide for financing at the London Interbank Offered Rate, commonly referred to as LIBOR, plus 0.9%, with a facility commitment fee of 0.15%, for all-in drawn pricing of 1.05% over LIBOR. The borrowing rate is subject to an interest rate floor. We also have other interest rate options available to us under our new credit facility. Our new credit facility is unsecured and, accordingly, we have not pledged any assets as collateral for this obligation.

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At December 31, 2015, we had a borrowing capacity of \$1.76 billion available on our new credit facility and an outstanding balance of \$238.0 million. The interest rate on borrowings outstanding under our new credit facility, at December 31, 2015, was 1.2% per annum. We must comply with various financial and other covenants in our credit facility. At December 31, 2015, we remain in compliance with these covenants. We expect to use our new credit facility to acquire additional properties and for other general corporate purposes. Any additional borrowings will increase our exposure to interest rate risk.

We generally use our credit facility for the short-term financing of new property acquisitions. Thereafter, we generally seek to refinance those borrowings with the net proceeds of long-term or permanent financing, which may include the issuance of common stock, preferred stock or debt securities. We cannot assure you, however, that we will be able to obtain any such refinancing, or that market conditions prevailing at the time of the refinancing will enable us to issue equity or debt securities at acceptable terms.

## **Cash Reserves**

We are organized to operate as an equity REIT that acquires and leases properties and distributes to stockholders, in the form of monthly cash distributions, a substantial portion of our net cash flow generated from leases on our properties. We intend to retain an appropriate amount of cash as working capital. At December 31, 2015, we had cash and cash equivalents totaling \$40.3 million.

We believe that our cash and cash equivalents on hand, cash provided from operating activities, and borrowing capacity is sufficient to meet our liquidity needs for the next twelve months. We intend, however, to use permanent or long-term capital to fund property acquisitions and to repay future borrowings under our new credit facility.

## **Credit Agency Ratings**

The borrowing interest rates under our new credit facility are based upon our ratings assigned by credit rating agencies. We are currently assigned the following investment grade corporate credit ratings on our senior unsecured notes and bonds: Moody's Investors Service has assigned a rating of Baa1 with a stable outlook, Standard & Poor's Ratings Group has assigned a rating of BBB+ with a stable outlook to our senior notes, and Fitch Ratings has assigned a rating of BBB+ with a stable outlook.

Based on our current ratings, the current facility interest rate is LIBOR plus 0.9% with a facility commitment fee of 0.15%, for all-in drawn pricing of 1.05% over LIBOR. Our new credit facility provides that the interest rate can range between: (i) LIBOR plus 1.55% if our credit rating is lower than BBB-/Baa3 or unrated and (ii) LIBOR plus 0.85% if our credit rating is A-/A3 or higher. In addition, our credit facility provides for a facility commitment fee based on our credit ratings, which range from: (i) 0.3% for a rating lower than BBB-/Baa3 or unrated, and (ii) 0.125% for a credit rating of A-/A3 or higher.

We also issue senior debt securities from time to time and our credit ratings can impact the interest rates charged in those transactions. If our credit ratings or ratings outlook change, our cost to obtain debt financing could increase or decrease. The credit ratings assigned to us could change based upon, among other things, our results of operations and financial condition. These ratings are subject to ongoing evaluation by credit rating agencies and we cannot assure you that our ratings will not be changed or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant. Moreover, a rating is not a recommendation to buy, sell or hold our debt securities, preferred stock or common stock.

**Notes Outstanding**

As of December 31, 2015, we had \$3.65 billion of senior unsecured note and bond obligations, excluding unamortized original issuance discounts of \$13.3 million. All of our outstanding notes and bonds have fixed interest rates. Interest on all of our senior note and bond obligations is paid semiannually.

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**Mortgage Debt**

As of December 31, 2015, we had \$637.7 million of mortgages payable, all of which were assumed in connection with our property acquisitions. Additionally, at December 31, 2015, we had net premiums totaling \$9.1 million on these mortgages. We expect to pay off the mortgages payable as soon as prepayment penalties have declined to a level that would make it economically feasible to do so. During 2015, we made \$198.4 million of principal payments, including the repayment of 13 mortgages in full for \$191.0 million.

**Term Loans**

In June 2015, in conjunction with entering into our new credit facility, we entered into a \$250 million senior unsecured term loan maturing June 30, 2020. Borrowing under this term loan bears interest at LIBOR, plus 0.95%. In conjunction with this term loan, we also entered into an interest rate swap which effectively fixes our per annum interest rate on this term loan at 2.67%.

In January 2013, in conjunction with our acquisition of American Realty Capital Trust, ARCT, we entered into a \$70 million senior unsecured term loan maturing in January 2018. Borrowing under the term loan bears interest at LIBOR, plus 1.20%. In conjunction with this term loan, we also acquired an interest rate swap which effectively fixes our per annum interest rate on this term loan at 2.15%.

**No Unconsolidated Investments**

We have no unconsolidated investments, nor do we engage in trading activities involving energy or commodity contracts.

**Corporate Responsibility**

We are committed to providing an engaging, diverse, and safe work environment for our employees, to upholding our corporate responsibilities as a public company operating for the benefit of our shareholders, and to operating our company in an environmentally conscious manner. As The Monthly Dividend Company®, our mission is to provide monthly dividends to our shareholders that increase over time. How we manage and use the physical, financial and talent resources that enable us to achieve this mission, demonstrates our commitment to corporate responsibility.

*Social Responsibility and Ethics.* An extension of our mission is our commitment to being socially responsible and conducting our business according to the highest ethical standards. Our employees are awarded compensation that is in line with those of our peers and competitors, including generous healthcare benefits for employees and their families; participation in a 401(k) plan with a matching contribution by Realty Income; competitive paid time-off benefits; and an infant-at-work program for new parents. Our employees have access to members of our Board of Directors to report anonymously, if desired, any suspicion of misconduct by any member of our senior management or executive team. We also have a longstanding commitment to equal employment opportunity and adhere to all Equal Employer Opportunity Policy guidelines. We apply the principles of full and fair disclosure in all of our business dealings, as outlined in our Corporate Code of Business Ethics. We are also committed to dealing fairly with all of our customers,



suppliers, and competitors.

Realty Income and our employees have taken an active role in supporting our communities through civic involvement with charitable organizations and corporate donation. Focusing our impact on social and environmentally sustainable areas our non-profit partnerships have resulted in 600 employee volunteer hours, employee and corporate donations to fund local affordable housing, educational services to at-risk youth, funding local foodbanks, and toys for under-served children. Our dedication to be a responsible corporate citizen has a direct and positive impact in the communities in which we operate and contributes to the strength of our reputation and our financial performance.

*Corporate Governance.* We believe that a company's reputation for integrity and serving its shareholders responsibly is of utmost importance. We are committed to managing the company for the benefit of our shareholders and are focused on maintaining good corporate governance. Practices that illustrate this commitment include:

- Our Board of Directors is comprised of eight directors, seven of which are independent, non-employee directors;
- Our Board of Directors is elected on an annual basis;
- We employ a majority vote standard for uncontested elections;

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- Our Compensation Committee of the Board of Directors works with independent consultants in conducting annual compensation reviews for our key executives, and compensates each individual based on primarily reaching certain performance metrics that determine the success of our company; and
- We adhere to all other corporate governance principles outlined in our Corporate Governance Guidelines document on our website.

*Environmental Practices.* Our focus on conservationism is demonstrated by how we manage our day-to-day activities at our corporate headquarters. At our headquarters, we promote energy efficiency and encourage practices such as powering down office equipment at the end of the day, implementing file-sharing technology and automatic duplex mode to limit paper use, adopting an electronic approval system, and carpooling to our headquarters. With respect to technology, recycling and reuse practices, we encourage the use of recycled products and the recycling of materials during our operations. Cell phones, wireless devices and office equipment are recycled or donated whenever possible. In addition, our headquarters was constructed according to the State of California energy efficiency standards (specifically following California Green Building Standards Code and Title 24 of the California Code of Regulations), with features such as an automatic lighting control system with light-harvesting technology, a Building Management System that monitors and controls energy use, an energy-efficient PVC roof and heating and cooling system, and drought-tolerant landscaping with recycled materials.

The properties in our portfolio are net leased to our tenants who are responsible for maintaining the buildings and are in control of their energy usage and environmental sustainability practices. We remain active in working with our tenants to promote environmental responsibility at the properties we own.

### **PROPERTY PORTFOLIO INFORMATION**

At December 31, 2015, we owned a diversified portfolio:

- Of 4,538 properties;
- With an occupancy rate of 98.4%, or 4,467 properties leased and 71 properties available for lease;
- Leased to 240 different commercial tenants doing business in 47 separate industries;
- Located in 49 states and Puerto Rico;
- With over 76.0 million square feet of leasable space; and

- With an average leasable space per property of approximately 16,750 square feet; approximately 11,550 square feet per retail property and 216,550 square feet per industrial property.

At December 31, 2015, of our 4,538 properties, 4,467 were leased under net lease agreements. A net lease typically requires the tenant to be responsible for monthly rent and certain property operating expenses including property taxes, insurance, and maintenance. In addition, our tenants are typically subject to future rent increases based on increases in the consumer price index (typically subject to ceilings), additional rent calculated as a percentage of the tenants' gross sales above a specified level, or fixed increases.

At December 31, 2015, our 240 commercial tenants, which we define as retailers with over 50 locations and non-retailers with over \$500 million in annual revenues, represented approximately 95% of our annualized revenue. We had 279 additional tenants, representing approximately 5% of our annualized revenue at December 31, 2015, which brings our total tenant count to 519 tenants.

Table of Contents**Industry Diversification**

The following table sets forth certain information regarding Realty Income's property portfolio classified according to the business of the respective tenants, expressed as a percentage of our total rental revenue:

	Percentage of Rental Revenue(1)					
	For the Quarter Ended December 31, 2015	Dec 31, 2015	Dec 31, 2014	Dec 31, 2013	Dec 31, 2012	Dec 31, 2011
<u>Retail industries</u>						
Apparel stores	2.0%	2.0%	2.0%	1.9%	1.7%	1.4%
Automotive collision services	0.9	1.0	0.8	0.8	1.1	0.9
Automotive parts	1.5	1.4	1.3	1.2	1.0	1.2
Automotive service	1.9	1.9	1.8	2.1	3.1	3.7
Automotive tire services	2.8	2.9	3.2	3.6	4.7	5.6
Book stores	*	*	*	*	0.1	0.1
Child care	2.0	2.0	2.2	2.8	4.5	5.2
Consumer electronics	0.3	0.3	0.3	0.3	0.5	0.5
Convenience stores	8.8	9.2	10.1	11.2	16.3	18.5
Crafts and novelties	0.5	0.5	0.5	0.5	0.3	0.2
Dollar stores	8.8	8.9	9.6	6.2	2.2	-
Drug stores	10.9	10.6	9.5	8.1	3.5	3.8
Education	0.3	0.3	0.4	0.4	0.7	0.7
Entertainment	0.5	0.5	0.5	0.6	0.9	1.0
Equipment services	0.1	0.1	0.1	0.1	0.1	0.2
Financial services	1.3	1.3	1.4	1.5	0.2	0.2
General merchandise	1.5	1.4	1.2	1.1	0.6	0.6
Grocery stores	2.8	3.0	3.0	2.9	3.7	1.6
Health and fitness	8.4	7.7	7.0	6.3	6.8	6.4
Health care	1.0	1.0	1.1	1.1	-	-
Home furnishings	0.7	0.7	0.7	0.9	1.0	1.1
Home improvement	2.5	2.4	1.7	1.6	1.5	1.7
Jewelry	0.1	0.1	0.1	0.1	-	-
Motor vehicle dealerships	1.6	1.6	1.6	1.6	2.1	2.2
Office supplies	0.3	0.3	0.4	0.5	0.8	0.9
Pet supplies and services	0.7	0.7	0.7	0.8	0.6	0.7
Restaurants - casual dining	3.7	3.8	4.3	5.1	7.3	10.9
Restaurants - quick service	4.5	4.2	3.7	4.4	5.9	6.6
Shoe stores	0.5	0.5	0.1	0.1	0.1	0.2
Sporting goods	1.7	1.8	1.6	1.7	2.5	2.7
Theaters	5.0	5.1	5.3	6.2	9.4	8.8
Transportation services	0.1	0.1	0.1	0.1	0.2	0.2
Wholesale clubs	3.7	3.8	4.1	3.9	3.2	0.7
Other	*	*	*	0.1	0.1	0.1
Retail industries	81.4%	81.1%	80.4%	79.8%	86.7%	88.6%

Table of Contents**Industry Diversification (continued)**

	For the Quarter Ended December 31, 2015	Percentage of Rental Revenue(1)				
		Dec 31, 2015	Dec 31, 2014	For the Years Ended		
			Dec 31, 2013	Dec 31, 2012	Dec 31, 2011	
<u>Non-retail industries</u>						
Aerospace	1.1	1.1	1.2	1.2	0.9	0.5
Beverages	2.5	2.7	2.8	3.3	5.1	5.6
Consumer appliances	0.5	0.6	0.5	0.6	0.1	-
Consumer goods	1.0	0.9	0.9	1.0	0.1	-
Crafts and novelties	0.1	0.1	0.1	0.1	-	-
Diversified industrial	0.9	0.8	0.5	0.2	0.1	-
Electric utilities	0.1	0.1	0.1	*	-	-
Equipment services	0.3	0.4	0.5	0.4	0.3	0.2
Financial services	0.4	0.4	0.4	0.5	0.4	0.3
Food processing	1.2	1.2	1.4	1.5	1.3	0.7
General merchandise	0.3	0.3	0.3	-	-	-
Government services	1.2	1.2	1.3	1.4	0.1	0.1
Health care	0.6	0.7	0.7	0.8	*	*
Home furnishings	0.2	0.2	0.2	0.2	-	-
Insurance	0.1	0.1	0.1	0.1	*	-
Machinery	*	0.1	0.2	0.2	0.1	-
Other manufacturing	0.7	0.7	0.7	0.6	-	-
Packaging	0.8	0.8	0.8	0.9	0.7	0.4
Paper	0.1	0.1	0.1	0.2	0.1	0.1
Shoe stores	0.2	0.2	0.8	0.9	-	-
Telecommunications	0.6	0.7	0.7	0.7	0.8	0.7
Transportation services	5.5	5.3	5.1	5.3	2.2	1.6
Other	0.2	0.2	0.2	0.1	1.0	1.2
Non-retail industries	18.6%	18.9%	19.6%	20.2%	13.3%	11.4%
Totals	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

\* Less than 0.1%

(1) Includes rental revenue for all properties owned by Realty Income at the end of each period presented, including revenue from properties reclassified as discontinued operations. Excludes revenue from properties owned by Crest Net Lease, Inc., or Crest.

Table of Contents**Property Type Composition**

The following table sets forth certain property type information regarding Realty Income's property portfolio as of December 31, 2015 (dollars in thousands):

<b>Property Type</b>	<b>Number of Properties</b>	<b>Approximate Leasable Square Feet</b>	<b>Rental Revenue for the Quarter Ended December 31, 2015(1)</b>	<b>Percentage of Rental Revenue</b>
Retail	4,378	50,592,800	\$ 199,518	79.0%
Industrial (2)	101	21,871,200	32,423	12.8
Office	44	3,403,200	15,329	6.1
Agriculture	15	184,500	5,330	2.1
Totals	4,538	76,051,700	\$ 252,600	100.0%

(1) Includes rental revenue for all properties owned by Realty Income at December 31, 2015. Excludes revenue of \$63 from properties owned by Crest and \$68 from sold properties that were included in continuing operations.

(2) Includes 14 Industrial properties formerly classified as Manufacturing properties which represent approximately 2% of rental revenue for the quarter ended December 31, 2015. These properties are principally distribution facilities used for light assemblage, processing, and/or storage. We re-classified these properties to our Industrial category to better reflect their use and to clarify the categorization of our properties.

**Tenant Diversification**

The following table sets forth the largest tenants in Realty Income's property portfolio, expressed as a percentage of total rental revenue at December 31, 2015:

<b>Tenant</b>	<b>Number of Properties</b>	<b>% of Rental Revenue</b>
Walgreens	176	6.9%
FedEx	39	5.2%
Dollar General	524	4.6%
LA Fitness	46	4.2%
Dollar Tree / Family Dollar	457	4.2%
Circle K / The Pantry	302	3.0%
AMC Theaters	20	2.7%
BJ's Wholesale Clubs	15	2.6%
Diageo	17	2.4%
Regal Cinemas	23	2.1%
GPM Investments / Fas Mart	217	2.1%
Rite Aid	68	2.0%
Northern Tier Retail / SuperAmerica	134	2.0%
Life Time Fitness	9	2.0%
CVS Pharmacy	56	1.9%
TBC Corporation	149	1.7%
Walmart / Sam's Club	19	1.3%

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NPC International	202	1.3%
FreedomRoads / Camping World	18	1.2%
Smart & Final	36	1.1%

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The following table sets forth certain information regarding the 4,378 retail properties included in the 4,538 total properties owned by Realty Income at December 31, 2015, classified according to the business types and the level of services they provide at the property level (dollars in thousands):

	Number of Retail Properties	Retail Rental Revenue for the Quarter Ended December 31, 2015(1)	Percentage of Retail Rental Revenue
<b><u>Tenants Providing Services</u></b>			
Automotive collision services	49	\$ 2,367	1.2%
Automotive service	236	4,826	2.4
Child care	206	5,040	2.5
Education	15	863	0.4
Entertainment	10	1,188	0.6
Equipment services	2	310	0.2
Financial services	118	3,256	1.6
Health and fitness	87	21,232	10.7
Health care	26	1,093	0.6
Theaters	45	12,691	6.4
Transportation services	2	229	0.1
Other	8	70	*
	804	53,165	26.7
<b><u>Tenants Selling Goods and Services</u></b>			
Automotive parts (with installation)	63	1,504	0.8
Automotive tire services	186	7,124	3.6
Convenience stores	762	22,210	11.1
Motor vehicle dealerships	22	4,047	2.0
Pet supplies and services	13	735	0.4
Restaurants - casual dining	298	8,714	4.4
Restaurants - quick service	498	11,463	5.7
	1,842	55,797	28.0
<b><u>Tenants Selling Goods</u></b>			
Apparel stores	28	5,067	2.5
Automotive parts	78	2,170	1.1
Book stores	1	104	*
Consumer electronics	7	803	0.4
Crafts and novelties	11	1,175	0.6
Dollar stores	981	22,120	11.1
Drug stores	293	26,119	13.1
General merchandise	71	3,666	1.8
Grocery stores	70	7,110	3.5
Home furnishings	59	1,744	0.9
Home improvement	54	5,605	2.8
Jewelry	4	175	0.1
Office supplies	9	765	0.4
Shoe stores	2	176	0.1
Sporting goods	32	4,390	2.2
Wholesale clubs	32	9,367	4.7
	1,732	90,556	45.3
Total Retail Properties	4,378	\$ 199,518	100.0%

\* Less than 0.1%

(1) Includes rental revenue for all retail properties owned by Realty Income at December 31, 2015. Excludes revenue of \$53,085 from non-retail properties, \$63 from properties owned by Crest and \$68 from sold properties that were included in continuing operations.





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**Lease Expirations**

The following table sets forth certain information regarding Realty Income's property portfolio regarding the timing of the lease term expirations (excluding rights to extend a lease at the option of the tenant) on our 4,448 net leased, single-tenant properties as of December 31, 2015 (dollars in thousands):

Year	Total Portfolio(1)			Initial Expirations(3)			Subsequent Expirations(4)				
	Number of Leases Expiring		Approx. Leasable Sq. Feet	Rental Revenue for the Quarter Ended Dec 31, 2015 (2)	% of Total Rental Revenue	Number of Leases Expiring	Rental Revenue for the Quarter Ended Dec 31, 2015	% of Total Rental Revenue	Number of Leases Expiring	Rental Revenue for the Quarter Ended Dec 31, 2015	% of Total Rental Revenue
2016	146	-	913,200	\$ 3,315	1.3%	63	\$ 1,295	0.5%	83	\$ 2,020	0.8%
2017	202	1	2,040,400	5,987	2.4	54	2,559	1.0	149	3,428	1.4
2018	298	9	3,892,100	12,182	4.9	170	8,431	3.4	137	3,751	1.5
2019	248	10	3,878,400	13,359	5.4	174	11,143	4.5	84	2,216	0.9
2020	184	12	4,180,700	13,110	5.3	114	10,709	4.3	82	2,401	1.0
2021	252	13	5,579,900	15,849	6.3	184	13,933	5.6	81	1,916	0.7
2022	233	17	7,456,000	15,104	6.0	220	14,308	5.7	30	796	0.3
2023	353	20	6,458,700	21,920	8.8	358	21,028	8.4	15	892	0.4
2024	193	12	4,168,500	11,504	4.6	195	11,222	4.5	10	282	0.1
2025	322	16	5,556,000	20,347	8.2	311	19,595	7.9	27	752	0.3
2026	243	3	3,141,500	11,469	4.6	234	11,124	4.5	12	345	0.1
2027	491	3	5,443,000	20,453	8.2	460	19,064	7.6	34	1,389	0.6
2028	287	5	5,986,900	16,193	6.5	283	15,930	6.5	9	263	*
2029	396	4	6,488,200	19,469	7.8	371	19,193	7.7	29	276	0.1
2030	80	11	1,703,100	11,474	4.6	80	11,319	4.5	11	155	0.1
2031 -											
2043	361	23	7,467,400	37,706	15.1	342	37,216	14.9	42	490	0.2
Totals	4,289	159	74,354,000	\$ 249,441	100.0%	3,613	\$ 228,069	91.5%	835	\$ 21,372	8.5%

\* Less than 0.1%

(1) Excludes 19 multi-tenant properties and 71 vacant properties. The lease expirations for properties under construction are based on the estimated date of completion of those properties.

(2) Excludes revenue of \$3,160 from 19 multi-tenant properties and from 71 vacant properties at December 31, 2015, \$68 from sold properties included in continuing operations and \$63 from properties owned by Crest.

(3) Represents leases to the initial tenant of the property that are expiring for the first time.

(4) Represents lease expirations on properties in the portfolio, which have previously been renewed, extended or re-tenanted.



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The following table sets forth certain state-by-state information regarding Realty Income's property portfolio as of December 31, 2015 (dollars in thousands):

<b>State</b>	<b>Number of Properties</b>	<b>Percent Leased</b>	<b>Approximate Leasable Square Feet</b>	<b>Rental Revenue for the Quarter Ended December 31, 2015(1)</b>	<b>Percentage of Rental Revenue</b>
Alabama	149	99%	1,220,600	\$ 4,093	1.6%
Alaska	3	100	275,900	681	0.3
Arizona	109	98	1,611,600	6,227	2.5
Arkansas	54	100	797,400	1,749	0.7
California	167	100	5,273,700	24,773	9.8
Colorado	70	99	1,003,000	3,999	1.6
Connecticut	24	91	534,900	2,502	1.0
Delaware	18	100	93,000	495	0.2
Florida	329	99	3,976,700	14,693	5.8
Georgia	239	99	3,348,000	10,396	4.1
Hawaii	--	--	--	--	--
Idaho	12	100	87,000	739	0.3
Illinois	161	99	4,578,500	13,337	5.3
Indiana	145	100	1,456,700	6,955	2.8
Iowa	38	95	2,936,000	4,004	1.6
Kansas	90	98	1,643,400	4,166	1.6
Kentucky	61	98	1,023,000	3,744	1.5
Louisiana	91	99	1,029,500	3,098	1.2
Maine	10	90	145,300	889	0.4
Maryland	35	100	861,300	4,485	1.8
Massachusetts	82	96	760,400	3,482	1.4
Michigan	148	99	1,537,200	5,797	2.3
Minnesota	155	99	1,376,800	8,215	3.3
Mississippi	132	98	1,608,200	4,116	1.6
Missouri	139	96	2,810,000	8,621	3.4
Montana	4	100	67,100	190	0.1
Nebraska	37	100	780,400	2,815	1.1
Nevada	22	100	413,000	773	0.3
New Hampshire	19	100	315,800	1,475	0.6
New Jersey	70	99	697,400	4,339	1.7
New Mexico	30	100	293,200	883	0.3
New York	90	99	2,422,600	12,310	4.9
North Carolina	155	99	2,120,900	6,778	2.7
North Dakota	7	100	66,000	136	0.1
Ohio	235	97	6,013,000	13,711	5.4
Oklahoma	128	99	1,532,100	4,015	1.6
Oregon	27	100	593,400	2,040	0.8
Pennsylvania	148	99	1,854,500	7,332	2.9
Rhode Island	4	100	157,200	809	0.3
South Carolina	137	99	996,000	4,659	1.8
South Dakota	13	100	152,100	274	0.1
Tennessee	221	96	2,769,700	7,538	3.0
Texas	449	98	8,298,200	23,401	9.1
Utah	17	100	890,500	1,975	0.8
Vermont	5	100	98,000	482	0.2
Virginia	143	98	2,893,300	7,543	3.0
Washington	42	98	690,800	2,882	1.1
West Virginia	13	100	272,500	979	0.4
Wisconsin	53	100	1,598,000	3,635	1.4
Wyoming	4	100	49,600	221	0.1
Puerto Rico	4	100	28,300	149	0.1
Totals/Average	4,538	98%	76,051,700	\$ 252,600	100.0%

(1) Includes rental revenue for all properties owned by Realty Income at December 31, 2015. Excludes revenue of \$63 from properties owned by Crest and \$68 from sold properties that were included in continuing operations.

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**FORWARD-LOOKING STATEMENTS**

This Annual Report on Form 10-K, including the documents incorporated by reference, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act of 1934, as amended. When used in this annual report, the words *estimated*, *anticipated*, *expect*, *believe*, *intend* and similar expressions are intended to identify forward-looking statements. Forward-looking statements include discussions of strategy, plans, or intentions of management. Forward-looking statements are subject to risks, uncertainties, and assumptions about Realty Income Corporation, including, among other things:

- Our anticipated growth strategies;
- Our intention to acquire additional properties and the timing of these acquisitions;
- Our intention to sell properties and the timing of these property sales;
- Our intention to re-lease vacant properties;
- Anticipated trends in our business, including trends in the market for long-term, net leases of freestanding, single-tenant properties; and
- Future expenditures for development projects.

Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. In particular, some of the factors that could cause actual results to differ materially are:

- Our continued qualification as a real estate investment trust;
- General business and economic conditions;
- Competition;
- Fluctuating interest rates;
- Access to debt and equity capital markets;
- Continued volatility and uncertainty in the credit markets and broader financial markets;
- Other risks inherent in the real estate business including tenant defaults, potential liability relating to environmental matters, illiquidity of real estate investments, and potential damages from natural disasters;

- Impairments in the value of our real estate assets;
- Changes in the tax laws of the United States of America;
- The outcome of any legal proceedings to which we are a party or which may occur in the future;  
and
- Acts of terrorism and war.

Additional factors that may cause risks and uncertainties include those discussed in the sections entitled Business , Risk Factors and Management s Discussion and Analysis of Financial Condition and Results of Operations in this Annual Report.

Readers are cautioned not to place undue reliance on forward-looking statements, which speak only as of the date that this annual report was filed with the Securities and Exchange Commission, or SEC. While forward-looking statements reflect our good faith beliefs, they are not guarantees of future performance. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this annual report or to reflect the occurrence of unanticipated events. In light of these risks and uncertainties, the forward-looking events discussed in this annual report might not occur.

**Item 1A: Risk Factors**

This Risk Factors section contains references to our capital stock and to our stockholders. Unless expressly stated otherwise, the references to our capital stock represent our common stock and any class or series of our preferred stock, while the references to our stockholders represent holders of our common stock and any class or series of our preferred stock.

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***In order to grow we need to continue to acquire investment properties. The acquisition of investment properties may be subject to competitive pressures.***

We face competition in the acquisition and operation of our properties. We expect competition from:

- Businesses;
- Individuals;
- Fiduciary accounts and plans; and
- Other entities engaged in real estate investment and financing.

Some of these competitors are larger than we are and have greater financial resources. This competition may result in a higher cost for properties we wish to purchase.

***Negative market conditions or adverse events affecting our existing or potential tenants, or the industries in which they operate, could have an adverse impact on our ability to attract new tenants, re-lease space, collect rent or renew leases, which could adversely affect our cash flow from operations and inhibit growth.***

Cash flow from operations depends in part on our ability to lease space to tenants on economically favorable terms. We could be adversely affected by various facts and events over which we have limited or no control, such as:

- Lack of demand in areas where our properties are located;
- Inability to retain existing tenants and attract new tenants;
- Oversupply of space and changes in market rental rates;
- Declines in our tenants' creditworthiness and ability to pay rent, which may be affected by their operations, economic downturns and competition within their industries from other operators;
- Defaults by and bankruptcies of tenants, failure of tenants to pay rent on a timely basis, or failure of tenants to comply with their contractual obligations;
- Economic or physical decline of the areas where the properties are located; and
- Deterioration of physical condition of our properties.



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At any time, any tenant may experience a downturn in its business that may weaken its operating results or overall financial condition. As a result, a tenant may delay lease commencement, fail to make rental payments when due, decline to extend a lease upon its expiration, become insolvent, or declare bankruptcy. Any tenant bankruptcy or insolvency, leasing delay or failure to make rental payments when due could result in the termination of the tenant's lease and material losses to us.

If tenants do not renew their leases as they expire, we may not be able to rent or sell the properties. Furthermore, leases that are renewed, and some new leases for properties that are re-leased, may have terms that are less economically favorable than expiring lease terms, or may require us to incur significant costs, such as renovations, tenant improvements, or lease transaction costs. Negative market conditions may cause us to sell vacant properties for less than their carrying value, which could result in impairments. Any of these events could adversely affect cash flow from operations and our ability to make distributions to stockholders and service indebtedness. A significant portion of the costs of owning property, such as real estate taxes, insurance, and maintenance, are not necessarily reduced when circumstances cause a decrease in rental revenue from the properties. In a weakened financial condition, tenants may not be able to pay these costs of ownership and we may be unable to recover these operating expenses from them.

Further, the occurrence of a tenant bankruptcy or insolvency could diminish the income we receive from the tenant's lease or leases. In addition, a bankruptcy court might authorize the tenant to terminate its leases with us. If that happens, our claim against the bankrupt tenant for unpaid future rent would be subject to statutory limitations that most likely would result in rent payments that would be substantially less than the remaining rent we are owed under the leases or we may elect not to pursue claims against a tenant for terminated leases. In addition, any claim we have for unpaid past rent, if any, may not be paid in full, or at all. Moreover, in the case of a tenant's leases that are not terminated as the result of its bankruptcy, we may be required or elect to reduce the rent payable under those leases or provide other concessions, reducing amounts we receive under those leases. As a result, tenant bankruptcies may have a material adverse effect on our results of operations. Any of these events could adversely affect our cash flow from operations and our ability to make distributions to stockholders and service our indebtedness.

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Seventy-one of our properties were available for lease or sale at December 31, 2015, all of which were single-tenant properties. At December 31, 2015, forty-six of our properties under lease were unoccupied and available for sublease by the tenants, all of which were current with their rent and other obligations. During 2015, each of our tenants accounted for less than 10% of our rental revenue.

For 2015, our tenants in the drug store industry accounted for approximately 10.9% of our rental revenue. A downturn in this industry, whether nationwide or limited to specific sectors of the United States, or a change in legislation relating to prescription drugs, could adversely affect tenants in this industry, which in turn could have a material adverse effect on our financial position, results of operations, our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions on our common stock, including the common stock offered hereby, and preferred stock.

Individually, each of the other industries in our property portfolio accounted for less than 10% of our rental revenue for 2015. Nevertheless, downturns in these industries could also adversely affect our tenants, which in turn could also have a material adverse effect on our financial position, results of operations and our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions on our common stock, and preferred stock. In addition, we may in the future make additional investments in the drug store industry, which would increase this industry's percentage of our rental revenues, thereby increasing the effect that such a downturn in this industry would have on us.

In addition, some of our properties are leased to tenants that may have limited financial and other resources, and therefore, they are more likely to be adversely affected by a downturn in their respective businesses or in the regional, national, or international economy.

Furthermore, we have made and may continue to make selected acquisitions of properties that fall outside our historical focus on freestanding, single-tenant, net lease locations in the United States. We may be exposed to a variety of new risks by expanding into new property types and/or new jurisdictions outside the United States and properties leased to tenants engaged in non-retail businesses. These risks may include limited experience in managing certain types of new properties, new types of real estate locations and lease structures, and the laws and culture of any non-U.S. jurisdiction.

***As a property owner, we may be subject to unknown environmental liabilities.***

Investments in real property can create a potential for environmental liability. An owner of property can face liability for environmental contamination created by the presence or discharge of hazardous substances on the property. We can face such liability regardless of:

- Our knowledge of the contamination;
- The timing of the contamination;
- The cause of the contamination; or

- The party responsible for the contamination of the property.

There may be environmental conditions associated with our properties of which we are unaware. In that regard, a number of our properties are leased to operators of convenience stores that sell petroleum-based fuels, as well as to operators of oil change and tune-up facilities and operators that use chemicals and other waste products. These facilities, and some other of our properties, use, or may have used in the past, underground lifts or underground tanks for the storage of petroleum-based or waste products, which could create a potential for the release of hazardous substances.

The presence of hazardous substances on a property may adversely affect our ability to lease or sell that property and we may incur substantial remediation costs or third party liability claims. Although our leases generally require our tenants to operate in compliance with all applicable federal, state, and local environmental laws, ordinances and regulations, and to indemnify us against any environmental liabilities arising from the tenants' activities on the property, we could nevertheless be subject to liability, including strict liability, by virtue of our ownership interest. There also can be no assurance that our tenants could or would satisfy their indemnification obligations under their leases. The discovery of environmental liabilities attached to our properties could have an adverse effect on our results of operations, our financial condition, or our ability to make distributions to stockholders and to pay the principal of and interest on our debt securities and other indebtedness.

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In addition, several of our properties were built during the period when asbestos was commonly used in building construction and we may acquire other buildings with asbestos in the future. Environmental laws govern the presence, maintenance, and removal of asbestos-containing materials, or ACMs, and require that owners or operators of buildings containing asbestos properly manage and maintain the asbestos, that they adequately inform or train those who may come into contact with asbestos and that they undertake special precautions, including removal or other abatement in the event that asbestos is disturbed during renovation or demolition of a building. These laws may impose fines and penalties on building owners or operators for failure to comply with these requirements and may allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos fibers.

It is possible that our insurance could be insufficient to address any particular environmental situation and/or that, in the future, we could be unable to obtain insurance for environmental matters at a reasonable cost, or at all. Our tenants are generally responsible for, and indemnify us against, liabilities for environmental matters that arise during the lease terms as a result of tenants' activities on the properties. For properties that have underground storage tanks, in addition to providing an indemnity in our favor, the tenants generally are required to meet applicable state financial assurance obligations, including maintaining certain minimum net worth requirements, obtaining environmental insurance, or relying upon the state trust funds where available in the states where these properties are located to reimburse responsible parties for costs of environmental remediation. However, it is possible that one or more of our tenants could fail to have sufficient funds to cover any such indemnification or to meet applicable state financial assurance obligations, and thus we may still be obligated to pay for any such environmental liabilities.

**Compliance.** We have not been notified by any governmental authority, and are not otherwise aware, of any material noncompliance, liability, or claim relating to hazardous substances, toxic substances, or petroleum products in connection with any of our properties. In addition, we believe we are in compliance in all material respects with all present federal, state, and local laws relating to ACMs. Nevertheless, if environmental contamination should exist, we could be subject to liability, including strict liability, by virtue of our ownership interest.

**Insurance and Indemnity.** In July 2012, we entered into a ten-year environmental insurance policy that expires in July 2022 and replaced our previous seven-year environmental insurance policy. The limits on our current policy are \$10 million per occurrence and \$60 million in the aggregate. The limits on the excess policy are \$5 million per occurrence and \$10 million in the aggregate. Therefore, the primary and excess ten-year policies together provide a total limit of \$15 million per occurrence and \$70 million in the aggregate.

It is possible that our insurance could be insufficient to address any particular environmental situation and that, in the future, we could be unable to obtain insurance for environmental matters at a reasonable cost, or at all. Our tenants are generally responsible for, and indemnify us against, liabilities for environmental matters that occur on our properties. For properties that have underground storage tanks, in addition to providing an indemnity in our favor, the tenants generally obtain environmental insurance or rely upon the state funds in the states where these properties are located to reimburse tenants for environmental remediation.

***If we fail to qualify as a real estate investment trust, the amount of dividends we are able to pay would decrease, which could adversely affect the market price of our capital stock and could adversely affect the value of our debt securities.***

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Commencing with our taxable year ended December 31, 1994, we believe that we have been organized and have operated, and we intend to continue to operate, so as to qualify as a REIT under Sections 856 through 860 of the Code. However, we cannot assure you that we have been organized or have operated in a manner that has satisfied the requirements for qualification as a REIT, or that we will continue to be organized or operate in a manner that will allow us to continue to qualify as a REIT.

Qualification as a REIT involves the satisfaction of numerous requirements under highly technical and complex Code provisions, for which there are only limited judicial and administrative interpretations, as well as the determination of various factual matters and circumstances not entirely within our control.

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For example, in order to qualify as a REIT, at least 95% of our gross income in each year must be derived from qualifying sources, and we must pay distributions to stockholders aggregating annually at least 90% of our taxable income (excluding net capital gains).

In the future, it is possible that legislation, new regulations, administrative interpretations, or court decisions will change the tax laws with respect to qualification as a REIT, or the federal income tax consequences of such qualification.

If we fail to satisfy all of the requirements for qualification as a REIT, we may be subject to certain penalty taxes or, in some circumstances, we may fail to qualify as a REIT. If we were to fail to qualify as a REIT in any taxable year:

- We would be required to pay federal income tax (including any applicable alternative minimum tax) on our taxable income at regular corporate rates;
- We would not be allowed a deduction for amounts distributed to our stockholders in computing our taxable income;
- We could be disqualified from treatment as a REIT for the four taxable years following the year during which qualification is lost;
- We would no longer be required to make distributions to stockholders; and
- This treatment would substantially reduce amounts available for investment or distribution to stockholders because of the additional tax liability for the years involved, which could have a material adverse effect on the market price of our capital stock and the value of our debt securities.

Even if we qualify for and maintain our REIT status, we may be subject to certain federal, state, and local taxes on our income and property. For example, if we have net income from a prohibited transaction, that income will be subject to a 100% tax. In addition, our taxable REIT subsidiaries, including Crest, are subject to federal and state taxes at the applicable tax rates on their income and property. Any failure to comply with legal and regulatory tax obligations could adversely affect our ability to conduct business and could adversely affect the market price of our capital stock and the value of our debt securities.

***Distribution requirements imposed by law limit our flexibility.***

To maintain our status as a REIT for federal income tax purposes, we generally are required to distribute to our stockholders at least 90% of our taxable income, excluding net capital gains, each year. We also are subject to tax at regular corporate rates to the extent that we distribute less than 100% of our taxable income (including net capital gains) each year.

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In addition, we are subject to a 4% nondeductible excise tax to the extent that we fail to distribute during any calendar year at least the sum of 85% of our ordinary income for that calendar year, 95% of our capital gain net income for the calendar year, and any amount of that income that was not distributed in prior years.

We intend to continue to make distributions to our stockholders to comply with the distribution requirements of the Code as well as to reduce our exposure to federal income taxes and the nondeductible excise tax. Differences in timing between the receipt of income and the payment of expenses to arrive at taxable income, along with the effect of required debt amortization payments, could require us to borrow funds on a short-term basis to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT.

### ***Future issuances of equity securities could dilute the interest of holders of our common stock.***

Our future growth will depend, in large part, upon our ability to raise additional capital. If we were to raise additional capital through the issuance of equity securities, we could dilute the interests of holders of our common stock. The interests of our common stockholders could also be diluted by the issuance of shares of common stock pursuant to stock incentive plans. Likewise, our Board of Directors is authorized to cause us to issue preferred stock of any class or series (with dividend, voting and other rights as determined by our Board of Directors). Accordingly, our Board of Directors may authorize the issuance of preferred stock with voting, dividend and other similar rights that could dilute, or otherwise adversely affect, the interest of holders of our common stock.

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***We may acquire properties or portfolios of properties through tax deferred contribution transactions, which could result in stockholder dilution and limit our ability to sell or refinance such assets.***

We have in the past and may in the future acquire properties or portfolios of properties through tax deferred contribution transactions in exchange for partnership units in an operating partnership, which could result in stockholder dilution through the issuance of operating partnership units that, under certain circumstances, may be exchanged for shares of our common stock. This acquisition structure may have the effect of, among other things, reducing the amount of tax depreciation we could deduct over the tax life of the acquired properties, and may require that we agree to restrictions on our ability to dispose of, or refinance the debt on, the acquired properties in order to protect the contributors' ability to defer recognition of taxable gain. Similarly, we may be required to incur or maintain debt we would otherwise not incur so we can allocate the debt to the contributors to maintain their tax bases. These restrictions could limit our ability to sell or refinance an asset at a time, or on terms, that would be favorable absent such restrictions.

***We are subject to risks associated with debt and capital stock financing.***

We intend to incur additional indebtedness in the future, including borrowings under our new \$2.0 billion unsecured revolving credit facility. At December 31, 2015, we had \$238.0 million of outstanding borrowings under our revolving credit facility, a total of \$3.65 billion of outstanding unsecured senior debt securities (excluding unamortized original issuance discounts of \$13.3 million), \$320 million of borrowings outstanding under a senior unsecured term loan and approximately \$637.7 million of outstanding mortgage debt (excluding net premiums totaling \$9.1 million on these mortgages). To the extent that new indebtedness is added to our current debt levels, the related risks that we now face would increase. As a result, we are and will be subject to risks associated with debt financing, including the risk that our cash flow could be insufficient to make required payments on our debt. We also face variable interest rate risk as the interest rates on our revolving credit facility and some of our mortgage debt are variable and could therefore increase over time. We also face the risk that we may be unable to refinance or repay our debt as it comes due. Given past disruptions in the financial markets and the ongoing global financial crisis, we also face the risk that one or more of the participants in our revolving credit facility may not be able to lend us money.

In addition, our revolving credit facility, our term loan facilities, and mortgage loan documents contain provisions that could limit or, in certain cases, prohibit the payment of dividends and other distributions on our common stock and preferred stock. In particular, our revolving credit facility and our \$250 million term loan facility, both of which are governed by the same credit agreement, provide that, if an event of default (as defined in the credit agreement) exists, neither we nor any of our subsidiaries (other than our wholly-owned subsidiaries) may make any dividends or other distributions on (except distributions payable in shares of a given class of our stock to the stockholders of that class), or repurchase or redeem, among other things, any shares of our common stock or preferred stock, during any period of four consecutive fiscal quarters in an aggregate amount in excess of the greater of:

- The sum of (a) 95% of our adjusted funds from operations (as defined in the credit agreement) for that period plus (b) the aggregate amount of cash distributions on our preferred stock for that period, and
- The minimum amount of cash distributions required to be made to our stockholders in order to maintain our status as a REIT for federal income tax purposes and to avoid the payment of any income or excise taxes that would otherwise be imposed under specified sections of the Code on income we do not distribute to our stockholders,

except that we may repurchase or redeem shares of our preferred stock with the net proceeds from the issuance of shares of our common stock or preferred stock. The credit agreement further provides that, in the event of a failure to pay principal, interest or



any other amount payable thereunder when due or upon the occurrence of certain events of bankruptcy, insolvency or reorganization with respect to us or with respect to one or more of our subsidiaries that in the aggregate meet a significance test set forth in the credit agreement, we and our subsidiaries (other than our wholly-owned subsidiaries) may not pay any dividends or other distributions on (except for (a) distributions payable in shares of a given class of our stock to the stockholders of that class and (b) dividends and distributions described in the second bullet point above), or repurchase or redeem, among other things, any shares of our common stock or preferred stock. If any such event of default under the credit agreement were to occur, it would likely have a material adverse effect on the market price of our outstanding common stock and preferred stock and on the market value of our debt securities, could limit the amount of dividends or other distributions payable on our common stock and preferred stock or prevent us from paying those dividends or other distributions altogether, and may adversely affect our ability to qualify, or prevent us from qualifying, as a REIT. Likewise, one of our subsidiaries is the borrower under our \$70.0 million term loan facility and that facility requires that this subsidiary maintain its consolidated tangible net worth (as defined in the term loan facility) above a certain minimum dollar amount and comply with certain other financial covenants. This minimum consolidated tangible net worth covenant may limit the ability of this subsidiary, as well as other subsidiaries that are owned by this subsidiary, to provide funds to us in order to pay dividends and other distributions on our common stock, including the shares of common stock offered hereby, and preferred stock and amounts due on our indebtedness. Any failure by this subsidiary to comply with these financial covenants will, and any failure by this subsidiary to comply with other covenants in our \$70.0 million term loan facility may, result in an event of default under that facility, which could have adverse consequences similar to those that may result from an event of default under our revolving credit facility as described above.

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Our indebtedness could also have other important consequences to holders of our common stock, preferred stock, and debt securities, including:

- Increasing our vulnerability to general adverse economic and industry conditions;
- Limiting our ability to obtain additional financing to fund future working capital, acquisitions, capital expenditures and other general corporate requirements;
- Requiring the use of a substantial portion of our cash flow from operations for the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund working capital, acquisitions, capital expenditures, and general corporate requirements;
- Limiting our flexibility in planning for, or reacting to, changes in our business and our industry; and
- Putting us at a disadvantage compared to our competitors with less indebtedness.

If we default under a credit facility, loan agreement or other debt instrument, the lenders will generally have the right to demand immediate repayment of the principal and interest on all of their loans and, in the case of secured indebtedness, to exercise their rights to seize and sell the collateral.

In addition, we have 16,350,000 shares of Class F preferred stock outstanding, the holders of which are entitled to receive, before any dividends are paid on our common stock, monthly dividends, when, as and if authorized by our board of directors and declared by us, at the rate of \$1.65625 per annum per share. As a result, we are subject to risks associated with preferred stock financing, including the risk that our cash flow will be insufficient to pay dividends on our preferred stock.

***Our business operations may not generate the cash needed to make distributions on our capital stock or to service our indebtedness.***

Our ability to make distributions on our common stock and preferred stock and payments on our indebtedness, and to fund planned acquisitions and capital expenditures will depend on our ability to generate cash in the future. We cannot assure you that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to make distributions on our common stock and preferred stock, to pay our indebtedness, or to fund our other liquidity needs.

***The market value of our capital stock and debt securities could be substantially affected by various factors.***

The market value of our capital stock and debt securities will depend on many factors, which may change from time to time and may be outside of our control, including:

- Prevailing interest rates, increases in which may have an adverse effect on the market value of our capital stock and debt securities;
- The market for similar securities issued by other REITs;
- General economic and financial market conditions;
- The financial condition, performance and prospects of us, our tenants and our competitors;
- Changes in legal and regulatory taxation obligations;
- Litigation and regulatory proceedings;
- Changes in financial estimates or recommendations by securities analysts with respect to us, our competitors or our industry;
- Changes in our credit ratings; and
- Actual or anticipated variations in quarterly operating results of us and our competitors.

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In addition, over the last several years, prices of common stock and debt securities in the United States, or U.S., trading markets have been experiencing extreme price fluctuations, and the market values of our common stock and debt securities have also fluctuated significantly during this period. As a result of these and other factors, investors who purchase our capital stock and debt securities may experience a decrease, which could be substantial and rapid, in the market value of our capital stock and debt securities, including decreases unrelated to our operating performance or prospects.

***Real estate ownership is subject to particular conditions that may have a negative impact on our revenue.***

We are subject to all of the inherent risks associated with the ownership of real estate. In particular, we face the risk that rental revenue from our properties may be insufficient to cover all corporate operating expenses, debt service payments on indebtedness we incur, and distributions on our capital stock. Additional real estate ownership risks include:

- Adverse changes in general or local economic conditions;
- Changes in supply of, or demand for, similar or competing properties;
- Changes in interest rates and operating expenses;
- Competition for tenants;
- Changes in market rental rates;
- Inability to lease properties upon termination of existing leases;
- Renewal of leases at lower rental rates;
- Inability to collect rents from tenants due to financial hardship, including bankruptcy;
- Changes in tax, real estate, zoning and environmental laws that may have an adverse impact upon the value of real estate;
- Uninsured property liability;
- Property damage or casualty losses;
- Unexpected expenditures for capital improvements, including requirements to bring properties into compliance with applicable federal, state and local laws;
- The need to periodically renovate and repair our properties;
- Development oriented activities;

- Physical or weather-related damage to properties;
- The potential risk of functional obsolescence of properties over time;
- Acts of terrorism and war; and
- Acts of God and other factors beyond the control of our management.

***Real estate property investments are illiquid; therefore, the company may not be able to dispose of properties when desired or on favorable terms.***

Real estate investments are relatively illiquid. Our ability to quickly sell or exchange any of our properties in response to changes in economic and other conditions will be limited. No assurances can be given that we will recognize full value, at a price and at terms that are acceptable to us, for any property that we are required to sell for liquidity reasons. Our inability to respond rapidly to changes in the performance of our investments could adversely affect our financial condition and results of operations.

***Our acquisition of additional properties may have a significant effect on our business, liquidity, financial position and/or results of operations.***

We are engaged in the process of identifying, analyzing, underwriting, and negotiating possible acquisition transactions. We cannot provide any assurances that we will be successful in consummating future acquisitions on favorable terms or that we will realize the benefits that we anticipate from such acquisitions. Our inability to consummate one or more acquisitions on such terms, our failure to adequately underwrite and identify risks and obligations when acquiring properties, or our failure to realize the intended benefits from one or more acquisitions, could have a significant adverse effect on our business, liquidity, financial position and/or results of operations, including as a result of our incurrence of additional indebtedness and related interest expense and our assumption of unforeseen contingent liabilities in connection with completed acquisitions.

***An uninsured loss or a loss that exceeds the policy limits on our properties could subject us to lost capital or revenue on those properties.***

Under the terms and conditions of the leases currently in force on our properties, tenants generally are required to indemnify and hold us harmless from liabilities resulting from injury to persons, air, water, land or property, due to activities conducted on the properties, except for claims arising from the negligence or intentional misconduct of us or our agents. Additionally, tenants are generally required, at the tenant's expense, to obtain and keep in full force during the term of the lease, liability and property damage insurance policies. The insurance policies our tenants are required to maintain for property damage are generally in amounts not less than the full replacement cost of the improvements less slab, foundations, supports and other customarily excluded improvements. Our tenants are generally required to maintain general liability coverage depending on the tenant and the industry in which the tenant operates.

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In addition to the indemnities and required insurance policies identified above, many of our properties are also covered by flood and earthquake insurance policies (subject to substantial deductibles) obtained and paid for by the tenants as part of their risk management programs. Additionally, we have obtained blanket liability, flood and earthquake (subject to substantial deductibles) and property damage insurance policies to protect us and our properties against loss should the indemnities and insurance policies provided by the tenants fail to restore the properties to their condition prior to a loss. However, should a loss occur that is uninsured or in an amount exceeding the combined aggregate limits for the policies noted above, or in the event of a loss that is subject to a substantial deductible under an insurance policy, we could lose all or part of our capital invested in, and anticipated revenue from, one or more of the properties, which could have a material adverse effect on our results of operations or financial condition and on our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions to our stockholders. We also face the risk that our insurance carriers may not be able to provide payment under any potential claims that might arise under the terms of our insurance policies, and we may not have the ability to purchase insurance policies we desire.

In addition, although we obtain title insurance policies of our properties to protect us and our properties against unknown title defects (such as claims of ownership, liens or other encumbrances), there may be certain title defects that our title insurance will not cover. If a material title defect related to any of our properties is not adequately covered by a title insurance policy, we could lose some or all of our capital invested in and our anticipated profits from such property, cause a financial misstatement or lead to reputational damage to the company.

***Compliance with the Americans with Disabilities Act of 1990 and fire, safety, and other regulations may require us to make unintended expenditures that could adversely impact our results of operations.***

Our properties are generally required to comply with the Americans with Disabilities Act of 1990, or the ADA. The ADA has separate compliance requirements for public accommodations and commercial facilities, but generally requires that buildings be made accessible to people with disabilities. Compliance with the ADA requirements could require removal of access barriers and non-compliance could result in imposition of fines by the U.S. government or an award of damages to private litigants. The retailers to whom we lease properties are obligated by law to comply with the ADA provisions, and we believe that these retailers may be obligated to cover costs associated with compliance. If required changes involve greater expenditures than anticipated, or if the changes must be made on a more accelerated basis than anticipated, the ability of these retailers to cover costs could be adversely affected and we could be required to expend our own funds to comply with the provisions of the ADA, which could materially adversely affect our results of operations or financial condition and our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions to our stockholders. In addition, we are required to operate our properties in compliance with fire and safety regulations, building codes and other land use regulations, as they may be adopted by governmental agencies and bodies and become applicable to our properties. We may be required to make substantial capital expenditures to comply with those requirements and these expenditures could have a material adverse effect on our results of operations or financial condition and our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions to our stockholders.

***Litigation risks could affect our business.***

From time to time, we are involved in legal proceedings, lawsuits, and other claims. An unfavorable resolution of litigation may have a material adverse effect on our business, results of operations and financial condition. Regardless of its outcome, litigation may result in substantial costs and expenses and significantly divert the attention of management.

***Property taxes may increase without notice.***

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The real property taxes on our properties and any other properties that we develop or acquire in the future may increase as property tax rates change and as those properties are assessed or reassessed by tax authorities.

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***We depend on key personnel.***

We depend on the efforts of our executive officers and key employees. The loss of the services of our executive officers and key employees could have a material adverse effect on our results of operations or financial condition and on our ability to pay the principal and interest on our debt securities and other indebtedness and to make distributions to our stockholders. It is possible that we will not be able to recruit additional personnel with equivalent experience in the net lease industry.

***Natural disasters, terrorist attacks, other acts of violence or war, or other unexpected events may affect the value of our debt and equity securities, the markets in which we operate and our results of operations.***

Natural disasters, terrorist attacks, other acts of violence or war, or other unexpected events may negatively affect our operations, the market price of our capital stock and the value of our debt securities. There can be no assurance that events like these will not occur or have a direct impact on our tenants, our business or the United States generally.

If events like these were to occur, they could materially interrupt our business operations, cause consumer confidence and spending to decrease or result in increased volatility in the U.S. and worldwide financial markets and economy. They also could result in or prolong an economic recession in the U.S. or abroad. Any of these occurrences could have a significant adverse impact on our operating results and revenues and on the market price of our capital stock and on the value of our debt securities. It could also have an adverse effect on our ability to pay principal and interest on our debt securities or other indebtedness and to make distributions to our stockholders.

***We rely on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology could harm our business.***

We rely on information technology networks and systems, including the Internet, to process, transmit and store electronic information and to manage or support a variety of our business processes, including financial transactions and maintenance of records, which may include personal identifying information. Although we have taken steps to protect the security of the data maintained in our information systems, our security measures may not be able to prevent the systems' improper functioning, or the theft of intellectual property, personal information, or personal property, such as in the event of cyber-attacks. Any failure to maintain proper function, security and availability of our information systems could interrupt our operations, result in theft of company assets, damage our reputation, subject us to liability claims and could adversely affect our business, financial condition and results of operations.

***Disruptions in the financial markets could affect our ability to obtain financing on reasonable terms and have other adverse effects on us and the market price of our common stock.***

Over the last several years, the United States stock and credit markets have experienced significant price volatility, dislocations and liquidity disruptions, which have caused market prices of many stocks and debt securities to fluctuate substantially and the spreads on prospective debt financings to widen considerably. In addition, the ongoing global financial crisis (which includes concerns that certain European countries may be unable to pay their national debt) has had a similar effect. These circumstances have materially impacted liquidity in the financial markets, making terms for certain financings less attractive, and in certain cases have resulted in the unavailability of certain types of financing. Unrest in certain Middle Eastern countries and resultant fluctuation in petroleum prices have added to the uncertainty in the capital markets. Continued uncertainty in the stock and credit markets may negatively impact our ability to access additional financing at reasonable terms, which may negatively affect our ability to make acquisitions. A prolonged downturn in the stock or credit markets may cause us to seek alternative sources of potentially less attractive financing, and may require us to adjust our business plan accordingly. In addition, these factors may make it more difficult



for us to sell properties or may adversely affect the price we receive for properties that we do sell, as prospective buyers may experience increased costs of financing or difficulties in obtaining financing. These events in the stock and credit markets may make it more difficult or costly for us to raise capital through the issuance of our common stock or preferred stock or debt securities. These disruptions in the financial markets also may have a material adverse effect on the market value of our common stock, preferred stock and debt securities, the income we receive from our properties and the lease rates we can charge for our properties, as well as other unknown adverse effects on us or the economy in general.

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***Inflation may adversely affect our financial condition and results of operations.***

Although inflation has not materially impacted our results of operations in the recent past, increased inflation could have a more pronounced negative impact on any variable rate debt we incur in the future and on our results of operations. During times when inflation is greater than increases in rent, as provided for in our leases, rent increases may not keep up with the rate of inflation. Likewise, even though net leases reduce our exposure to rising property expenses due to inflation, substantial inflationary pressures and increased costs may have an adverse impact on our tenants if increases in their operating expenses exceed increases in revenue, which may adversely affect the tenants' ability to pay rent.

***Current volatility in market and economic conditions may impact the accuracy of the various estimates used in the preparation of our financial statements and footnotes to the financial statements.***

Various estimates are used in the preparation of our financial statements, including estimates related to asset and liability valuations (or potential impairments), and various receivables. Often these estimates require the use of market data values that are currently difficult to assess, as well as estimates of future performance or receivables collectability that can also be difficult to accurately predict. Although management believes it has been prudent and used reasonable judgment in making these estimates, it is possible that actual results may differ from these estimates.

***Inherent limitations of internal controls over financial statements and safeguarding of assets may adversely impact our financial condition and results of operations.***

Our internal controls over financial reporting and our operating internal controls may not prevent or detect financial misstatements or loss of assets because of inherent limitations, including the possibility of human error, the circumvention or overriding of controls, or fraud. Effective internal controls can provide only reasonable assurance with respect to financial statement accuracy and safeguarding of assets. Any failure of these internal controls could result in decreased investor confidence in the accuracy and completeness of our financial reports, civil litigation or investigations by the NYSE, the SEC or other regulatory authorities, which may adversely impact our financial condition and results of operations.

***Changes in accounting standards may adversely impact our financial condition and results of operations.***

The Financial Accounting Standards Board, or FASB, in conjunction with the SEC, has several key projects on their agenda that could impact how we currently account for our material transactions, including lease accounting and other convergence projects with the International Accounting Standards Board. At this time, we are unable to predict with certainty which, if any, proposals may be passed or what level of impact any such proposal could have on the presentation of our consolidated financial statements, our results of operations and our financial ratios required by our debt covenants.

***Our business could be negatively affected as a result of actions of activist stockholders and shareholder advisory firms.***

Campaigns by stockholders to effect changes at publicly traded companies are sometimes led by investors seeking to increase short-term stockholder value through actions such as financial restructuring, increased debt, special dividends, stock repurchases or sales of assets or the entire company. If we become engaged in a process or proxy contest with an activist stockholder in the future, our business could be adversely affected, as such activities could be costly and time-consuming, disrupt our operations and divert the attention of management and our employees from executing our business plan. Additionally, perceived uncertainties as to our future direction as a result of stockholder activism or actual or potential changes to the composition of our Board of Directors or management team may lead to the perception of a change in the direction of our business, instability or lack of continuity, which

may be exploited by our competitors, cause concern to current or potential sellers of properties, tenants and financing sources, and make it more difficult to attract and retain qualified personnel. If potential or existing sellers of properties, tenants or financing sources choose to delay, defer or reduce transactions with us or transact with our competitors instead of us because of any such issues, then our results of operations could be adversely affected. Similarly, we may suffer damage to our reputation (for example, regarding our corporate governance or stockholder relations) or brand by way of actions taken or statements made by outside constituents, including activist investors and shareholder advisory firms, which could adversely affect the market price of our common stock and preferred stock and the value of our debt securities, including the notes, resulting in significant loss of value, which could impact our ability to access capital, increase our cost of capital, and decrease our ability to acquire properties on attractive terms.

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***Our charter contains restrictions upon ownership of our common stock.***

Our charter contains restrictions on ownership and transfer of our common stock intended to, among other purposes, assist us in maintaining our status as a REIT for United States federal and/or state income tax purposes. For example, our charter restricts any person from acquiring actual or constructive ownership of more than 9.8% (in value or number of shares, whichever is more restrictive) of our outstanding common stock. These restrictions could have anti-takeover effects and could reduce the possibility that a third party will attempt to acquire control of us, which could adversely affect the market price of our common stock.

**Item 1B: Unresolved Staff comments**

There are no unresolved staff comments.

**Item 2: Properties**

Information pertaining to our properties can be found under Item 1.

**Item 3: Legal Proceedings**

We are subject to certain claims and lawsuits in the ordinary course of business, the outcome of which cannot be determined at this time. In the opinion of management, any liability we might incur upon the resolution of these claims and lawsuits will not, in the aggregate, have a material adverse effect on our consolidated financial position or results of operations.

**Item 4: Mine Safety Disclosures**

None.

Table of Contents**PART II****Item 5: Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

A. Our common stock is traded on the NYSE under the ticker symbol **RO**. The following table shows the high and low sales prices per share for our common stock as reported by the NYSE, and distributions declared per share of common stock for the periods indicated.

	Price Per Share of Common Stock			Distributions Declared (1)
	High	Low		
<b>2015</b>				
First Quarter	\$ 52.41	\$ 45.65	\$	0.5675000
Second Quarter	48.88	43.15		0.5690000
Third Quarter	52.66	44.23		0.5705000
Fourth Quarter	55.54	47.95		0.5720000
Total			\$	2.2790000
<b>2014</b>				
First Quarter	\$ 45.11	\$ 37.01	\$	0.5468126
Second Quarter	44.98	40.21		0.5477501
Third Quarter	45.83	40.56		0.5486876
Fourth Quarter	49.65	40.71		0.5496251
Total			\$	2.1928754

(1) Common stock cash distributions are declared monthly by us based on financial results for the prior months. At December 31, 2015, a distribution of \$0.191 per common share had been declared and was paid in January 2016.

B. There were 10,051 registered holders of record of our common stock as of December 31, 2015. We estimate that our total number of shareholders is over 354,000 when we include both registered and beneficial holders of our common stock.

C. During the fourth quarter of 2015, 225 shares of stock, at a price of \$49.61, and 18,645 shares of stock, at a price of \$51.63, were withheld for state and federal payroll taxes on the vesting of employee stock awards, as permitted under the 2012 Incentive Award Plan of Realty Income Corporation.



Table of Contents**Item 6: Selected Financial Data***(not covered by Report of Independent Registered Public Accounting Firm)**(dollars in thousands, except for per share data)*

<b>As of or for the years ended December 31,</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>
Total assets (book value)	\$ 11,865,870	\$ 11,012,622	\$ 9,924,441	\$ 5,429,348	\$ 4,404,492
Cash and cash equivalents	40,294	3,852	10,257	5,248	4,165
Total debt	4,841,486	4,930,947	4,166,840	2,869,853	2,040,284
Total liabilities	5,312,537	5,371,523	4,503,083	3,016,554	2,149,638
Total equity	6,553,333	5,641,099	5,421,358	2,412,794	2,254,854
Net cash provided by operating activities	692,303	627,692	518,906	326,469	298,952
Net change in cash and cash equivalents	36,442	(6,405)	5,009	1,083	(13,442)
Total revenue	1,023,285	933,505	780,209	484,581	413,544
Income from continuing operations	284,855	269,140	180,613	141,895	140,659
Income from discontinued operations	-	2,800	65,670	17,257	16,373
Net income	284,855	271,940	246,283	159,152	157,032
Preferred stock dividends	(27,080)	(37,062)	(41,930)	(40,918)	(24,253)
Excess of redemption value over carrying value of preferred shares redeemed	-	(6,015)	-	(3,696)	-
Net income available to common stockholders	256,686	227,558	203,634	114,538	132,779
Cash distributions paid to common stockholders	533,238	479,256	409,222	236,348	219,297
Basic and diluted net income per common share	1.09	1.04	1.06	0.86	1.05
Cash distributions paid per common share	2.271417	2.191625	2.147459	1.771625	1.736625
Cash distributions declared per common share	2.279000	2.192875	2.177875	1.777875	1.737875
Basic weighted average number of common shares outstanding	235,767,932	218,390,885	191,754,857	132,817,472	126,142,696
Diluted weighted average number of common shares outstanding	236,208,390	218,767,885	191,781,622	132,884,933	126,189,399

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Item 7: **Management's Discussion and Analysis of Financial Condition and Results of Operations**

**GENERAL**

Realty Income, The Monthly Dividend Company®, is an S&P 500 real estate company with the primary business objective of generating dependable monthly cash dividends from a consistent and predictable level of cash flow from operations. Our monthly dividends are supported by the cash flow from our property portfolio. We have in-house acquisition, portfolio management, asset management, credit research, real estate research, legal, finance and accounting, information technology, and capital markets capabilities. Over the past 47 years, Realty Income has been acquiring and managing freestanding commercial properties that generate rental revenue under long-term net lease agreements.

Realty Income (NYSE: O) was founded in 1969, and listed on the New York Stock Exchange, or NYSE, in 1994. We elected to be taxed as a real estate investment trust, or REIT, requiring us to distribute dividends to our stockholders aggregating at least 90% of our taxable income (excluding net capital gains).

We seek to increase earnings and distributions to stockholders through active portfolio management, asset management and the acquisition of additional properties.

At December 31, 2015, we owned a diversified portfolio:

- Of 4,538 properties;
- With an occupancy rate of 98.4%, or 4,467 properties leased and 71 properties available for lease;
- Leased to 240 different commercial tenants doing business in 47 separate industries;
- Located in 49 states and Puerto Rico;
- With over 76.0 million square feet of leasable space; and
- With an average leasable space per property of approximately 16,750 square feet; approximately 11,550 square feet per retail property and 216,550 square feet per industrial property.



Of the 4,538 properties in the portfolio, 4,519, or 99.6%, are single-tenant properties, and the remaining are multi-tenant properties. At December 31, 2015, of the 4,519 single-tenant properties, 4,448 were leased with a weighted average remaining lease term (excluding rights to extend a lease at the option of the tenant) of approximately 10.0 years.

## LIQUIDITY AND CAPITAL RESOURCES

### Capital Philosophy

Historically, we have met our long-term capital needs by issuing common stock, preferred stock and long-term unsecured notes and bonds. Over the long term, we believe that common stock should be the majority of our capital structure; however, we may issue additional preferred stock or debt securities. We may issue common stock when we believe that our share price is at a level that allows for the proceeds of any offering to be accretively invested into additional properties. In addition, we may issue common stock to permanently finance properties that were financed by our credit facility or debt securities. However, we cannot assure you that we will have access to the capital markets at times and at terms that are acceptable to us.

Our primary cash obligations, for the current year and subsequent years, are included in the Table of Obligations, which is presented later in this section. We expect to fund our operating expenses and other short-term liquidity requirements, including property acquisitions and development costs, payment of principal and interest on our outstanding indebtedness, property improvements, re-leasing costs and cash distributions to common and preferred stockholders, primarily through cash provided by operating activities, borrowing on our new \$2.0 billion credit facility and periodically through public securities offerings.

### Conservative Capital Structure

We believe that our stockholders are best served by a conservative capital structure. Therefore, we seek to maintain a conservative debt level on our balance sheet and solid interest and fixed charge coverage ratios. At December 31, 2015, our total outstanding borrowings of senior unsecured notes and bonds, term loans, mortgages payable and credit facility borrowings were \$4.85 billion, or approximately 26.6% of our total market capitalization of \$18.22 billion.

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We define our total market capitalization at December 31, 2015 as the sum of:

- Shares of our common stock outstanding of 250,416,757, plus total common units outstanding of 648,386, multiplied by the last reported sales price of our common stock on the NYSE of \$51.63 per share on December 31, 2015, or \$12.96 billion;
- Aggregate liquidation value (par value of \$25.00 per share) of the Class F preferred stock of \$408.8 million;
- Outstanding borrowings of \$238.0 million on our new credit facility;
- Outstanding mortgages payable of \$637.7 million, excluding net mortgage premiums of \$9.1 million;
- Outstanding borrowings of \$320.0 million on our term loans; and
- Outstanding senior unsecured notes and bonds of \$3.65 billion, excluding unamortized original issuance discounts of \$13.3 million.

**Mortgage Debt**

As of December 31, 2015, we had \$637.7 million of mortgages payable, all of which were assumed in connection with our property acquisitions. Additionally, at December 31, 2015, we had net premiums totaling \$9.1 million on these mortgages. We expect to pay off the mortgages payable as soon as prepayment penalties have declined to a level that will make it economically feasible to do so. During 2015, we made \$198.4 million of principal payments, including the repayment of 13 mortgages in full for \$191.0 million.

**Term Loans**

In June 2015, in conjunction with entering into our new credit facility, we entered into a \$250 million senior unsecured term loan maturing June 30, 2020. Borrowing under this term loan bears interest at the current one month LIBOR, plus 0.95%. In conjunction with this term loan, we also entered into an interest rate swap which effectively fixes our per annum interest rate on this term loan at 2.67%.

In January 2013, in conjunction with our acquisition of ARCT, we entered into a \$70 million senior unsecured term loan maturing in January 2018. Borrowing under the term loan bears interest at LIBOR, plus 1.20%. In conjunction with this term loan, we also acquired an interest rate swap which effectively fixes our per annum interest rate on this term loan at 2.15%.

**\$2.0 Billion Revolving Credit Facility**

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In June 2015, we entered into a new \$2 billion unsecured revolving credit facility, or our new credit facility, which replaced our \$1.5 billion credit facility that was scheduled to expire in May 2016. The initial term of our new credit facility expires in June 2019 and includes, at our option, two six-month extensions. Our new credit facility has a \$1.0 billion accordion expansion option. Under our new credit facility, our current investment grade credit ratings provide for financing at LIBOR, plus 0.9% with a facility commitment fee of 0.15%, for all-in drawn pricing of 1.05% over LIBOR. The borrowing rate is subject to an interest rate floor. We also have other interest rate options available to us under our new credit facility. Our new credit facility is unsecured and, accordingly, we have not pledged any assets as collateral for this obligation.

At December 31, 2015, we had a borrowing capacity of \$1.76 billion available on our new credit facility and an outstanding balance of \$238.0 million. The interest rate on borrowings outstanding under our new credit facility, at December 31, 2015, was 1.2% per annum. We must comply with various financial and other covenants in our credit facility. At December 31, 2015, we remain in compliance with these covenants. We expect to use our new credit facility to acquire additional properties and for other general corporate purposes. Any additional borrowings will increase our exposure to interest rate risk.

We generally use our credit facility for the short-term financing of new property acquisitions. Thereafter, we generally seek to refinance those borrowings with the net proceeds of long-term or permanent financing, which may include the issuance of common stock, preferred stock or debt securities. We cannot assure you, however, that we will be able to obtain any such refinancing, or that market conditions prevailing at the time of the refinancing will enable us to issue equity or debt securities at acceptable terms.

### **Notes Outstanding**

As of December 31, 2015, we had \$3.65 billion of senior unsecured note and bond obligations, excluding unamortized original issuance discounts of \$13.3 million. All of our outstanding notes and bonds have fixed interest rates. Interest on all of our senior note and bond obligations is paid semiannually.

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**Cash Reserves**

We are organized to operate as an equity REIT that acquires and leases properties and distributes to stockholders, in the form of monthly cash distributions, a substantial portion of our net cash flow generated from leases on our properties. We intend to retain an appropriate amount of cash as working capital. At December 31, 2015, we had cash and cash equivalents totaling \$40.3 million.

We believe that our cash and cash equivalents on hand, cash provided from operating activities, and borrowing capacity is sufficient to meet our liquidity needs for the next twelve months. We intend, however, to use permanent or long-term capital to fund property acquisitions and to repay future borrowings under our new credit facility.

**Acquisitions During 2015**

During 2015, we invested \$1.26 billion in 286 new properties and properties under development or expansion, with an initial weighted average contractual lease rate of 6.6%. The 286 new properties and properties under development or expansion are located in 40 states, will contain approximately 6.2 million leasable square feet, and are 100% leased with a weighted average lease term of 16.5 years. The tenants occupying the new properties operate in 21 industries and the property types consist of 87.3% retail and 12.7% industrial, based on rental revenue. During 2015, none of our real estate investments caused any one tenant to be 10% or more of our total assets at December 31, 2015.

The estimated initial weighted average contractual lease rate for a property is generally computed as estimated contractual net operating income, which, in the case of a net leased property, is equal to the aggregate base rent for the first full year of each lease, divided by the total cost of the property. Since it is possible that a tenant could default on the payment of contractual rent, we cannot provide assurance that the actual return on the funds invested will remain at the percentages listed above.

In the case of a property under development or expansion, the contractual lease rate is generally fixed such that rent varies based on the actual total investment in order to provide a fixed rate of return. When the lease does not provide for a fixed rate of return on a property under development or expansion, the estimated initial weighted average contractual lease rate is computed as follows: estimated net operating income (determined by the lease) for the first full year of each lease, divided by our projected total investment in the property, including land, construction and capitalized interest costs. Of the \$1.26 billion we invested during 2015, \$45.8 million was invested in 35 properties under development or expansion with an estimated initial weighted average contractual lease rate of 9.7%. We may continue to pursue development or expansion opportunities under similar arrangements in the future.

**Portfolio Discussion**

Leasing Results

At December 31, 2015, we had 71 properties available for lease out of 4,538 properties in our portfolio, which represents a 98.4% occupancy rate based on the number of properties in our portfolio. Since December 31, 2014, when we reported 70 properties available for lease out of 4,327 and a 98.4% occupancy rate, we:

- Had 283 lease expirations;
- Re-leased 253 properties; and
- Sold 29 vacant properties.

Of the 253 properties re-leased during 2015, 216 properties were re-leased to existing tenants, seven were re-leased to new tenants without vacancy, and 30 were re-leased to new tenants after a period of vacancy. The annual rent on these 253 leases was \$37.46 million, as compared to the previous rent on these same properties of \$37.12 million, which represents a rent recapture rate of 100.9% on the properties re-leased during 2015.

At December 31, 2015, our average annualized rental revenue was approximately \$13.31 per square foot on the 4,467 leased properties in our portfolio. At December 31, 2015, we classified ten properties with a carrying amount of \$9.8 million as held for sale on our balance sheet. The expected disposal of these properties does not represent a strategic shift that will have a major effect on our operations and financial results.

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Investments in Existing Properties

In 2015, we capitalized costs of \$11.5 million on existing properties in our portfolio, consisting of \$748,000 for re-leasing costs, \$7.6 million for recurring capital expenditures and \$3.2 million for non-recurring building improvements. In 2014, we capitalized costs of \$6.0 million on existing properties in our portfolio.

As part of our re-leasing costs, we typically pay leasing commissions and sometimes provide tenant rent concessions. Leasing commissions are paid based on the commercial real estate industry standard and any rent concessions provided are minimal. We do not consider the collective impact of the leasing commissions or tenant rent concessions to be material to our financial position or results of operations.

The majority of our building improvements relate to roof repairs, HVAC improvements, and parking lot resurfacing and replacements. It is not customary for us to offer significant tenant improvements on our properties as tenant incentives. The amounts of our capital expenditures can vary significantly, depending on the rental market, tenant credit worthiness, the lease term and the willingness of tenants to pay higher rents over the terms of the leases.

**Impact of Real Estate and Credit Markets**

In the commercial real estate market, property prices generally continue to fluctuate. Likewise, during certain periods, the U.S. credit markets have experienced significant price volatility, dislocations, and liquidity disruptions, which may impact our access to and cost of capital. We continually monitor the commercial real estate and U.S. credit markets carefully and, if required, will make decisions to adjust our business strategy accordingly.

**Increases in Monthly Dividends to Common Stockholders**

We have continued our 47-year policy of paying monthly dividends. In addition, we increased the dividend five times during 2015, and two times during 2016. As of February 2016, we have paid 73 consecutive quarterly dividend increases and increased the dividend 84 times since our listing on the NYSE in 1994.

2015 Dividend increases	Month Declared	Month Paid	Dividend per share	Increase per share
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The dividends paid per share during 2015 totaled approximately \$2.2714167, as compared to approximately \$2.1916254 during 2014, an increase of \$0.0798, or 3.6%.

The monthly dividend of \$0.1985 per share represents a current annualized dividend of \$2.382 per share, and an annualized dividend yield of approximately 4.3% based on the last reported sale price of our common stock on the NYSE of \$55.79 on January 29, 2016. Although we expect to continue our policy of paying monthly dividends, we cannot guarantee that we will maintain our current level of dividends, that we will continue our pattern of increasing dividends per share, or what our actual dividend yield will be in any future period.

### **Universal Shelf Registration**

In December 2015, we filed a shelf registration statement with the SEC, which is effective for a term of three years and will expire in December 2018. This replaced our prior shelf registration statement. In accordance with SEC rules, the amount of securities to be issued pursuant to this shelf registration statement was not specified when it was filed and there is no specific dollar limit. The securities covered by this registration statement include (1) common stock, (2) preferred stock, (3) debt securities, (4) depository shares representing fractional interests in shares of preferred stock, (5) warrants to purchase debt securities, common stock, preferred stock, or depository shares, and (6) any combination of these securities. We may periodically offer one or more of these securities in amounts, prices and on terms to be announced when and if these securities are offered. The specifics of any future offerings, along with the use of proceeds of any securities offered, will be described in detail in a prospectus supplement, or other offering materials, at the time of any offering.

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**Issuance of Common Stock**

In October 2015, we issued 11,500,000 shares of common stock, including 1,500,000 shares purchased by the underwriters upon the exercise of their option to purchase additional shares. After underwriting discounts and other offering costs of \$22.0 million, a portion of the net proceeds of \$517.1 million was used to repay borrowings under our new credit facility and the remaining portion was used for other general corporate purposes, including acquisitions.

In April 2015, we issued 5,500,000 shares of common stock. After underwriting discounts and other offering costs of \$1.4 million, the net proceeds of \$276.4 million were used to repay borrowings under our previous \$1.5 billion unsecured credit facility.

**Dividend Reinvestment and Stock Purchase Plan**

Our Dividend Reinvestment and Stock Purchase Plan, or the DRSP, provides our common stockholders, as well as new investors, with a convenient and economical method of purchasing our common stock and reinvesting their distributions. The DRSP also allows our current stockholders to buy additional shares of common stock by reinvesting all or a portion of their distributions. The DRSP authorizes up to 26,000,000 common shares to be issued. In 2013, we revised our DRSP so that we would pay for a majority of the plan-related fees, which were previously paid by investors, and to institute a waiver approval process, allowing larger investors or institutions, per a formal approval process, to purchase shares at a small discount, if approved by us. During 2015, we issued 7,608,354 shares and raised approximately \$363.0 million under the DRSP, of which 7,413,207 shares and \$353.7 million was raised under the waiver approval process.

**At-the-Market (ATM) Program**

In September 2015, we established an at the market equity distribution program, or our ATM program, pursuant to which we can offer and sell up to 12,000,000 shares of common stock to, or through a consortium of banks acting as our sales agents by means of ordinary brokers transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. During 2015, we issued 714,301 shares and raised approximately \$36.3 million under the ATM program.

**Credit Agency Ratings**

The borrowing interest rates under our new credit facility are based upon our ratings assigned by credit rating agencies. We are currently assigned the following investment grade corporate credit ratings on our senior unsecured notes and bonds: Moody's Investors Service has assigned a rating of Baa1 with a stable outlook, Standard & Poor's Ratings Group has assigned a rating of BBB+ with a stable outlook to our senior notes, and Fitch Ratings has assigned a rating of BBB+ with a stable outlook.

Based on our current ratings, the current facility interest rate is LIBOR plus 0.9% with a facility commitment fee of 0.15%, for all-in drawn pricing of 1.05% over LIBOR. Our new credit facility provides that the interest rate can range between: (i) LIBOR plus 1.55% if our credit rating is lower than BBB-/Baa3 or unrated and (ii) LIBOR plus 0.85% if our credit rating is A-/A3 or higher. In addition, our credit facility provides for a facility commitment fee based on our credit ratings, which range from: (i) 0.3% for a rating lower than BBB-/Baa3 or unrated, and (ii) 0.125% for a credit rating of A-/A3 or higher.



We also issue senior debt securities from time to time and our credit ratings can impact the interest rates charged in those transactions. If our credit ratings or ratings outlook change, our cost to obtain debt financing could increase or decrease. The credit ratings assigned to us could change based upon, among other things, our results of operations and financial condition. These ratings are subject to ongoing evaluation by credit rating agencies and we cannot assure you that our ratings will not be changed or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant. Moreover, a rating is not a recommendation to buy, sell or hold our debt securities, preferred stock or common stock.

Table of Contents**Notes Outstanding**

Our senior unsecured note and bond obligations consist of the following as of December 31, 2015, sorted by maturity date (dollars in millions):

5.95% notes, issued in September 2006 and due in September 2016	\$	275
5.375% notes, issued in September 2005 and due in September 2017		175
2.0% notes, issued in October 2012 and due in January 2018		350
6.75% notes, issued in September 2007 and due in August 2019		550
5.75% notes, issued in June 2010 and due in January 2021		250
3.25% notes, issued in October 2012 and due in October 2022		450
4.65% notes, issued in July 2013 and due in August 2023		750
3.875% notes, issued in June 2014 and due in July 2024		350
4.125% notes, issued in September 2014 and due in October 2026		250
5.875% bonds, \$100 issued in March 2005 and \$150 issued in June 2011, both due in March 2035		250
Total principal amount	\$	3,650
Unamortized original issuance discounts		(13)
	\$	3,637

All of our outstanding notes and bonds have fixed interest rates and contain various covenants, which we remain in compliance with at December 31, 2015. Additionally, interest on all of our senior note and bond obligations is paid semiannually.

The following is a summary of the key financial covenants for our senior unsecured notes, as defined and calculated per the terms of our senior notes and bonds. These calculations, which are not based on U.S. GAAP measurements, are presented to investors to show our ability to incur additional debt under the terms of our senior notes and bonds as well as to disclose our current compliance with such covenants, and are not measures of our liquidity or performance. The actual amounts as of December 31, 2015 are:

<b>Note Covenants</b>	<b>Required</b>	<b>Actual</b>
Limitation on incurrence of total debt	≤ 60% of adjusted assets	39.0%
Limitation on incurrence of secured debt	≤ 40% of adjusted assets	5.2%
Debt service coverage (trailing 12 months)(1)	≥ 1.5 x	4.5x
Maintenance of total unencumbered assets	≥ 150% of unsecured debt	266.8%

(1) This covenant is calculated on a pro forma basis for the preceding four-quarter period on the assumptions that: (i) the incurrence of any Debt (as defined in the covenants) incurred by us since the first day of such four-quarter period and the application of the proceeds therefrom (including to refinance other Debt since the first day of such four-quarter period), (ii) the repayment or retirement of any of our Debt since the first day of such four-quarter period, and (iii) any acquisition or disposition by us of any asset or group since the first day of such four quarters had in each case occurred on January 1, 2015, and subject to certain additional adjustments. Such pro forma ratio has been prepared on the basis required by that debt service covenant, reflects various estimates and assumptions and is subject to other uncertainties, and therefore does not purport to reflect what our actual debt service coverage ratio would have been had transactions referred to in clauses (i), (ii) and (iii) of the preceding sentence occurred as of January 1, 2015, nor does it purport to reflect our debt service coverage ratio for any future period. The following is our calculation of debt service coverage at December 31, 2015 (in thousands, for trailing twelve months):

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Net income attributable to the Company	\$	283,766
Plus: interest expense		224,344
Plus: provision for taxes		3,169
Plus: depreciation and amortization		409,215
Plus: provisions for impairment		10,560
Plus: pro forma adjustments		35,457
Less: gain on sales of real estate		(22,243)
Income available for debt service, as defined	\$	944,268
Total pro forma debt service charge	\$	211,384
Debt service coverage ratio		4.5

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*Fixed Charge Coverage Ratio*

Fixed charge coverage ratio is calculated in exactly the same manner as the debt service coverage ratio, except that preferred stock dividends are also added to the denominator. Similar to debt service coverage ratio, we consider fixed charge coverage ratio to be an appropriate supplemental measure of a company's ability to make its interest and preferred stock dividend payments. Our calculations of both debt service and fixed charge coverage ratios may be different from the calculations used by other companies and, therefore, comparability may be limited. The presentation of debt service and fixed charge coverage ratios should not be considered as alternatives to any U.S. GAAP operating performance measures. Below is our calculation of fixed charges at December 31, 2015 (in thousands, for the trailing twelve months):

Income available for debt service, as defined	\$	944,268
Pro forma debt service charge plus preferred stock dividends	\$	238,464
Fixed charge coverage ratio		4.0

**Table of Obligations**

The following table summarizes the maturity of each of our obligations as of December 31, 2015 (dollars in millions):

Year of Maturity	Credit Facility(1)	Notes and Bonds(2)	Term Loan	Mortgages Payable(3)	Interest(4)	Ground Leases Paid by Realty Income(5)	Ground Leases Paid by Our Tenants(6)	Other(7)	Totals
2016	\$ -	\$ 275.0	\$ -	\$ 170.1	\$ 205.1	\$ 1.5	\$ 13.3	\$ 71.4	\$ 736.4
2017	-	175.0	-	142.9	180.1	1.5	13.3	-	512.8
2018	-	350.0	70.0	15.5	161.7	1.6	13.3	-	612.1
2019	238.0	550.0	-	26.3	145.0	1.4	13.2	-	973.9
2020	-	-	250.0	82.4	117.5	1.4	13.0	-	464.3
Thereafter	-	2,300.0	-	200.5	451.8	23.3	119.0	-	3,094.6
Totals	\$ 238.0	\$ 3,650.0	\$ 320.0	\$ 637.7	\$ 1,261.2	\$ 30.7	\$ 185.1	\$ 71.4	\$ 6,394.1

(1) The initial term of the credit facility expires in June 2019 and includes, at our option, two six-month extensions.

(2) Excludes non-cash original issuance discounts recorded on the notes payable. The unamortized balance of the original issuance discounts at December 31, 2015, is \$13.3 million.

(3) Excludes non-cash net premiums recorded on the mortgages payable. The unamortized balance of these net premiums at December 31, 2015, is \$9.1 million.

(4) Interest on the term loans, notes, bonds, mortgages payable, and credit facility has been calculated based on outstanding balances as of December 31, 2015 through their respective maturity dates.

(5) Realty Income currently pays the ground lessors directly for the rent under the ground leases.

(6) Our tenants, who are generally sub-tenants under ground leases, are responsible for paying the rent under these ground leases. In the event a tenant fails to pay the ground lease rent, we are primarily responsible.

(7) Other consists of \$70.6 million of commitments under construction contracts and \$714,000 of commitments for tenant improvements and leasing costs.

Our new credit facility, term loans, and notes payable obligations are unsecured. Accordingly, we have not pledged any assets as collateral for these obligations.

#### **Preferred Stock and Preferred Units Outstanding**

In 2006, we issued 8,800,000 shares of Class E preferred stock at a price of \$25.00 per share. In October 2014, we redeemed all of the 8,800,000 shares of our Class E preferred stock for \$25.00 per share, plus accrued dividends. In the third quarter of 2014, we incurred a charge of \$6.0 million, representing the Class E preferred stock original issuance costs that we paid in 2006.

In February 2012, we issued 14,950,000 shares of our Class F preferred stock at \$25.00 per share. In April 2012, we issued an additional 1,400,000 shares of Class F preferred stock at \$25.2863 per share. Beginning February 15, 2017, shares of our Class F preferred stock are redeemable at our option for \$25.00 per share, plus any accrued and unpaid dividends. Dividends on the shares of our Class F preferred stock are paid monthly in arrears. We are current on our obligations to pay dividends on our Class F preferred stock.

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As part of our acquisition of ARCT in January 2013, we issued 6,750 partnership units, with a carrying value of \$6.75 million. Payments on these preferred units were made monthly in arrears at rate of 2% per annum, or \$135,000, and are included in interest expense. In January 2015, we redeemed all 6,750 Tau Operating Partnership preferred units for \$1,000 per unit, plus accrued and unpaid distributions.

**No Unconsolidated Investments**

We have no unconsolidated investments, nor do we engage in trading activities involving energy or commodity contracts.

**RESULTS OF OPERATIONS**

**Critical Accounting Policies**

Our consolidated financial statements have been prepared in accordance with GAAP, and are the basis for our discussion and analysis of financial condition and results of operations. Preparing our consolidated financial statements requires us to make a number of estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. We believe that we have made these estimates and assumptions in an appropriate manner and in a way that accurately reflects our financial condition. We continually test and evaluate these estimates and assumptions using our historical knowledge of the business, as well as other factors, to ensure that they are reasonable for reporting purposes. However, actual results may differ from these estimates and assumptions. This summary should be read in conjunction with the more complete discussion of our accounting policies and procedures included in note 2 to our consolidated financial statements.

In order to prepare our consolidated financial statements according to the rules and guidelines set forth by GAAP, many subjective judgments must be made with regard to critical accounting policies. One of these judgments is our estimate for useful lives in determining depreciation expense for our properties. Depreciation on a majority of our buildings and improvements is computed using the straight-line method over an estimated useful life of 25 to 35 years for buildings and 4 to 20 years for improvements, which we believe are appropriate estimates of useful life. If we use a shorter or longer estimated useful life, it could have a material impact on our results of operations.

Management must make significant assumptions in determining the fair value of assets acquired and liabilities assumed. When acquiring a property for investment purposes, we typically allocate the fair value of real estate acquired to: (1) land, (2) building and improvements, and (3) identified intangible assets and liabilities, based in each case on their estimated fair values. Intangible assets and liabilities consist of above-market or below-market lease value of in-place leases, the value of in-place leases, and tenant relationships, as applicable. In an acquisition of multiple properties, we must also allocate the purchase price among the properties. The allocation of the purchase price is based on our assessment of estimated fair value and is often based upon the expected future cash flows of the property and various characteristics of the market where the property is located. In addition, any assumed mortgages receivable or payable and any assumed or issued noncontrolling interests are recorded at their estimated fair values. The estimated fair values of our mortgages payable have been calculated by discounting the future cash flows using applicable interest rates that have been adjusted for factors, such as industry type, tenant investment grade, maturity date, and comparable borrowings for similar assets. The initial allocation of the purchase price is based on management's preliminary assessment, which may differ when final information becomes available. Subsequent adjustments made to the initial purchase price allocation are made within the allocation period, which does not exceed one year. The use of different assumptions in the allocation of the purchase price of the acquired properties and liabilities assumed could affect the timing of recognition of the related revenue and expenses.

Another significant judgment must be made as to if, and when, impairment losses should be taken on our properties when events or a change in circumstances indicate that the carrying amount of the asset may not be recoverable. A provision is made for impairment if estimated future operating cash flows (undiscounted and without interest charges) plus estimated disposition proceeds (undiscounted) are less than the current book value of the property. Key inputs that we utilize in this analysis include projected rental rates, estimated holding periods, historical sales and releases, capital expenditures, and property sales capitalization rates. If a property is held for sale, it is carried at the lower of carrying cost or estimated fair value, less estimated cost to sell. The carrying value of our real estate is the largest component of our consolidated balance sheets. Our strategy of primarily holding properties, long-term, directly decreases the likelihood of their carrying values not being recoverable, thus requiring the recognition of an impairment. However, if our strategy, or one or more of the above assumptions were to change in the future, an impairment may need to be recognized. If events should occur that require us to reduce the carrying value of our real estate by recording provisions for impairment, they could have a material impact on our results of operations.

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***The following is a comparison of our results of operations for the years ended December 31, 2015, 2014 and 2013.***

**Rental Revenue**

Rental revenue was \$976.9 million for 2015, as compared to \$893.5 million for 2014, an increase of \$83.4 million, or 9.3%. Rental revenue was \$748.2 million for 2013. The increase in rental revenue in 2015 compared to 2014 is primarily attributable to:

- The 248 properties (5.6 million square feet) we acquired in 2015, which generated \$41.9 million of rent in 2015;
- The 479 properties (9.3 million square feet) we acquired in 2014, which generated \$99.3 million of rent in 2015, compared to \$65.9 million in 2014, an increase of \$33.4 million;
- Same store rents generated on 3,636 properties (58.1 million square feet) during 2015 and 2014, increased by \$10.2 million, or 1.3%, to \$794.4 million from \$784.2 million;
- A net increase in straight-line rent and other non-cash adjustments to rent of \$4.0 million in 2015 as compared to 2014;
- A net decrease of \$8.4 million relating to properties sold in 2015 and during 2014 that were reported in continuing operations; and
- A net increase of \$2.3 million relating to the aggregate of (i) rental revenue from properties (137 properties comprising 1.2 million square feet) that were available for lease during part of 2015 or 2014, (ii) rental revenue for 22 properties under development, and (iii) lease termination settlements. In aggregate, the revenues for these items totaled \$26.5 million in 2015, compared to \$24.2 million in 2014.

For purposes of determining the same store rent property pool, we include all properties that were owned for the entire year-to-date period, for both the current and prior year, except for properties during the current or prior year that; (i) were vacant at any time, (ii) were under development or redevelopment, and (iii) were involved in eminent domain and rent was reduced. Each of the exclusions from the same store pool are separately addressed within the applicable sentences above, explaining the changes in rental revenue for the period.

Of the 4,538 properties in the portfolio at December 31, 2015, 4,519, or 99.6%, are single-tenant properties and the remaining are multi-tenant properties. Of the 4,519 single-tenant properties, 4,448, or 98.4%, were net leased with a weighted average remaining lease term (excluding rights to extend a lease at the option of the tenant) of approximately 10.0 years at December 31, 2015. Of our 4,448 leased single-tenant properties, 3,938 or 88.5% were under leases that provide for increases in rents through:

- Base rent increases tied to a consumer price index (typically subject to ceilings);



- Percentage rent based on a percentage of the tenants' gross sales;
- Fixed increases; or
- A combination of two or more of the above rent provisions.

Percentage rent, which is included in rental revenue, was \$4.5 million in 2015, \$3.6 million in 2014, and \$2.9 million in 2013. Percentage rent in 2015 was less than 1% of rental revenue and we anticipate percentage rent to be less than 1% of rental revenue in 2016.

Our portfolio of real estate, leased primarily to regional and national tenants under net leases, continues to perform well and provides dependable lease revenue supporting the payment of monthly dividends to our stockholders. At December 31, 2015, our portfolio of 4,538 properties was 98.4% leased with 71 properties available for lease, as compared to 98.4% leased, with 70 properties available for lease at December 31, 2014. It has been our experience that approximately 1% to 4% of our property portfolio will be unleased at any given time; however, it is possible that the number of properties available for lease could exceed these levels in the future.

Table of Contents**Tenant Reimbursements**

Contractually obligated reimbursements from tenants for recoverable real estate taxes and operating expenses were \$42.0 million in 2015, compared to \$37.1 million in 2014 and \$24.9 million in 2013. The increase in tenant reimbursements is primarily due to our acquisitions during 2014 and 2015. Our tenant reimbursements approximate our reimbursable property expenses for any given period.

**Other Revenue**

Other revenue, which comprises property-related revenue not included in rental revenue or tenant reimbursements, was \$4.4 million in 2015, compared to \$2.9 million in 2014 and \$7.0 million in 2013.

**Depreciation and Amortization**

Depreciation and amortization was \$409.2 million for 2015, compared to \$374.7 million for 2014 and \$306.8 million for 2013. The increase in depreciation and amortization in 2015 and 2014 was primarily due to the acquisition of properties in 2014 and 2015, which was partially offset by property sales in those same periods. As discussed in the sections entitled Funds from Operations (FFO) Available to Common Stockholders and Adjusted Funds from Operations (AFFO) Available to Common Stockholders, depreciation and amortization is a non-cash item that is added back to net income available to common stockholders for our calculation of FFO and AFFO.

**Interest Expense**

The following is a summary of the components of our interest expense (dollars in thousands):

	<b>2015</b>		<b>2014</b>		<b>2013</b>
Interest on our credit facility, term loans, notes, mortgages and interest rate swaps	\$ 226,207	\$	215,830	\$	182,974
Credit facility commitment fees	2,854		2,661		1,930
Amortization of credit facility origination costs and deferred financing costs	8,741		8,219		7,434
(Gain) loss on interest rate swaps	3,043		1,349		(878)
Dividend on preferred shares subject to redemption	-		1,526		-
Amortization of net mortgage premiums	(7,482)		(12,891)		(9,481)
Capital lease obligation	310		116		-
Interest capitalized	(594)		(444)		(537)
Interest expense	\$ 233,079	\$	216,366	\$	181,442

**Credit facility, term loans, mortgages and notes**

Average outstanding balances (dollars in thousands)	\$ 5,030,532	\$	4,628,438	\$	3,892,089
Average interest rates	4.43%		4.62%		4.67%

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The increase in interest expense from 2014 to 2015 was primarily due to the June 2014 issuance of our 3.88% senior unsecured notes due July 2024, the September 2014 issuance of our 4.125% senior unsecured notes due October 2026, the interest expense on the \$250 million term loan that was entered into during June 2015, and the payoff of mortgages during 2015 which reduced the amortization of net mortgage premiums. Additionally, each quarter we adjust the carrying value of our interest rate swaps to fair value. Changes in the fair value of our interest rate swaps are recorded directly to interest expense. We recorded a loss on interest rate swaps of \$3.0 million and \$1.3 million during 2015 and 2014, respectively, and a gain on interest rate swaps of \$878,000 during 2013.

The increase in interest expense from 2013 to 2014 was primarily due to the July 2013 issuance of our 4.65% senior unsecured notes due August 2023, the June 2014 issuance of our 3.88% senior unsecured notes due July 2024, the September 2014 issuance of our 4.125% senior unsecured notes due October 2026, and an increase in mortgages payable. The increase was partially offset by slightly lower average interest rates and the repayment of our 5.375% senior unsecured notes in March 2013.

At December 31, 2015, the weighted average interest rate on our:

- Notes and bonds payable of \$3.65 billion (excluding unamortized original issuance discounts of \$13.3 million) was 4.7%;

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- Mortgages payable of \$637.7 million (excluding net premiums totaling \$9.1 million on these mortgages) was 5.0%;
- Credit facility outstanding borrowings of \$238.0 million was 1.2%;
- Term loans outstanding borrowings of \$320.0 million was 1.2%; and
- Combined outstanding notes, bonds, mortgages, term loan and credit facility borrowings of \$4.85 billion was 4.4%.

**General and Administrative Expenses**

General and administrative expenses decreased by \$1.8 million to \$49.3 million for 2015, compared to \$51.1 million in 2014. General and administrative expenses were \$56.9 million in 2013. Included in general and administrative expenses are acquisition transaction costs of \$913,000 for 2015, \$453,000 for 2014, and \$2.1 million for 2013. General and administrative expenses slightly decreased during 2015 primarily due to lower compensation costs, lower corporate insurance premiums, and lower proxy costs. General and administrative expenses decreased during 2014 primarily due to lower stock compensation costs, including the \$3.7 million for accelerated vesting that occurred in July 2013, and lower acquisition transaction costs. In January 2016, we had 132 employees, as compared to 125 employees in January 2015 and 116 employees in January 2014.

Dollars in thousands		2015		2014		2013
General and administrative expenses	\$	49,298	\$	51,085	\$	56,881
Total revenue(1)		981,270		896,499		761,159
General and administrative expenses as a percentage of total revenue		5.0%		5.7%		7.5%

(1) Excludes all tenant reimbursements revenue, as well as revenue included in discontinued operations and gain on sales.

**Property Expenses (including tenant reimbursable expenses)**

Property expenses consist of costs associated with unleased properties, leased properties and general portfolio expenses, as well as contractually obligated reimbursable costs from tenants for recoverable real estate taxes and operating expenses. Expenses related to unleased properties and expenses we are responsible for on some of the leased properties include, but are not limited to, property taxes, maintenance, insurance, utilities, property inspections, bad debt expense and legal fees. General portfolio expenses include, but are not limited to, insurance, legal, property inspections, and title search fees. At December 31, 2015, 71 properties were available for lease, as compared to 70 properties at December 31, 2014 and 70 properties at December 31, 2013.

Property expenses were \$55.4 million (including \$42.0 million in reimbursable expenses) in 2015 and \$53.9 million (including \$37.1 million in reimbursable expenses) in 2014 and \$38.9 million (including \$24.9 million in reimbursable expenses) in 2013. The increase in gross property expenses in 2015 is primarily attributable to the increased portfolio size, which contributed to higher contractually obligated reimbursements primarily due to our acquisitions during 2014 and 2015.

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While the gross property expenses have increased, our net property expenses (net of tenant reimbursements) has decreased during 2015 as compared to 2014. The net expenses have decreased primarily due to lower portfolio vacancy, lower property insurance premiums and fewer one-time maintenance expenses.

Dollars in thousands	2015	2014	2013
Property expenses net of tenant reimbursements	\$ 13,337	\$ 16,753	\$ 13,907
Total revenue(1)	981,270	896,499	761,159
Property expenses net of tenant reimbursements as a percentage of total revenue	1.4%	1.9%	1.8%

(1) Excludes all tenant reimbursements revenue, as well as revenue included in discontinued operations and gain on sales.

### Income Taxes

Income taxes were \$3.2 million in 2015, compared to \$3.5 million in 2014 and \$2.4 million in 2013. These amounts are for city and state income and franchise taxes paid by Realty Income and its subsidiaries. The increase for 2014 is primarily related to higher city and state income and franchise taxes paid by Realty Income and its subsidiaries, primarily related to increased portfolio size.

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**Provisions for Impairment**

In 2015, we recorded total provisions for impairment of \$10.6 million on three properties classified as held for sale, four properties classified as held for investment, seven sold properties, and one property disposed of other than by sale. These properties were not previously classified as held for sale in financial statements issued prior to the date of adoption of Accounting Standards Update (ASU) 2014-08, which amends Topic 205, *Presentation of Financial Statements*, and Topic 360, *Property, Plant, and Equipment*; accordingly, the provisions for impairment are included in income from continuing operations on our consolidated statement of income for the year ended December 31, 2015.

In 2014, Realty Income recorded total provisions for impairment of \$4.6 million. Provisions for impairment of \$4.1 million are included in income from continuing operations on nine sold properties and two properties classified as held for investment. These properties were not previously classified as held for sale in financial statements issued prior to the date of adoption of ASU 2014-08; accordingly, these provisions for impairment are included in income from continuing operations on our consolidated statements of income. Additionally, a provision for impairment of \$510,000 is included in income from discontinued operations on one sold property that was classified as held for sale as of December 31, 2013.

In 2013, Realty Income recorded total provisions for impairment of \$3.0 million. Realty Income recorded provisions for impairment of \$2.7 million in income from discontinued operations on seven sold properties. Except for a provision for impairment of \$290,000 that was recorded in income from continuing operations for one property that was not previously classified as held for sale as of December 31, 2013, the remaining provisions for impairment are included in income from discontinued operations on our consolidated statement of income. In 2013, Crest also recorded a provision for impairment of \$308,000 on one sold property which is included in income from discontinued operations.

**Merger-Related Costs**

Merger-related costs include, but are not limited to, advisor fees, legal fees, accounting fees, printing fees and transfer taxes related to our acquisition of ARCT. Merger-related costs were \$13.0 million in 2013. On a diluted per common share basis, these expenses represented \$0.07 for 2013. No merger-related costs were incurred in 2014 or 2015.

**Gain on Sales of Real Estate**

During 2015, we sold 38 investment properties for \$65.8 million, which resulted in a gain of \$22.2 million. The results of operations for these properties are presented within continuing operations.

During 2014, we sold 46 investment properties for \$107.2 million, which resulted in a gain of \$42.1 million. Only the results of operations specifically related to the properties classified as held for sale at December 31, 2013 and sold during 2014 were reclassified as discontinued operations.

During 2013, we sold 75 investment properties for \$134.2 million, which resulted in a gain of \$64.7 million. The results of operations for these properties were reclassified as discontinued operations for all periods presented.

During 2015, Crest did not sell any properties. Crest sold one property for \$820,000 and one property for \$597,000 during 2014 and 2013, respectively. Neither of these sales resulted in a gain. The results of operations for these properties were reclassified as discontinued operations.

We have an active portfolio management program that incorporates the sale of assets when we believe the reinvestment of the sale proceeds will:

- Generate higher returns;
- Enhance the credit quality of our real estate portfolio;
- Extend our average remaining lease term; or
- Decrease tenant or industry concentration.

At December 31, 2015, we classified real estate with a carrying amount of \$9.8 million as held for sale on our balance sheet. In 2016, we intend to continue our active disposition efforts to further enhance our real estate portfolio and anticipate approximately \$50 to \$75 million in yet to be identified property sales for all of 2016. We intend to invest these proceeds into new property acquisitions, if there are attractive opportunities available.

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However, we cannot guarantee that we will sell properties during the next 12 months at our estimated values or be able to invest the property sale proceeds in new properties.

**Preferred Stock Dividends**

Preferred stock dividends totaled \$27.1 million in 2015, \$37.1 million in 2014, and \$41.9 million in 2013.

**Excess of Redemption Value over Carrying Value of Preferred Shares Redeemed**

In October 2014, we redeemed all 8,800,000 shares of our 6.75% Monthly Income Class E Cumulative Redeemable Preferred Stock, or the Class E preferred stock, for \$25.00 per share, plus accrued dividends. We incurred a non-cash charge of \$6.0 million. This charge is for the excess of redemption value over the carrying value of the Class E preferred stock and represents the original issuance cost that was paid in 2006.

**Net Income Available to Common Stockholders**

Net income available to common stockholders was \$256.7 million in 2015, compared to \$227.6 million in 2014, an increase of \$29.1 million. On a diluted per common share basis, net income was \$1.09 in 2015, as compared to \$1.04 in 2014, an increase of \$0.05, or 4.8%. Net income available to common stockholders was \$203.6 million in 2013, or \$1.06 on a diluted per common share basis. Net income available to common stockholders for 2014 includes a non-cash redemption charge of \$6.0 million on the shares of Class E preferred stock that were redeemed in October 2014, which represents \$0.03 on a diluted per common share basis. This charge is for the excess of redemption value over the carrying value of the Class E preferred stock and represents the original issuance cost that was paid in 2006. Net income available to common stockholders for 2013 was impacted by an unusually large gain on property sales, which represents \$0.18 on a diluted per common share basis. Additionally, net income available to common stockholders for 2013 includes \$13.0 million of merger-related costs for the acquisition of ARCT, which represents \$0.07 on a diluted per common share basis, and \$3.7 million for accelerated vesting of restricted shares that occurred in July 2013 from ten-year vesting to five years, which represents \$0.02 on a diluted per common share basis.

The calculation to determine net income available to common stockholders includes impairments and/or gains from the sale of properties. The amount of impairments and/or gains varies from period to period based on the timing of property sales and can significantly impact net income available to common stockholders.

Gains from the sale of properties during 2015 were \$22.2 million, as compared to gains from the sale of properties of \$42.1 million during 2014.

**Discontinued Operations**

During the first quarter of 2014, the Financial Accounting Standards Board issued guidance that changed the definition of discontinued operations by limiting discontinued operations reporting to disposals of components of an entity that represent strategic shifts that have, or will have, a major effect on an entity's operations and financial results. We early adopted the requirements of this accounting pronouncement in the first quarter of 2014. Starting with the first quarter of 2014, the results of



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operations for all qualifying disposals and properties classified as held for sale that were not previously reported in discontinued operations in our 2013 Annual Report on Form 10-K are presented within income from continuing operations on our consolidated statements of income. For 2014, we recorded income from discontinued operations of \$2.8 million, or \$0.01 per common share, basic and diluted. For 2013, we recorded income from discontinued operations of \$65.7 million, or \$0.34 per common share, basic and diluted.

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**FUNDS FROM OPERATIONS (FFO) AVAILABLE TO COMMON STOCKHOLDERS**

In 2015, our FFO increased by \$89.5 million, or 15.9%, to \$652.4 million, compared to \$562.9 million in 2014. On a diluted per common share basis, FFO was \$2.77 in 2015, compared to \$2.58 in 2014, an increase of \$0.19, or 7.4%. In 2013, FFO was \$462.0 million, or \$2.41 on a diluted per common share basis. Our FFO in 2014 included a non-cash redemption charge of \$6.0 million on the shares of Class E preferred stock that were redeemed in October 2014, which represents \$0.03 on a diluted per common share basis. This charge is for the excess of redemption value over the carrying value of the Class E preferred stock and represents the original issuance cost that was paid in 2006. FFO in 2013 was normalized to exclude \$13.0 million of merger-related costs, which represents \$0.07 on a diluted per common share basis for 2013. FFO for 2013 includes \$3.7 million for accelerated vesting of restricted shares that occurred in July 2013 from ten-year vesting to five years, which represents \$0.02 on a diluted per common share basis. All references to FFO for 2013 reflect the adjustments for merger-related costs for the acquisition of ARCT.

The following is a reconciliation of net income available to common stockholders (which we believe is the most comparable GAAP measure) to FFO. Also presented is information regarding distributions paid to common stockholders and the weighted average number of common shares used for the basic and diluted computation per share (dollars in thousands, except per share amounts):

2015                      2014                      2013

(1) FFO for 2013 has been normalized to exclude ARCT merger-related costs.

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(2) The computation of diluted FFO does not assume conversion of securities that are convertible to common shares if the conversion of those securities would increase diluted FFO per share in a given period.

We define FFO, a non-GAAP measure, consistent with the National Association of Real Estate Investment Trusts' definition, as net income available to common stockholders, plus depreciation and amortization of real estate assets, plus impairments of depreciable real estate assets, reduced by gains on property sales and extraordinary items.

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We consider FFO to be an appropriate supplemental measure of a REIT's operating performance as it is based on a net income analysis of property portfolio performance that adds back items such as depreciation and impairments for FFO. The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, which implies that the value of real estate assets diminishes predictably over time. Since real estate values historically rise and fall with market conditions, presentations of operating results for a REIT, using historical accounting for depreciation, could be less informative. The use of FFO is recommended by the REIT industry as a supplemental performance measure. In addition, FFO is used as a measure of our compliance with the financial covenants of our new credit facility.

**ADJUSTED FUNDS FROM OPERATIONS (AFFO) AVAILABLE TO COMMON STOCKHOLDERS**

In 2015, our AFFO increased by \$85.3 million, or 15.2%, to \$647.0 million, compared to \$561.7 million in 2014. On a diluted per common share basis, AFFO was \$2.74 in 2015, compared to \$2.57 in 2014, an increase of \$0.17, or 6.6%. In 2013, AFFO was \$463.1 million, or \$2.41 on a diluted per common share basis. We consider AFFO to be an appropriate supplemental measure of our performance. Most companies in our industry use a similar measurement, but they may use the term CAD (for Cash Available for Distribution), FAD (for Funds Available for Distribution) or other terms.

The following is a reconciliation of net income available to common stockholders (which we believe is the most comparable GAAP measure) to FFO and AFFO. Also presented is information regarding distributions paid to common stockholders and the weighted average number of common shares used for the basic and diluted computation per share (dollars in thousands, except per share amounts):

	<b>2015</b>	<b>2014</b>	<b>2013</b>
Net income available to common stockholders	\$ 256,686	\$ 227,558	\$ 203,634
Cumulative adjustments to calculate FFO (1)	395,751	335,331	258,396
FFO available to common stockholders	652,437	562,889	462,030
Provisions for impairment on Crest properties	-	-	308
Excess of redemption value over carrying value of preferred share redemptions	-	6,015	-
Amortization of share-based compensation	10,391	11,959	20,785
Amortization of deferred financing costs (2)	5,294	4,804	4,436
Amortization of net mortgage premiums	(6,978)	(9,208)	(9,481)
Gain on early extinguishment of debt	(504)	(3,428)	-
(Gain) loss on interest rate swaps	3,043	1,349	(878)
Leasing costs and commissions	(748)	(821)	(1,280)
Recurring capital expenditures	(7,606)	(5,210)	(7,227)
Straight-line rent	(16,468)	(14,872)	(13,742)
Amortization of above and below-market leases	7,861	8,024	8,188
Other adjustments (3)	306	160	-
Total AFFO available to common stockholders (4)	\$ 647,028	\$ 561,661	\$ 463,139
AFFO per common share:			
Basic	\$ 2.74	\$ 2.57	\$ 2.42
Diluted	\$ 2.74	\$ 2.57	\$ 2.41
Distributions paid to common stockholders	\$ 533,238	\$ 479,256	\$ 409,222

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AFFO in excess of distributions paid to common stockholders	\$	113,790	\$	82,405	\$	53,917
Weighted average number of common shares used for computation per share:						
Basic		235,767,932		218,390,885		191,754,857
Diluted (4)		235,891,368		218,450,863		191,781,622

(1) See reconciling items for FFO presented under Funds from Operations (FFO) Available to Common Stockholders.

(2) Includes the amortization of costs incurred and capitalized upon issuance of our notes payable, assumption of our mortgages payable and upon issuance of our term loans. The deferred financing costs are being amortized over the lives of the respective mortgages and term loans. No costs associated with our credit facility agreements or annual fees paid to credit rating agencies have been included.

(3) Includes adjustments allocable to both non-controlling interests and capital lease obligations.

(4) The computation of diluted AFFO does not assume conversion of securities that are convertible to common shares if the conversion of those securities would increase diluted AFFO per share in a given period.

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We believe the non-GAAP financial measure AFFO provides useful information to investors because it is a widely accepted industry measure of the operating performance of real estate companies that is used by industry analysts and investors who look at and compare those companies. In particular, AFFO provides an additional measure to compare the operating performance of different REITs without having to account for differing depreciation assumptions and other unique revenue and expense items which are not pertinent to measuring a particular company's on-going operating performance. Therefore, we believe that AFFO is an appropriate supplemental performance metric, and that the most appropriate GAAP performance metric to which AFFO should be reconciled is net income available to common stockholders.

Presentation of the information regarding FFO and AFFO is intended to assist the reader in comparing the operating performance of different REITs, although it should be noted that not all REITs calculate FFO and AFFO in the same way, so comparisons with other REITs may not be meaningful. Furthermore, FFO and AFFO are not necessarily indicative of cash flow available to fund cash needs and should not be considered as alternatives to net income as an indication of our performance. FFO and AFFO should not be considered as alternatives to reviewing our cash flows from operating, investing, and financing activities. In addition, FFO and AFFO should not be considered as measures of liquidity, of our ability to make cash distributions, or of our ability to pay interest payments.

#### **IMPACT OF INFLATION**

Tenant leases generally provide for limited increases in rent as a result of increases in the tenants' sales volumes, increases in the consumer price index (typically subject to ceilings), or fixed increases. We expect that inflation will cause these lease provisions to result in rent increases over time. During times when inflation is greater than increases in rent, as provided for in the leases, rent increases may not keep up with the rate of inflation.

Of our 4,538 properties in our portfolio, approximately 98.0% or 4,467 are leased to tenants under net leases where the tenant is responsible for property expenses. Net leases tend to reduce our exposure to rising property expenses due to inflation. Inflation and increased costs may have an adverse impact on our tenants if increases in their operating expenses exceed increases in revenue.

#### **IMPACT OF RECENT ACCOUNTING PRONOUNCEMENTS**

For information on the impact of recent accounting pronouncements on our business, see note 2 of the Notes to the Consolidated Financial Statements.

#### **Item 7A: Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to interest rate changes primarily as a result of our new credit facility, term loans, mortgages payable, and long-term notes and bonds used to maintain liquidity and expand our real estate investment portfolio and operations. Our interest

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rate risk management objective is to limit the impact of interest rate changes on earnings and cash flow and to lower our overall borrowing costs. To achieve these objectives we issue long-term notes and bonds, primarily at fixed rates.

In order to mitigate and manage the effects of interest rate risks on our operations, we may utilize a variety of financial instruments, including interest rate swaps and caps. The use of these types of instruments to hedge our exposure to changes in interest rates carries additional risks, including counterparty credit risk, the enforceability of hedging contracts and the risk that unanticipated and significant changes in interest rates will cause a significant loss of basis in the contract. To limit counterparty credit risk we will seek to enter into such agreements with major financial institutions with favorable credit ratings. There can be no assurance that we will be able to adequately protect against the foregoing risks or realize an economic benefit that exceeds the related amounts incurred in connection with engaging in such hedging activities. We do not enter into any derivative transactions for speculative or trading purposes.

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The following table presents by year of expected maturity, the principal amounts, average interest rates and estimated fair values of our fixed and variable rate debt as of December 31, 2015. This information is presented to evaluate the expected cash flows and sensitivity to interest rate changes (dollars in millions):

Expected Maturity Data

<b>Year of maturity</b>	<b>Fixed rate debt</b>	<b>Weighted average rate on fixed rate debt</b>	<b>Variable rate debt</b>	<b>Weighted average rate on variable rate debt</b>
2016	\$ 444.9	5.45%	\$ 0.2	2.54 %
2017	308.3	5.63	9.5	2.40
2018	365.3	2.15	70.3	1.45
2019	554.5	6.74	259.8	1.29
2020	82.2	4.99	250.2	1.37
Thereafter	2,478.7	4.50	21.7	2.41
Totals (1)	\$ 4,233.9	4.78%	\$ 611.7	1.40 %
Fair Value (2)	\$ 4,429.2		\$ 608.3	

(1) Excludes net premiums recorded on mortgages payable and original issuance discounts recorded on notes payable. At December 31, 2015, the unamortized balance of net premiums on mortgages payable was \$9.1 million, and the unamortized balance of original issuance discounts on notes payable was \$13.3 million.

(2) We base the estimated fair value of the fixed rate senior notes and bonds at December 31, 2015 on the indicative market prices and recent trading activity of our senior notes and bonds payable. We base the estimated fair value of our fixed rate and variable rate mortgages at December 31, 2015 on the relevant Treasury yield curve, plus an applicable credit-adjusted spread. We believe that the carrying value of the credit facility balance and term loans balance reasonably approximate their estimated fair values at December 31, 2015.

The table incorporates only those exposures that exist as of December 31, 2015. It does not consider those exposures or positions that could arise after that date. As a result, our ultimate realized gain or loss, with respect to interest rate fluctuations, would depend on the exposures that arise during the period, our hedging strategies at the time, and interest rates.

All of our outstanding notes and bonds have fixed interest rates. All of our mortgages payable, except four mortgages totaling \$51.1 million at December 31, 2015, including net unamortized discounts, have fixed interest rates. After factoring in arrangements that limit our exposure to interest rate risk and effectively fix our per annum interest rates, our variable rate mortgage debt includes two mortgages totaling \$15.5 million at December 31, 2015. Interest on our new credit facility and term loan balances is variable. However, the variable interest rate feature on our term loans has been mitigated by interest rate swap agreements. Based on our new credit facility balance of \$238.0 million at December 31, 2015, a 1% change in interest rates would change our interest costs by \$2.4 million per year.





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Item 8: **Financial Statements and Supplementary Data**

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- A. Reports of Independent Registered Public Accounting Firm
- B. Consolidated Balance Sheets,  
December 31, 2015 and 2014
- C. Consolidated Statements of Income,  
Years ended December 31, 2015, 2014 and 2013
- D. Consolidated Statements of Equity,  
Years ended December 31, 2015, 2014 and 2013
- E. Consolidated Statements of Cash Flows,  
Years ended December 31, 2015, 2014 and 2013
- F. Notes to Consolidated Financial Statements
- G. Consolidated Quarterly Financial Data  
(unaudited) for 2015 and 2014
- H. Schedule III Real Estate and Accumulated Depreciation

Schedules not filed: All schedules, other than that indicated in the Table of Contents, have been omitted as the required information is either not material, inapplicable or the information is presented in the financial statements or related notes.

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**Report of Independent Registered Public Accounting Firm**

The Board of Directors and Stockholders

Realty Income Corporation:

We have audited the accompanying consolidated balance sheets of Realty Income Corporation and subsidiaries as of December 31, 2015 and 2014, and the related consolidated statements of income, equity, and cash flows for each of the years in the three-year period ended December 31, 2015. In connection with our audits of the consolidated financial statements, we also have audited financial statement schedule III. These consolidated financial statements and financial statement schedule are the responsibility of Realty Income Corporation's management. Our responsibility is to express an opinion on these consolidated financial statements and financial statement schedule based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Realty Income Corporation and subsidiaries as of December 31, 2015 and 2014, and the results of their operations and their cash flows for each of the years in the three-year period ended December 31, 2015, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the related financial statement schedule, when considered in relation to the basic consolidated financial statements taken as a whole, present fairly, in all material respects, the information set forth therein.

As discussed in note 2 to the consolidated financial statements, Realty Income Corporation changed its method for reporting discontinued operations in 2014 due to the adoption of FASB Accounting Standards Update No. 2014-08.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), Realty Income Corporation's internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO), and our report dated February 11, 2016 expressed an unqualified opinion on the effectiveness of Realty Income Corporation's internal control over financial reporting.

/s/ KPMG LLP

San Diego, California  
February 11, 2016

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**Report of Independent Registered Public Accounting Firm**

The Board of Directors and Stockholders

Realty Income Corporation:

We have audited Realty Income Corporation's internal control over financial reporting as of December 31, 2015, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Realty Income Corporation's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying *Management's Report on Internal Control over Financial Reporting*. Our responsibility is to express an opinion on Realty Income Corporation's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Realty Income Corporation maintained, in all material respects, effective internal control over financial reporting as of December 31, 2015, based on *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

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We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the consolidated balance sheets of Realty Income Corporation and subsidiaries as of December 31, 2015 and 2014, and the related consolidated statements of income, equity and cash flows for each of the years in the three-year period ended December 31, 2015, and our report dated February 11, 2016 expressed an unqualified opinion on those consolidated financial statements.

/s/ KPMG LLP

San Diego, California  
February 11, 2016

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## REALTY INCOME CORPORATION AND SUBSIDIARIES

**CONSOLIDATED BALANCE SHEETS**

December 31, 2015 and 2014

(dollars in thousands, except per share data)

	2015	2014
<b>ASSETS</b>		
Real estate, at cost:		
Land	\$ 3,286,004	\$ 3,046,372
Buildings and improvements	9,010,778	8,107,199
Total real estate, at cost	12,296,782	11,153,571
Less accumulated depreciation and amortization	(1,687,665)	(1,386,871)
Net real estate held for investment	10,609,117	9,766,700
Real estate held for sale, net	9,767	14,840
Net real estate	10,618,884	9,781,540
Cash and cash equivalents	40,294	3,852
Accounts receivable, net	81,678	64,386
Acquired lease intangible assets, net	1,034,417	1,039,724
Goodwill	15,321	15,470
Other assets, net	75,276	107,650
Total assets	\$ 11,865,870	\$ 11,012,622
<b>LIABILITIES AND EQUITY</b>		
Distributions payable	\$ 50,344	\$ 43,675
Accounts payable and accrued expenses	115,826	123,287
Acquired lease intangible liabilities, net	250,916	220,469
Other liabilities	53,965	53,145
Lines of credit payable	238,000	223,000
Term loans	320,000	70,000
Mortgages payable, net	646,740	852,575
Notes payable, net	3,636,746	3,785,372
Total liabilities	5,312,537	5,371,523
Commitments and contingencies		
Stockholders' equity:		
Preferred stock and paid in capital, par value \$0.01 per share, 69,900,000 shares authorized, 16,350,000 shares issued and outstanding as of December 31, 2015 and December 31, 2014, liquidation preference \$25.00 per share	395,378	395,378
Common stock and paid in capital, par value \$0.01 per share, 370,100,000 shares authorized, 250,416,757 shares issued and outstanding as of December 31, 2015 and 224,881,192 shares issued and outstanding as of December 31, 2014	7,666,428	6,464,987
Distributions in excess of net income	(1,530,210)	(1,246,964)
Total stockholders' equity	6,531,596	5,613,401
Noncontrolling interests	21,737	27,698
Total equity	6,553,333	5,641,099
Total liabilities and equity	\$ 11,865,870	\$ 11,012,622

*The accompanying notes to consolidated financial statements are an integral part of these statements.*





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## REALTY INCOME CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF INCOME**

Years Ended December 31, 2015, 2014 and 2013

(dollars in thousands, except per share data)

	<b>2015</b>		<b>2014</b>		<b>2013</b>
<b>REVENUE</b>					
Rental	\$ 976,865	\$	893,457	\$	748,218
Tenant reimbursements	42,015		37,118		24,944
Other	4,405		2,930		7,047
Total revenue	1,023,285		933,505		780,209
<b>EXPENSES</b>					
Depreciation and amortization	409,215		374,661		306,769
Interest	233,079		216,366		181,442
General and administrative	49,298		51,085		56,881
Property (including reimbursable)	55,352		53,871		38,851
Income taxes	3,169		3,461		2,350
Provisions for impairment	10,560		4,126		290
Merger-related costs	-		-		13,013
Total expenses	760,673		703,570		599,596
Gain on sales of real estate	22,243		39,205		-
Income from continuing operations	284,855		269,140		180,613
Income from discontinued operations	-		2,800		65,670
Net income	284,855		271,940		246,283
Net income attributable to noncontrolling interests	(1,089)		(1,305)		(719)
Net income attributable to the Company	283,766		270,635		245,564
Preferred stock dividends	(27,080)		(37,062)		(41,930)
Excess of redemption value over carrying value of preferred shares redeemed	-		(6,015)		-
Net income available to common stockholders	\$ 256,686	\$	227,558	\$	203,634
Amounts available to common stockholders per common share:					
Income from continuing operations, basic and diluted	\$ 1.09	\$	1.03	\$	0.72
Net income, basic and diluted	\$ 1.09	\$	1.04	\$	1.06
Weighted average common shares outstanding:					
Basic	235,767,932		218,390,885		191,754,857
Diluted	236,208,390		218,767,885		191,781,622

***The accompanying notes to consolidated financial statements are an integral part of these statements.***



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## REALTY INCOME CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF EQUITY**

Years Ended December 31, 2015, 2014, and 2013

(dollars in thousands)

	Shares of preferred stock	Shares of common stock	Preferred stock and paid in capital	Common stock and paid in capital	Distributions in excess of net income	Total stockholders equity	Noncontrolling interests	Total equity
Balance, December 31, 2012	25,150,000	133,452,411	609,363	2,572,092	(768,661)	2,412,794	-	2,412,794
Net income	-	-	-	-	245,564	245,564	719	246,283
Distributions paid and payable	-	-	-	-	(468,697)	(468,697)	(1,371)	(470,068)
Shares issued in stock offerings, net of offering costs	-	27,025,000	-	1,133,574	-	1,133,574	-	1,133,574
Shares issued in conjunction with acquisition of ARCT, net of our shares owned by ARCT	-	45,364,435	-	1,997,850	-	1,997,850	-	1,997,850
Issuance of preferred and common units	-	-	-	-	-	-	36,563	36,563
Shares issued pursuant to dividend reinvestment and stock purchase plan, net	-	1,449,139	-	55,244	-	55,244	-	55,244
Share-based compensation, net	-	194,088	-	9,118	-	9,118	-	9,118
Balance, December 31, 2013	25,150,000	207,485,073	609,363	5,767,878	(991,794)	5,385,447	35,911	5,421,358
Net income	-	-	-	-	270,635	270,635	1,305	271,940
Distributions paid and payable	-	-	-	-	(519,790)	(519,790)	(1,839)	(521,629)
Shares issued in stock offerings, net of offering costs	-	13,800,000	-	528,592	-	528,592	-	528,592
Redemption of common units	-	35,000	-	1,032	-	1,032	(1,032)	-
Reallocation of equity	-	-	-	6,647	-	6,647	(6,647)	-
Shares issued pursuant to dividend reinvestment and stock purchase plan, net	-	3,527,166	-	157,285	-	157,285	-	157,285
	(8,800,000)	-	(213,985)	-	(6,015)	(220,000)	-	(220,000)

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Preferred shares redeemed									
Share-based compensation, net	-	33,953	-	3,553	-	3,553	-	3,553	
Balance, December 31, 2014	16,350,000	224,881,192	\$ 395,378	\$ 6,464,987	\$ (1,246,964)	\$ 5,613,401	\$ 27,698	\$ 5,641,099	
Net income	-	-	-	-	283,766	283,766	1,089	284,855	
Distributions paid and payable	-	-	-	-	(567,012)	(567,012)	(1,652)	(568,664)	
Shares issued in stock offerings, net of offering costs	-	17,000,000	-	793,559	-	793,559	-	793,559	
Redemption of common units	-	168,182	-	4,347	-	4,347	(4,347)	-	
Reallocation of equity	-	-	-	1,051	-	1,051	(1,051)	-	
Shares issued pursuant to dividend reinvestment and stock purchase plan, net	-	7,608,354	-	360,700	-	360,700	-	360,700	
Shares issued pursuant to at-the-market program, net	-	714,301	-	35,747	-	35,747	-	35,747	
Share-based compensation, net	-	44,728	-	6,037	-	6,037	-	6,037	
Balance, December 31, 2015	16,350,000	250,416,757	\$ 395,378	\$ 7,666,428	\$ (1,530,210)	\$ 6,531,596	\$ 21,737	\$ 6,553,333	

*The accompanying notes to consolidated financial statements are an integral part of these statements.*

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## REALTY INCOME CORPORATION AND SUBSIDIARIES

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

Years Ended December 31, 2015, 2014 and 2013

(dollars in thousands)

	<b>2015</b>	<b>2014</b>	<b>2013</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net income	\$ 284,855	\$ 271,940	\$ 246,283
Adjustments to net income:			
Depreciation and amortization	409,215	374,661	306,769
Income from discontinued operations	-	(2,800)	(65,670)
Amortization of share-based compensation	10,391	11,959	20,785
Non-cash rental adjustments	(8,607)	(6,848)	(5,554)
Amortization of net premiums on mortgages payable	(7,482)	(12,891)	(9,481)
Amortization of deferred financing costs	9,044	8,335	9,364
Loss (gain) on interest rate swaps	3,043	1,349	(878)
Gain on sales of real estate	(22,243)	(39,205)	-
Provisions for impairment on real estate	10,560	4,126	290
Change in assets and liabilities			
Accounts receivable and other assets	(2,641)	(3,064)	(2,116)
Accounts payable, accrued expenses and other liabilities	6,168	20,130	19,114
Net cash provided by operating activities	692,303	627,692	518,906
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Investment in real estate	(1,266,885)	(1,228,243)	(1,429,483)
Improvements to real estate, including leasing costs	(11,541)	(6,032)	(8,507)
Proceeds from sales of real estate:			
Continuing operations	65,817	88,688	8
Discontinued operations	-	6,918	126,785
Collection (issuance) of loans receivable	-	350	(10,656)
Restricted escrow deposits for Section 1031 tax-deferred exchanges and pending acquisitions	33,554	(36,540)	(10,158)
Net cash used in investing activities	(1,179,055)	(1,174,859)	(1,332,011)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash distributions to common stockholders	(533,238)	(479,256)	(409,222)
Cash dividends to preferred stockholders	(27,080)	(38,300)	(41,930)
Borrowings on line of credit	1,448,000	1,672,321	2,624,700
Payments on line of credit	(1,433,000)	(1,577,321)	(2,654,700)
Proceeds from notes and bonds payable issued	-	598,594	750,000
Principal payment on notes payable	(150,000)	-	(100,000)
Principal payments on mortgages payable	(198,353)	(85,208)	(32,603)
Proceeds from term loans	250,000	-	70,000
Repayment of American Realty Capital Trust, Inc., or ARCT, line of credit	-	-	(317,207)
Repayment of ARCT term loan	-	-	(235,000)
Proceeds from common stock offerings, net	793,559	528,615	1,133,574
Redemption of preferred units	(6,750)	-	-
Redemption of preferred stock	-	(220,000)	-
Distributions to noncontrolling interests	(1,679)	(1,844)	(1,216)
Debt issuance costs	(10,259)	(5,505)	(10,666)
Proceeds from dividend reinvestment and stock purchase plan	363,029	158,462	55,806
Proceeds from At-the-Market (ATM) program	36,348	-	-

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Other items, including shares withheld upon vesting	(7,383)	(9,796)	(13,422)
Net cash provided by financing activities	523,194	540,762	818,114
Net increase (decrease) in cash and cash equivalents	36,442	(6,405)	5,009
Cash and cash equivalents, beginning of period	3,852	10,257	5,248
Cash and cash equivalents, end of period	\$ 40,294	\$ 3,852	\$ 10,257

For supplemental disclosures, see note 16.

***The accompanying notes to consolidated financial statements are an integral part of these statements.***

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REALTY INCOME CORPORATION AND SUBSIDIARIES

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

December 31, 2015, 2014, and 2013

**1. Organization and Operation**

Realty Income Corporation ( Realty Income, the Company, we, our or us ) is organized as a Maryland corporation. We invest in commercial real estate and have elected to be taxed as a real estate investment trust, or REIT.

At December 31, 2015, we owned 4,538 properties, located in 49 states and Puerto Rico, containing over 76.0 million leasable square feet.

Information with respect to number of properties, square feet, average initial lease term and weighted average contractual lease rate is unaudited.

**2. Summary of Significant Accounting Policies and Procedures and Recent Accounting Pronouncements**

**Federal Income Taxes.** We have elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended, or the Code. We believe we have qualified and continue to qualify as a REIT. Under the REIT operating structure, we are permitted to deduct dividends paid to our stockholders in determining our taxable income. Assuming our dividends equal or exceed our taxable net income, we generally will not be required to pay federal corporate income taxes on such income. Accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements, except for the federal income taxes of our taxable REIT subsidiaries. The income taxes recorded on our consolidated statements of income represent amounts paid by Realty Income for city and state income and franchise taxes.

Earnings and profits that determine the taxability of distributions to stockholders differ from net income reported for financial reporting purposes due to differences in the estimated useful lives and methods used to compute depreciation and the carrying value (basis) of the investments in properties for tax purposes, among other things.

We regularly analyze our various federal and state filing positions and only recognize the income tax effect in our financial statements when certain criteria regarding uncertain income tax positions have been met. We believe that our income tax positions would more likely than not be sustained upon examination by all relevant taxing authorities. Therefore, no provisions for uncertain income tax positions have been recorded in our financial statements.

**Net Income per Common Share.** Basic net income per common share is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding during each period. Diluted net income per common share is computed by dividing net income available to common stockholders, plus income attributable to dilutive shares and convertible common units, for the period by the weighted average number of common shares that would have been outstanding assuming the issuance of common shares for all potentially dilutive common shares outstanding during the reporting period.



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The following is a reconciliation of the denominator of the basic net income per common share computation to the denominator of the diluted net income per common share computation.

	2015	2014	2013
Weighted average shares used for the basic net income per share computation	235,767,932	218,390,885	191,754,857
Incremental shares from share-based compensation	123,436	59,978	26,765
Weighted average partnership common units convertible to common shares that were dilutive	317,022	317,022	-
Weighted average shares used for diluted net income per share computation	236,208,390	218,767,885	191,781,622
Unvested shares from share-based compensation that were anti-dilutive	106,103	51,749	59,629
Weighted average partnership common units convertible to common shares that were anti-dilutive	417,060	523,847	851,568

**Discontinued Operations.** During the first quarter of 2014, the Financial Accounting Standards Board issued guidance that changed the definition of discontinued operations by limiting discontinued operations reporting to disposals of components of an entity that represent strategic shifts that have, or will have, a major effect on an entity's operations and financial results. We early adopted the requirements of this accounting pronouncement in the first quarter of 2014.

Starting with the first quarter of 2014, the results of operations for all qualifying disposals and properties classified as held for sale that were not previously reported in discontinued operations in our 2013 Annual Report on Form 10-K are presented within income from continuing operations on our consolidated statements of income. Prior to the date of adoption of Accounting Standards Update 2014-08 (ASU 2014-08), which amends Topic 205, *Presentation of Financial Statements*, and Topic 360, *Property, Plant, and Equipment*, we reported, in discontinued operations, the results of operations of properties that had either been disposed of or classified as held for sale in financial statements issued.

Operations from ten properties were classified as held for sale at December 31, 2015, and are included in income from continuing operations. We do not depreciate properties that are classified as held for sale.

If the property was previously reclassified as held for sale but the applicable criteria for this classification are no longer met, the property is reclassified to real estate held for investment. A property that is reclassified to held for investment is measured and recorded at the lower of (i) its carrying amount before the property was classified as held for sale, adjusted for any depreciation expense that would have been recognized had the property been continuously classified as held for investment, or (ii) the fair value at the date of the subsequent decision not to sell.

No debt was assumed by buyers of our properties, or repaid as a result of our property sales.

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For the year ended December 31, 2014, we recorded income from discontinued operations of \$2.8 million, or \$0.01 per common share, basic and diluted. For the year ended December 31, 2013, we recorded income from discontinued operations of \$65.7 million, or \$0.34 per common share, basic and diluted.

**Revenue Recognition and Accounts Receivable.** All leases are accounted for as operating leases. Under this method, leases that have fixed and determinable rent increases are recognized on a straight-line basis over the lease term. Any rental revenue contingent upon a tenant's sales is recognized only after the tenant exceeds their sales breakpoint. Rental increases based upon changes in the consumer price indexes are recognized only after the changes in the indexes have occurred and are then applied according to the lease agreements. Contractually obligated reimbursements from tenants for recoverable real estate taxes and operating expenses are included in tenant reimbursements in the period when such costs are incurred.

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We recognize an allowance for doubtful accounts relating to accounts receivable for amounts deemed uncollectible. We consider tenant specific issues, such as financial stability and ability to pay, when determining collectability of accounts receivable and appropriate allowances to record. The allowance for doubtful accounts was \$429,000 at December 31, 2015 and \$765,000 at December 31, 2014.

Other revenue, which comprises property-related revenue not included in rental revenue or tenant reimbursements, was \$4.4 million in 2015, \$2.9 million in 2014 and \$7.0 million in 2013.

**Principles of Consolidation.** The accompanying consolidated financial statements include the accounts of Realty Income and other entities for which we make operating and financial decisions (i.e. control), after elimination of all material intercompany balances and transactions. We consolidate entities that we control and record a noncontrolling interest for the portion that we do not own. Noncontrolling interest that was created or assumed as part of a business combination was recognized at fair value as of the date of the transaction (see note 11). We have no unconsolidated investments.

**Cash Equivalents.** We consider all short-term, highly liquid investments that are readily convertible to cash and have an original maturity of three months or less at the time of purchase to be cash equivalents. Our cash equivalents are primarily investments in United States government money market funds.

**Gain on Sales of Properties.** When real estate is sold, the related net book value of the applicable assets is removed and a gain from the sale is recognized in our consolidated statements of income. We record a gain from the sale of real estate provided that various criteria, relating to the terms of the sale and any subsequent involvement by us with the real estate, have been met.

**Allocation of the Purchase Price of Real Estate Acquisitions.** When acquiring a property for investment purposes, we typically allocate the fair value of real estate acquired to: (1) land, (2) building and improvements, and (3) identified intangible assets and liabilities, based in each case on their estimated fair values. Intangible assets and liabilities consist of above-market or below-market lease value of in-place leases, the value of in-place leases, and tenant relationships, as applicable. In an acquisition of multiple properties, we must also allocate the purchase price among the properties. The allocation of the purchase price is based on our assessment of estimated fair value and is often based upon the expected future cash flows of the property and various characteristics of the markets where the property is located. In addition, any assumed mortgages receivable or payable and any assumed or issued noncontrolling interests are recorded at their estimated fair values. The estimated fair values of our mortgages payable have been calculated by discounting the future cash flows using applicable interest rates that have been adjusted for factors, such as industry type, tenant investment grade, maturity date, and comparable borrowings for similar assets. The initial allocation of the purchase price is based on management's preliminary assessment, which may differ when final information becomes available. Subsequent adjustments made to the initial purchase

price allocation are made within the allocation period, which does not exceed one year. The use of different assumptions in the allocation of the purchase price of the acquired properties and liabilities assumed could affect the timing of recognition of the related revenue and expenses.

Our estimated fair value determinations are based on management's judgment, utilizing various factors, including: (1) market conditions, (2) industry that the tenant operates in, (3) characteristics of the real estate, i.e.: location, size, demographics, value and comparative rental rates, (4) tenant credit profile, (5) store profitability and the importance of the location of the real estate to the operations of the tenant's business, and/or (6) real estate valuations, prepared either internally or by an independent valuation firm. Our methodologies for measuring fair value related to the allocation of the purchase price of real estate acquisitions include both observable market data (and thus should be categorized as level 2 on FASB's three-level valuation hierarchy) and unobservable inputs that reflect our own internal assumptions and calculations (and thus should be categorized as level 3 on FASB's three-level valuation hierarchy).

The fair value of the tangible assets of an acquired property with an in-place operating lease (which includes land and buildings/improvements) is determined by valuing the property as if it were vacant, and the as-if-vacant value is then allocated to land and buildings/improvements based on our determination of the fair value of these assets. Our fair value determinations are based on a real estate valuation for each property, prepared either internally or by an independent valuation firm, and consider estimates of carrying costs during the expected lease-up periods, current market conditions, as well as costs to execute similar leases. In allocating the fair value to identified intangibles for above-market or below-market leases, an amount is recorded based on the present value of the difference between (i) the contractual amount to be paid pursuant to the in-place lease and (ii) our estimate of fair market lease rate for the corresponding in-place lease, measured over the remaining term of the lease.

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The values of the above-market and below-market leases are amortized over the term of the respective leases, including any bargain renewal options, as an adjustment to rental revenue on our consolidated statements of income.

The aggregate value of other acquired intangible assets consists of the fair value of in-place leases and tenant relationships, as applicable. The value of in-place leases, exclusive of the value of above-market and below-market in-place leases, is amortized to depreciation and amortization expense over the remaining periods of the respective leases.

If a lease was terminated prior to its stated expiration, all unamortized amounts relating to that lease would be recorded to revenue or expense as appropriate.

In allocating the fair value to assumed mortgages, amounts are recorded to debt premiums or discounts based on the present value of the estimated cash flows, which is calculated to account for either above or below-market interest rates. Our assumed net debt premiums are amortized as a reduction to interest expense over the remaining term of the respective mortgages.

In allocating noncontrolling interests, amounts are recorded based on the fair value of units issued at the date of acquisition, as determined by the terms of the applicable agreement.

**Depreciation and Amortization.** Land, buildings and improvements are recorded and stated at cost. Major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over their estimated useful lives, while ordinary repairs and maintenance are expensed as incurred. Buildings and improvements that are under redevelopment, or are being developed, are carried at cost and no depreciation is recorded on these assets. Additionally, amounts essential to the development of the property, such as pre-construction, development, construction, interest and other costs incurred during the period of development are capitalized. We cease capitalization when the property is available for occupancy upon substantial completion of tenant improvements, but in any event no later than one year from the completion of major construction activity.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Buildings	25 years or 35 years
Building improvements	4 to 20 years
Tenant improvements and lease commissions	The shorter of the term of the related lease or useful life
Acquired in-place leases	Remaining terms of the respective leases

**Provision for Impairment.** We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. A provision is made for impairment if estimated future operating cash flows (undiscounted and without interest charges) plus estimated disposition proceeds (undiscounted) are less than the current book value of the property. Key factors that we utilize in this analysis include projected rental rates, estimated holding periods, historical sales and releases, capital expenditures and property sales capitalization rates. If a property is classified as held for sale, it is carried at the lower of carrying cost or estimated fair value, less estimated cost to sell, and depreciation of the property ceases.

In 2015, we recorded total provisions for impairment of \$10.6 million on three properties classified as held for sale, four properties classified as held for investment, seven sold properties, and one property disposed of other than by sale in the following industries: one in the convenience stores industry, one in the health and fitness industry, one in the pet supplies and services industry, eleven in the restaurant-casual dining industry, and one among the industry we classify as other. These properties were not previously classified as held for sale in financial statements issued prior to the date of adoption of ASU 2014-08; accordingly, the provisions for impairment are included in income from continuing operations on our consolidated statement of income for the year ended December 31, 2015.

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In 2014, Realty Income recorded total provisions for impairment of \$4.6 million. Provisions for impairment of \$4.1 million are included in income from continuing operations on nine sold properties and two properties classified as held for investment in the following industries: one in the consumer electronics industry, one in the convenience stores industry, one in the home furnishings industry, two in the home improvement industry, and six in the restaurant-casual dining industry. These properties were not previously classified as held for sale in financial statements issued prior to the date of adoption of ASU 2014-08; accordingly, these provisions for impairment are included in income from continuing operations on our consolidated statements of income. Additionally during 2014, a provision for impairment of \$510,000 is included in income from discontinued operations on one sold property in the grocery store industry that was classified as held for sale as of December 31, 2013.

In 2013, Realty Income recorded total provisions for impairment of \$3.0 million. Realty Income recorded provisions for impairment of \$2.7 million in income from discontinued operations on seven sold properties in the following industries: one in the automotive parts industry, two in the child care industry, one in the grocery store industry, one in the pet supplies and services industry, and two in the restaurant casual dining industry. Except for a provision for impairment of \$290,000 that was recorded in income from continuing operations for one property in the auto service industry that was not previously classified as held for sale as of December 31, 2013, the remaining provisions for impairment are included in income from discontinued operations on our consolidated statement of income.

In 2013, Crest also recorded a provision for impairment of \$308,000 on one sold property in the restaurant-casual dining industry, which is included in income from discontinued operations.

**Asset Retirement Obligations.** We analyze our future legal obligations associated with the other-than-temporary removal of tangible long-lived assets, also referred to as asset retirement obligations. When we determine that we have a legal obligation to provide services upon the retirement of a tangible long-lived asset, we record a liability for this obligation based on the estimated fair value of this obligation and adjust the carrying amount of the related long-lived asset by the same amount. This asset is amortized over its estimated useful life. The estimated fair value of the asset retirement obligation is calculated by discounting the future cash flows using a credit-adjusted risk-free interest rate.

**Goodwill.** Goodwill is tested for impairment during the second quarter of each year as well as when events or circumstances occur indicating that our goodwill might be impaired. Under the amendments issued in conjunction with *ASU No. 2011-08, Intangibles - Goodwill and Other (Topic 350)*, an entity, through an assessment of qualitative factors, is not required to calculate the estimated fair value of a reporting unit, in connection with the two-step goodwill impairment test, unless the entity determines that it is more likely than not that its fair value is less than its carrying amount. We elected to continue testing goodwill for impairment during the second quarter of each year as well as when events or circumstances occur, indicating that our goodwill might be impaired. During our tests for impairment of goodwill during the second quarters of 2015, 2014 and 2013, we determined that the estimated fair values of our reporting units exceeded their carrying values. We did not record any impairment on our existing goodwill during 2015, 2014 or 2013.

**Equity Offering Costs.** Underwriting commissions and offering costs have been reflected as a reduction of additional paid-in-capital on our consolidated balance sheets.

**Noncontrolling Interests.** Noncontrolling interests are reflected on our consolidated balance sheets as a component of equity. Noncontrolling interests are recorded initially at fair value based on the price of the applicable units issued, and subsequently adjusted each period for distributions, contributions and the allocation of net income attributable to the noncontrolling interests.

As consideration for two separate acquisitions during 2013, partnership units of Tau Operating Partnership, L.P. and Realty Income, L.P. were issued to third parties. These common units (discussed in footnote 11) do not have voting rights, are entitled to monthly distributions equal to the amount paid to our common stockholders, and are redeemable in cash or our common stock, at our option and at a conversion ratio of one to one, subject to certain exceptions. As the general partner for each of these partnerships, we have operating and financial control over these entities, consolidate them in our financial statements, and record the partnership units held by third parties as noncontrolling interests.



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**Use of Estimates.** The consolidated financial statements were prepared in conformity with U.S. generally accepted accounting principles, or GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Recent Accounting Pronouncements.** In April 2015, the Financial Accounting Standards Board, or FASB, issued ASU 2015-03, which amends Topic 835, *Other Presentation Matters*. The amendments in this ASU require that debt issuance costs be reported on the balance sheet as a direct reduction of the face amount of the debt instrument they relate to, and should not be classified as a deferred charge, as was previously required under the Accounting Standards Codification. ASU 2015-03 is effective, on a retrospective basis, for interim and annual periods beginning after December 15, 2015; early adoption is permitted. We have not yet adopted this ASU and do not expect it to have a material impact on our consolidated financial statements.

In September 2015, FASB, issued ASU 2015-16, which amends Topic 805, *Business Combinations*. The amendments in this ASU require that we recognize purchase price allocation adjustments that are identified during the measurement period in the reporting period in which the adjustment amounts are determined, and eliminate the requirement to retrospectively account for these adjustments. ASU 2015-16 is effective, on a prospective basis, for interim and annual periods beginning after December 15, 2015; early adoption is permitted. We early adopted this ASU 2015-16 during the quarter ended September 30, 2015 and it did not have a material impact on our consolidated financial statements.

### 3. Supplemental Detail for Certain Components of Consolidated Balance Sheets

A. Acquired lease intangible assets, net, consist of the following (dollars in thousands) at:	December 31, 2015	December 31, 2014
Acquired in-place leases	\$ 1,056,715	\$ 1,005,244
Accumulated amortization of acquired in-place leases	(264,399)	(177,722)
Acquired above-market leases	304,548	252,581
Accumulated amortization of acquired above-market leases	(62,447)	(40,379)
	\$ 1,034,417	\$ 1,039,724

B. Other assets, net, consist of the following (dollars in thousands) at:	December 31, 2015	December 31, 2014
Deferred financing costs, net	\$ 20,490	\$ 23,274
Notes receivable issued in connection with property sales	17,905	18,342
Prepaid expenses	14,258	14,137
Credit facility origination costs, net	10,226	4,171
Impounds related to mortgages payable	5,860	5,789
Restricted escrow deposits	4,179	36,540
Corporate assets, net	2,313	2,600
Other items	45	2,797
	\$ 75,276	\$ 107,650

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C. Distributions payable consist of the following declared distributions (dollars in thousands) at:	December 31, 2015	December 31, 2014
Common stock distributions	\$ 47,963	\$ 41,268
Preferred stock dividends	2,257	2,257
Noncontrolling interests distributions	124	150
	\$ 50,344	\$ 43,675

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D. Accounts payable and accrued expenses consist of the following (dollars in thousands) at:	December 31, 2015	December 31, 2014
Notes payable - interest payable	\$ 61,486	\$ 63,919
Accrued costs on properties under development	9,976	18,011
Property taxes payable	13,354	11,633
Mortgages, term loans, credit line - interest payable and interest rate swaps	6,813	4,569
Other items	24,197	25,155
	\$ 115,826	\$ 123,287
E. Acquired lease intangible liabilities, net, consist of the following (dollars in thousands) at:	December 31, 2015	December 31, 2014
Acquired below-market leases	\$ 288,412	\$ 243,025
Accumulated amortization of acquired below-market leases	(37,496)	(22,556)
	\$ 250,916	\$ 220,469
F. Other liabilities consist of the following (dollars in thousands) at:	December 31, 2015	December 31, 2014
Rent received in advance	\$ 42,840	\$ 36,122
Security deposits	6,418	5,876
Capital lease obligations	4,707	4,397
Preferred units issued upon acquisition of ARCT	-	6,750
	\$ 53,965	\$ 53,145

**4. Investments in Real Estate**

We acquire land, buildings and improvements necessary for the successful operations of commercial tenants.

**A. Acquisitions during 2015 and 2014**

During 2015, we invested \$1.26 billion in 286 new properties and properties under development or expansion with an initial weighted average contractual lease rate of 6.6%. The 286 new properties and properties under development or expansion are located in 40 states, will contain approximately 6.2 million leasable square feet, and are 100% leased with a weighted average lease term of 16.5 years. The tenants occupying the new properties operate in 21 industries and the property types consist of 87.3% retail and 12.7% industrial, based on rental revenue. None of our investments during 2015 caused any one tenant to be 10% or more of our total assets at December 31, 2015.

The \$1.26 billion invested during 2015 was allocated as follows: \$257.1 million to land, \$937.1 million to buildings and improvements, \$105.8 million to intangible assets related to leases, and \$40.9 million to intangible liabilities related to leases and other assumed liabilities. There was no contingent consideration associated with these acquisitions.

The properties acquired during 2015 generated total revenues of \$43.4 million and income from continuing operations of \$21.1 million.

Of the \$1.26 billion we invested during 2015, \$195.4 million of the purchase price allocation is based on a preliminary measurement of fair value that is subject to change. The allocation for these properties represents our current best estimate of fair value, and we expect to finalize the valuations and complete the purchase price allocations in 2016. During 2015, we finalized the purchase price allocations for \$147.1 million invested in the fourth quarter of 2014. There were no material changes to our consolidated balance sheets or income statements as a result of these purchase price allocations being finalized.

In comparison, during 2014, we invested \$1.4 billion in 506 new properties and properties under development or expansion with an initial weighted average contractual lease rate of 7.1%. The 506 new properties and properties under development or expansion are located in 42 states, contain approximately 9.8 million leasable square feet, and are 100% leased with a weighted average lease term of 12.8 years. The tenants occupying the new properties operate in 32 industries and the property types consist of 85.7% retail, 6.6% industrial, 6.4% office, and 1.3% manufacturing, based on rental revenue.

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The \$1.4 billion invested during 2014 was allocated as follows: \$295.6 million to land, \$984.1 million to buildings and improvements, \$209.4 million to intangible assets related to leases, \$901,000 to other assets, net, and \$87.4 million to intangible liabilities related to leases and other assumed liabilities. We also recorded mortgage premiums of \$604,000 associated with the mortgages acquired. There was no contingent consideration associated with these acquisitions.

The properties acquired during 2014 generated total revenues of \$75.1 million and income from continuing operations of \$27.8 million for year ended December 31, 2014.

The estimated initial weighted average contractual lease rate for a property is generally computed as estimated contractual net operating income, which, in the case of a net leased property, is equal to the aggregate base rent for the first full year of each lease, divided by the total cost of the property. Since it is possible that a tenant could default on the payment of contractual rent, we cannot provide assurance that the actual return on the funds invested will remain at the percentages listed above.

In the case of a property under development or expansion, the contractual lease rate is generally fixed such that rent varies based on the actual total investment in order to provide a fixed rate of return. When the lease does not provide for a fixed rate of return on a property under development or expansion, the estimated initial weighted average contractual lease rate is computed as follows: estimated net operating income (determined by the lease) for the first full year of each lease, divided by our projected total investment in the property, including land, construction and capitalized interest costs. Of the \$1.26 billion we invested during 2015, \$45.8 million was invested in 35 properties under development or expansion with an estimated initial weighted average contractual lease rate of 9.7%. Of the \$1.4 billion we invested during 2014, \$81.9 million was invested in 40 properties under development or expansion with an estimated initial weighted average contractual lease rate of 8.4%.

*B. Acquisition Transaction Costs*

Acquisition transaction costs of \$913,000 and \$453,000 were recorded to general and administrative expense on our consolidated statements of income during 2015 and 2014, respectively.

*C. Investments in Existing Properties*

During 2015, we capitalized costs of \$11.5 million on existing properties in our portfolio, consisting of \$748,000 for re-leasing costs, \$7.6 million for recurring capital expenditures and \$3.2 million for non-recurring building improvements. In comparison, during 2014, we capitalized costs of \$6.0 million on existing properties in our portfolio.

*D. Properties with Existing Leases*

Of the \$1.26 billion we invested during 2015, approximately \$391.4 million was used to acquire 86 properties with existing leases. In comparison, of the \$1.4 billion we invested during 2014, approximately \$957.4 million was used to acquire 201 properties with existing leases. The value of the in-place and above-market leases is recorded to acquired lease intangible assets, net on our consolidated balance sheets, and the value of the below-market leases is recorded to acquired lease intangible liabilities, net on our consolidated balance sheets.

The values of the in-place leases are amortized as depreciation and amortization expense. The amounts amortized to expense for all of our in-place leases, for 2015, 2014, and 2013 were \$87.9 million, \$83.6 million, and \$65.5 million, respectively.

The values of the above-market and below-market leases are amortized over the term of the respective leases, including any bargain renewal options, as an adjustment to rental revenue on our consolidated statements of income. The amounts amortized as a net decrease to rental revenue for capitalized above-market and below-market leases for 2015, 2014, and 2013 were \$7.9 million, \$8.0 million, and \$8.2 million, respectively. If a lease were to be terminated prior to its stated expiration, all unamortized amounts relating to that lease would be recorded to revenue or expense as appropriate.

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The following table presents the estimated impact during the next five years and thereafter related to the amortization of the acquired above-market and below-market lease intangibles and the amortization of the in-place lease intangibles for properties held for investment at December 31, 2015 (in thousands):

	<b>Net increase (decrease) to rental revenue</b>	<b>Increase to amortization expense</b>
2016	\$ (8,075)	\$ 89,858
2017	(8,019)	88,669
2018	(7,771)	86,174
2019	(6,781)	76,109
2020	(6,108)	70,915
Thereafter	45,569	380,591
Totals	\$ 8,815	\$ 792,316

## 5. Credit Facility

In June 2015, we entered into a new \$2.0 billion unsecured revolving credit facility, or our new credit facility, which replaced our \$1.5 billion credit facility that was scheduled to expire in May 2016. The initial term of our new credit facility expires in June 2019 and includes, at our option, two six-month extensions. Our new credit facility has a \$1.0 billion accordion expansion option. Under our new credit facility, our current investment grade credit ratings provide for financing at the London Interbank Offered Rate, commonly referred to as LIBOR, plus 0.90% with a facility commitment fee of 0.15%, for all-in drawn pricing of 1.05% over LIBOR. The borrowing rate is subject to an interest rate floor. We also have other interest rate options available to us under our new credit facility. Our new credit facility is unsecured and, accordingly, we have not pledged any assets as collateral for this obligation.

At December 31, 2015, credit facility origination costs of \$10.2 million are included in other assets, net on our consolidated balance sheet. This balance includes \$9.1 million of new credit facility origination costs incurred during 2015 as a result of entering into our new credit facility. These costs, as well as a portion of the costs incurred as a result of entering into our previous credit facilities, are being amortized over the remaining term of our new credit facility.

At December 31, 2015, we had a borrowing capacity of \$1.76 billion available on our new credit facility (subject to customary conditions to borrowing) and an outstanding balance of \$238.0 million, as compared to an outstanding balance of \$223.0 million at December 31, 2014.

The weighted average interest rate on outstanding borrowings under our credit facilities was 1.2% during 2015 and 2014. At December 31, 2015, the effective interest rate was 1.2%. Our new and previous credit facilities are and were subject to various leverage and interest coverage ratio limitations, and at December 31, 2015, we remain in compliance with the covenants on our new credit facility.

## 6. Mortgages Payable

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During 2015, we made \$198.4 million in principal payments, including the repayment of 13 mortgages in full for \$191.0 million. No mortgages were assumed during 2015.

During 2014, we made \$85.2 million in principal payments, including the repayment of six mortgages in full for \$77.8 million. Additionally, during 2014 we assumed mortgages totaling \$166.7 million, excluding net premiums. The mortgages are secured by the properties on which the debt was placed. We expect to pay off the mortgages as soon as prepayment penalties make it economically feasible to do so.

During 2014, aggregate net premiums totaling \$604,000 were recorded upon assumption of the mortgages for above-market interest rates. Amortization of our net premiums is recorded as a reduction to interest expense over the remaining term of the respective mortgages, using a method that approximates the effective-interest method.



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These mortgages contain customary covenants, such as limiting our ability to further mortgage each applicable property or to discontinue insurance coverage without the prior consent of the lender. At December 31, 2015, we remain in compliance with these covenants.

We did not incur any deferred financing costs on our mortgages assumed in 2014. The balance of our deferred financing costs, which are classified as part of other assets, net, on our consolidated balance sheets, was \$553,000 at December 31, 2015 and \$827,000 at December 31, 2014. These costs are being amortized over the remaining term of each mortgage.

The following is a summary of all our mortgages payable as of December 31, 2015 and December 31, 2014, respectively (dollars in thousands):

As Of	Number of Properties(1)	Weighted Average Stated Interest Rate(2)	Weighted Average Effective Interest Rate(3)	Weighted Average Remaining Years Until Maturity	Remaining Principal Balance	Unamortized Premium Balance, net	Mortgage Payable Balance
12/31/15	183	4.9%	4.1%	3.6	\$ 637,658	\$ 9,082	\$ 646,740
12/31/14	241	5.0%	4.0%	3.7	\$ 836,011	\$ 16,564	\$ 852,575

(1) At December 31, 2015, there were 44 mortgages on 183 properties, while at December 31, 2014, there were 57 mortgages on 241 properties. The mortgages require monthly payments, with principal payments due at maturity. The mortgages are at fixed interest rates, except for four mortgages on 13 properties totaling \$51.1 million at December 31, 2015, including net unamortized discounts. At December 31, 2014, five mortgages on 14 properties totaling \$74.5 million, including net unamortized discounts, were at variable interest rates. After factoring in arrangements which limit our exposure to interest rate risk and effectively fix our per annum interest rates, our variable rate mortgage debt includes two mortgages totaling \$15.5 million at December 31, 2015, and three mortgages totaling \$39.1 million at December 31, 2014.

(2) Stated interest rates ranged from 2.0% to 6.9% at December 31, 2015 and December 31, 2014.

(3) Effective interest rates ranged from 2.2% to 8.9% at December 31, 2015, while effective interest rates ranged from 2.2% to 9.0% at December 31, 2014.

The following table summarizes the maturity of mortgages payable, excluding net premiums of \$9.1 million, as of December 31, 2015 (dollars in millions):

Year of Maturity	
2016	\$ 170.1
2017	142.9
2018	15.5
2019	26.3
2020	82.4
Thereafter	200.5
Totals	\$ 637.7

**7. Term Loans**

In June 2015, in conjunction with entering into our new credit facility, we entered into a \$250 million senior unsecured term loan maturing on June 30, 2020. Borrowing under this term loan bears interest at the current one month LIBOR, plus 0.95%. In conjunction with this term loan, we also entered into an interest rate swap which effectively fixes our per annum interest rate on this term loan at 2.67%.

In January 2013, in conjunction with our acquisition of American Realty Capital Trust, Inc., or ARCT, we entered into a \$70 million senior unsecured term loan maturing January 21, 2018. Borrowing under this term loan bears interest at the current one month LIBOR, plus 1.2%. In conjunction with this term loan, we also entered into an interest rate swap which effectively fixes our per annum interest rate on this term loan at 2.15%.

Deferred financing costs of \$1.2 million incurred in conjunction with the \$250 million term loan and \$303,000 incurred in conjunction with the \$70 million term loan are being amortized over the remaining terms of each term loan. The net balance of these deferred financing costs, which was \$1.2 million at December 31, 2015, and \$187,000 at December 31, 2014, is included in other assets, net on our consolidated balance sheets.

Table of Contents**8. Notes Payable****A. General**

Our senior unsecured notes and bonds consisted of the following, sorted by maturity date (dollars in millions):

	December 31, 2015		December 31, 2014
5.5% notes, issued in November 2003 and due in November 2015	\$ -	\$	150
5.95% notes, issued in September 2006 and due in September 2016	275		275
5.375% notes, issued in September 2005 and due in September 2017	175		175
2.0% notes, issued in October 2012 and due in January 2018	350		350
6.75% notes, issued in September 2007 and due in August 2019	550		550
5.75% notes, issued in June 2010 and due in January 2021	250		250
3.25% notes, issued in October 2012 and due in October 2022	450		450
4.65% notes, issued in July 2013 and due in August 2023	750		750
3.875% notes, issued in June 2014 and due in July 2024	350		350
4.125% notes, issued in September 2014 and due in October 2026	250		250
5.875% bonds, \$100 issued in March 2005 and \$150 issued in June 2011, both due in March 2035	250		250
Total principal amount	3,650		3,800
Unamortized original issuance discounts	(13)		(15)
	\$ 3,637	\$	3,785

The following table summarizes the maturity of our notes and bonds payable as of December 31, 2015, excluding unamortized original issuance discounts (dollars in millions):

Year of Maturity	Principal
2016	\$ 275
2017	175
2018	350
2019	550
2020	-
Thereafter	2,300
Totals	\$ 3,650

As of December 31, 2015, the weighted average interest rate on our notes and bonds payable was 4.7% and the weighted average remaining years until maturity was 6.5 years.

Interest incurred on all of the notes and bonds was \$179.5 million for 2015, \$166.5 million for 2014 and \$138.9 million for 2013. The interest rate on each of these notes and bonds is fixed.

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Our outstanding notes and bonds are unsecured; accordingly, we have not pledged any assets as collateral for these or any other obligations. Interest on all of the senior note and bond obligations is paid semiannually.

All of these notes and bonds contain various covenants, including: (i) a limitation on incurrence of any debt which would cause our debt to total adjusted assets ratio to exceed 60%; (ii) a limitation on incurrence of any secured debt which would cause our secured debt to total adjusted assets ratio to exceed 40%; (iii) a limitation on incurrence of any debt which would cause our debt service coverage ratio to be less than 1.5 times; and (iv) the maintenance at all times of total unencumbered assets not less than 150% of our outstanding unsecured debt. At December 31, 2015, we remain in compliance with these covenants.

### *B. Note Issuances*

In September 2014, we issued \$250 million of 4.125% senior unsecured notes due October 2026, or the 2026 Notes. The price to the investors for the 2026 Notes was 99.499% of the principal amount for an effective yield of 4.178% per annum. A portion of the total net proceeds of approximately \$246.4 million from this offering were used to repay all outstanding borrowings under our credit facility, and the remaining proceeds were used for other general corporate purposes, including additional property acquisitions.

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In June 2014, we issued \$350 million of 3.875% senior unsecured notes due July 2024, or the 2024 Notes. The price to the investors for the 2024 Notes was 99.956% of the principal amount for an effective yield of 3.88% per annum. The total net proceeds of approximately \$346.7 million from these offerings were used to repay a portion of the outstanding borrowings under our previous credit facility.

*C. Note Repayment*

In November 2015, we repaid \$150 million of outstanding 5.5% notes, plus accrued and unpaid interest, using proceeds from our October 2015 common stock offering and our new credit facility.

**9. Redemption of Preferred Stock**

In September 2014, we issued an irrevocable notice of redemption for all 8.8 million shares of our 6.75% Monthly Income Class E Preferred Stock for \$25 per share, plus accrued dividends. The redemption occurred in October 2014. We incurred a charge of \$6.0 million, representing the Class E preferred stock original issuance costs that we paid in 2006.

**10. Issuance of Common Stock**

In October 2015, we issued 11,500,000 shares of common stock, including 1,500,000 shares purchased by the underwriters upon the exercise of their option to purchase additional shares. After underwriting discounts and other offering costs of \$22.0 million, a portion of the net proceeds of \$517.1 million was used to repay borrowings under our new credit facility and the remaining portion was used for other general corporate purposes, including acquisitions.

In April 2015, we issued 5,500,000 shares of common stock. After underwriting discounts and other offering costs of \$1.4 million, the net proceeds of \$276.4 million were used to repay borrowings under our previous \$1.5 billion unsecured credit facility.

In April 2014, we issued 13,800,000 shares of common stock, including 1,800,000 shares purchased by the underwriters upon the exercise of their option to purchase additional shares. After underwriting discounts and other offering costs of \$22.8 million, the net proceeds of \$528.6 million were used to repay borrowings under our previous credit facility.

**11. Noncontrolling Interests**

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In January 2013, we completed our acquisition of ARCT. We issued a total of 45,573,144 shares of our common stock to ARCT shareholders and we received 208,709 shares of our common stock that were previously held by ARCT. The total value of the 45,573,144 common shares was approximately \$2 billion.

Equity issued as consideration for this transaction included common and preferred partnership units issued by Tau Operating Partnership, L.P., or Tau Operating Partnership, the consolidated subsidiary which owns properties acquired through the ARCT acquisition. Realty Income and its subsidiaries hold a 99.4% interest in Tau Operating Partnership, and consolidate the entity.

In June 2013, we completed the acquisition of a portfolio of properties by issuing common partnership units in a newly formed entity, Realty Income, L.P. The units were issued as consideration for the acquisition. At December 31, 2015, the remaining units from this issuance represent a 1.4% ownership in Realty Income, L.P. Realty Income holds the remaining 98.6% interests in this entity and consolidates the entity.

A. Neither of the common partnership units have voting rights. Both common partnership units are entitled to monthly distributions equal to the amount paid to common stockholders of Realty Income, and are redeemable in cash or Realty Income common stock, at our option, and at a conversion ratio of one to one, subject to certain exceptions. Noncontrolling interests with redemption provisions that permit the issuer to settle in either cash or common stock, at the option of the issuer, were evaluated to determine whether temporary or permanent equity classification on the balance sheet was appropriate. We determined that the units meet the requirements to qualify for presentation as permanent equity.

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The following table represents the change in the carrying value of all noncontrolling interests through December 31, 2015 (dollars in thousands):

	<b>Tau Operating Partnership units(1)</b>	<b>Realty Income, L.P. units(2)</b>	<b>Total</b>
Carrying value at December 31, 2014	\$ 13,067	\$ 14,631	\$ 27,698
Reallocation of equity	836	(1,887)	(1,051)
Redemptions	-	(4,347)	(4,347)
Distributions	(722)	(930)	(1,652)
Allocation of net income	229	860	1,089
Carrying value at December 31, 2015	\$ 13,410	\$ 8,327	\$ 21,737

	<b>Tau Operating Partnership units(1)</b>	<b>Realty Income, L.P. units(2)</b>	<b>Total</b>
Carrying value at December 31, 2013	\$ 13,489	\$ 22,422	\$ 35,911
Reallocation of equity	-	(6,647)	(6,647)
Redemptions	-	(1,032)	(1,032)
Distributions	(695)	(1,144)	(1,839)
Allocation of net income	273	1,032	1,305
Carrying value at December 31, 2014	\$ 13,067	\$ 14,631	\$ 27,698

(1) 317,022 Tau Operating Partnership units were issued on January 22, 2013 and remained outstanding as of December 31, 2015 and December 31, 2014.

(2) 534,546 Realty Income, L.P. units were issued on June 27, 2013, 499,546 units were outstanding as of December 31, 2014, and 331,364 remain outstanding as of December 31, 2015.

During 2015 and 2014, we recorded net equity reclassification adjustments of \$1.1 million and \$6.6 million, respectively, between noncontrolling interests and additional paid in capital to adjust the carrying value of noncontrolling interests to be in-line with their equity ownership interests in the entities.

*B.* The Tau Operating Partnership preferred units were recorded at fair value as of the date of acquisition. Since they were redeemable at a fixed price on a determinable date, we initially classified them in other liabilities on our consolidated balance sheets. Payments on these preferred units were made monthly at a rate of 2% per annum and were included in interest expense. As of December 31, 2014, the preferred units had a carrying value of \$6.75 million. In January 2015, we redeemed all 6,750 Tau Operating Partnership preferred units for \$1,000 per unit, plus accrued and unpaid distributions.

## 12. Distributions Paid and Payable

A. *Common Stock*

We pay monthly distributions to our common stockholders. The following is a summary of monthly distributions paid per common share 2015 and 2014:

<b>Month</b>		<b>2015</b>		<b>2014</b>		<b>2013</b>
January	\$	0.1834167	\$	0.1821667	\$	0.1517500
February		0.1890000		0.1821667		0.1809167
March		0.1890000		0.1821667		0.1809167
April		0.1895000		0.1824792		0.1812292
May		0.1895000		0.1824792		0.1812292
June		0.1895000		0.1824792		0.1812292
July		0.1900000		0.1827917		0.1815417
August		0.1900000		0.1827917		0.1815417
September		0.1900000		0.1827917		0.1815417
October		0.1905000		0.1831042		0.1818542
November		0.1905000		0.1831042		0.1818542
December		0.1905000		0.1831042		0.1818542
<b>Total</b>	\$	<b>2.2714167</b>	\$	<b>2.1916254</b>	\$	<b>2.1474587</b>



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The following presents the federal income tax characterization of distributions paid or deemed to be paid per common share for the years:

		<b>2015</b>		<b>2014</b>		<b>2013</b>
Ordinary income	\$	1.7307023	\$	1.6483522	\$	1.3153791
Nontaxable distributions		0.5407144		0.5432732		0.8320796
Totals	\$	2.2714167	\$	2.1916254	\$	2.1474587

At December 31, 2015, a distribution of \$0.191 per common share was payable and was paid in January 2016. At December 31, 2014, a distribution of \$0.1834167 per common share was payable and was paid in January 2015.

**B. Class E Preferred Stock**

Prior to the redemption of the Class E preferred stock in October 2014, dividends of \$0.140625 per share were paid monthly in arrears on the Class E preferred stock. We paid distributions to holders of our Class E preferred stock totaling \$12.7 million in 2014 and \$14.9 million in 2013. For 2014, dividends paid per share in the amount of \$1.4484375 were characterized as ordinary income for federal income tax purposes, while in 2013, dividends paid per share in the amount of \$1.6875 were characterized as ordinary income for federal income tax purposes.

**C. Class F Preferred Stock**

Dividends of \$0.138021 per share are paid monthly in arrears on the Class F preferred stock. We declared dividends to holders of our Class F preferred stock totaling \$27.1 million in 2015, 2014 and 2013. For 2015, 2014 and 2013, dividends paid per share of \$1.656252 were characterized as ordinary income for federal income tax purposes. At December 31, 2015, a monthly dividend of \$0.138021 per share was payable and was paid in January 2016. We are current in our obligations to pay dividends on our Class F preferred stock.

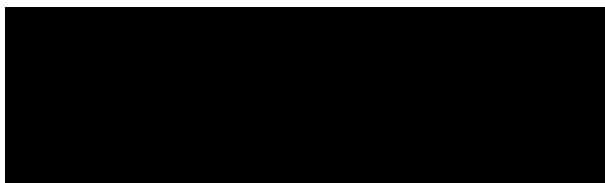
**13. Operating Leases**

A. At December 31, 2015, we owned 4,538 properties in 49 states and Puerto Rico, plus an additional eight properties owned by Crest. Of the 4,538 properties, 4,519, or 99.6%, are single-tenant properties, and the remaining are multi-tenant properties. At December 31, 2015, 71 properties were available for lease or sale.

Substantially all leases are net leases where the tenant pays property taxes and assessments, maintains the interior and exterior of the building and leased premises, and carries insurance coverage for public liability, property damage, fire and extended coverage.

Rent based on a percentage of a tenants gross sales (percentage rents) was \$4.5 million for 2015, \$3.6 million for 2014 and \$2.9 million for 2013.

At December 31, 2015, minimum future annual rents to be received on the operating leases for the next five years and thereafter are as follows (dollars in thousands):



B. Major Tenants - No individual tenant's rental revenue, including percentage rents, represented more than 10% of our total revenue for each of the years ended December 31, 2015, 2014 or 2013.

#### 14. Gain on Sales of Real Estate

During 2015, we sold 38 investment properties for \$65.8 million, which resulted in a gain of \$22.2 million. The results of operations for these properties are presented within continuing operations.

During 2014, we sold 46 investment properties for \$107.2 million, which resulted in a gain of \$42.1 million. Only the results of operations specifically related to the properties classified as held for sale at December 31, 2013 and sold during the year were reclassified as discontinued operations.

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During 2013, we sold 75 investment properties for \$134.2 million, which resulted in a gain of \$64.7 million. The results of operations for these properties were reclassified as discontinued operations for all periods presented.

During 2015, Crest did not sell any properties. Crest sold one property for \$820,000 and one property for \$597,000 during 2014 and 2013, respectively. Neither of these sales resulted in a gain. The results of operations for these properties have been reclassified as discontinued operations.

## 15. Fair Value of Financial Instruments

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The disclosure for assets and liabilities measured at fair value requires allocation to a three-level valuation hierarchy. This valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. Categorization within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

We believe that the carrying values reflected in our consolidated balance sheets reasonably approximate the fair values for cash and cash equivalents, accounts receivable, escrow deposits, loans receivable, line of credit payable, term loans and all other liabilities, due to their short-term nature or interest rates and terms that are consistent with market, except for our notes receivable issued in connection with property sales, mortgages payable and our senior notes and bonds payable, which are disclosed below (dollars in millions):

		<b>Carrying value per balance sheet</b>		<b>Estimated fair value</b>
<b>At December 31, 2015</b>				
Notes receivable issued in connection with property sales	\$	17.9	\$	19.4
Mortgages payable assumed in connection with acquisitions, net		646.7		651.5
Notes and bonds payable, net of unamortized original issuance discounts		3,636.7		3,828.1
		<b>Carrying value per balance sheet</b>		<b>Estimated fair value</b>
<b>At December 31, 2014</b>				
Notes receivable issued in connection with property sales	\$	18.3	\$	20.1
Mortgages payable assumed in connection with acquisitions, net		852.6		857.9
Notes and bonds payable, net of unamortized original issuance discounts		3,785.4		4,092.8

The estimated fair values of our notes receivable issued in connection with property sales and our mortgages payable have been calculated by discounting the future cash flows using an interest rate based upon the relevant Treasury yield curve, plus an applicable credit-adjusted spread. Because this methodology includes unobservable inputs that reflect our own internal assumptions and calculations, the measurement of estimated fair values related to our notes receivable and mortgages payable is categorized as level three on the three-level valuation hierarchy.

The estimated fair values of our senior notes and bonds payable are based upon indicative market prices and recent trading activity of our senior notes and bonds payable. Because this methodology includes inputs that are less observable by the public and are not necessarily reflected in active markets, the measurement of the estimated fair values, related to our notes and bonds payable, is categorized as level two on the three-level valuation hierarchy.

We record interest rate swaps on the consolidated balance sheet at fair value. The fair value of our interest rate swaps are based on valuation techniques including discounted cash flow analysis on the expected cash flows of each swap, using both observable and unobservable market-based inputs, including interest rate curves. Because this methodology uses observable and unobservable inputs, the measurement of interest rate swaps is categorized as level two on the three-level valuation hierarchy.

## **16. Supplemental Disclosures of Cash Flow Information**

Cash paid for interest was \$229.5 million in 2015, \$207.3 million in 2014, and \$166.1 million in 2013.

Interest capitalized to properties under development was \$594,000 in 2015, \$444,000 in 2014, and \$537,000 in 2013.

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Cash paid for income taxes was \$3.1 million in 2015, \$3.7 million in 2014, and \$2.1 million in 2013.

The following non-cash activities are included in the accompanying consolidated financial statements:

A. See Provisions for Impairment in note 2 for a discussion of provisions for impairments recorded by Realty Income and Crest.

B. See note 9 for a discussion of the \$6.0 million excess of redemption value over carrying value of preferred shares subject to redemption charge recorded by Realty Income during 2014.

C. During 2014, we assumed mortgages payable to third-party lenders of \$166.7 million, recorded \$604,000 of net premiums, and recorded \$901,000 of interest rate swap value to other assets, net, related to property acquisitions. During 2013, we assumed mortgages payable (excluding the mortgages payable discussed in items D and E) of \$81.3 million to third-party lenders and recorded \$6.1 million of net premiums related to property acquisitions.

D. During 2013, the following components were acquired in connection with our acquisition of ARCT: (1) real estate investments and related intangible assets of \$3.2 billion, (2) other assets of \$19.5 million, (3) lines of credit payable of \$317.2 million, (4) a term loan for \$235.0 million, (5) mortgages payable of \$539.0 million, (6) intangible liabilities of \$79.7 million, (7) other liabilities of \$29.0 million, and (8) noncontrolling interests of \$14.0 million.

E. During 2013, we acquired \$55.9 million of real estate through the assumption of a \$32.4 million mortgage payable, the issuance of 534,546 units by Realty Income, L.P. and cash of \$1.0 million.

F. During 2014, we applied \$48.9 million of loans receivable to the purchase price of five acquired properties.

G. During 2014, we acquired real estate for \$11.6 million via exchanges of our properties. During 2013, we acquired real estate for \$7.4 million via exchanges of our properties.

H. During 2013, we recorded receivables of \$1.9 million for the taking of two investment properties as a result of an eminent domain action.

I. Accrued costs on properties under development resulted in an increase in buildings and improvements and accounts payable of \$4.0 million and \$5.5 million at December 31, 2014 and 2013, respectively.

## 17. Employee Benefit Plan

We have a 401(k) plan covering substantially all of our employees. Under our 401(k) plan, employees may elect to make contributions to the plan up to a maximum of 60% of their compensation, subject to limits under the Code. We match 50% of each of our employee's salary deferrals up to the first 6% of the employee's eligible compensation. Our aggregate matching contributions each year have been immaterial to our results of operations.

## 18. Common Stock Incentive Plan

In 2012, our Board of Directors adopted and stockholders approved the Realty Income Corporation 2012 Incentive Award Plan, or the 2012 Plan, to enable us to motivate, attract and retain the services of directors and employees considered essential to our long-term success. The 2012 Plan offers our directors and employees an opportunity to own stock in Realty Income or rights that will reflect our growth, development and financial success. Under the terms of the 2012 plan, the aggregate number of shares of our common stock subject to options, restricted stock, stock appreciation rights, restricted stock units and other awards, will be no more than 3,985,734 shares. The 2012 Plan has a term of ten years from the date it was adopted by our Board of Directors.

The amount of share-based compensation costs recognized in general and administrative expense on our consolidated statements of income was \$10.4 million during 2015, \$12.0 million during 2014, and \$20.8 million during 2013.

### A. Restricted Stock

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The following table summarizes our common stock grant activity under our 2012 Plan. Our outstanding restricted stock vests over periods ranging from immediately to five years.

	2015		2014		2013	
	Number of shares	Weighted average price(1)	Number of shares	Weighted average price(1)	Number of shares	Weighted average price(1)
Outstanding nonvested shares, beginning of year	527,176	\$ 29.02	722,263	\$ 23.37	895,550	\$ 19.94
Shares granted	161,949	\$ 50.87	262,655	\$ 39.87	484,060	\$ 41.13
Shares vested	(205,248)	\$ 37.70	(440,348)	\$ 36.88	(654,650)	\$ 30.91
Shares forfeited	(27,595)	\$ 45.58	(17,394)	\$ 39.07	(2,697)	\$ 37.30
Outstanding nonvested shares, end of each period	456,282	\$ 30.46	527,176	\$ 29.02	722,263	\$ 23.37

(1) Grant date fair value.

During 2015, we issued 161,949 shares of common stock under the 2012 Plan. These shares generally vest over a five- year service period. However, one grant of 4,964 shares vested immediately, and of the 28,000 shares which are granted annually to our Board of Directors, 12,000 shares vested immediately, 8,000 shares vest in one year following the grant (assuming continued service), and 8,000 shares vest over a three year service period. Not included in the table above are 10,269 restricted stock units granted during 2015 that vest over a five year service period and have the same economic rights as shares of restricted stock.

The vesting schedule for shares granted to non-employee directors is as follows:

- For directors with less than six years of service at the date of grant, shares vest in 33.33% increments on each of the first three anniversaries of the date the shares of stock are granted;
- For directors with six years of service at the date of grant, shares vest in 50% increments on each of the first two anniversaries of the date the shares of stock are granted;
- For directors with seven years of service at the date of grant, shares are 100% vested on the first anniversary of the date the shares of stock are granted; and
- For directors with eight or more years of service at the date of grant, there is immediate vesting as of the date the shares of stock are granted.

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For shares granted on or after January 1, 2015, shares granted to employees typically vest in 20% increments on each of the first five anniversaries of the grant date. For shares granted prior to December 2014, the typical vesting schedule for shares granted to employees was as follows:

- For employees age 55 and below at the grant date, shares vest in 20% increments on each of the first five anniversaries of the grant date;
- For employees age 56 at the grant date, shares vest in 25% increments on each of the first four anniversaries of the grant date;
- For employees age 57 at the grant date, shares vest in 33.33% increments on each of the first three anniversaries of the grant date;
- For employees age 58 at the grant date, shares vest in 50% increments on each of the first two anniversaries of the grant date;
- For employees age 59 at the grant date, shares are 100% vested on the first anniversary of the grant date; and
- For employees age 60 and above at the grant date, shares vest immediately on the grant date.

After being employed for six full months, all non-executive employees receive approximately 200 shares of restricted stock which vests over a five year period. Additionally, depending on certain company performance metrics or attainment of individual achievements, non-executive employees may receive grants of restricted stock which vests over a five year period.

As of December 31, 2015, the remaining unamortized share-based compensation expense related to restricted stock totaled \$13.9 million, which is being amortized on a straight-line basis over the service period of each applicable award. The amount of share-based compensation is based on the fair value of the stock at the grant date. We define the grant date as the date the recipient and Realty Income have a mutual understanding of the key terms and condition of the award, and the recipient of the grant begins to benefit from, or be adversely affected by, subsequent changes in the price of the shares.



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Due to a historically low turnover rate, we do not estimate a forfeiture rate for our nonvested shares. Accordingly, unexpected forfeitures will lower share-based compensation expense during the applicable period. Under the terms of our 2012 Plan, we pay non-refundable dividends to the holders of our nonvested shares. Applicable accounting guidance requires that the dividends paid to holders of these nonvested shares be charged as compensation expense to the extent that they relate to nonvested shares that do not or are not expected to vest. However, since we do not estimate forfeitures given our historical trends, we did not record any compensation expense related to dividends paid in 2015, 2014, or 2013.

As of December 31, 2015, 2014 and 2013, there were no common stock options outstanding for any of the periods presented.

*B. Performance Shares*

During 2015 and 2014, we granted performance share awards, as well as dividend equivalent rights, to our executive officers. The number of performance shares that vest is based on the achievement of the following performance goals:

*2015 Performance Awards*

Metrics	Weighting
Total shareholder return ( TSR ) relative to MSCI US REIT Index	50%
TSR relative to NAREIT Freestanding Index	20%
Dividend per share growth rate	20%
Debt-to-EBITDA ratio	10%

*2014 Performance Awards*

Metrics	Weighting
TSR relative to MSCI US REIT Index	60%
TSR relative to NAREIT Freestanding Index	20%
Debt-to-EBITDA ratio	20%

The performance shares are earned based on our performance, and vest 50% on the first and second January 1 after the end of the three year performance period, subject to continued service. The performance period for the 2014 performance awards began on January 1, 2014 and will end on December 31, 2016. The performance period for the 2015 performance awards began on January 1, 2015 and will end on December 31, 2017.

The fair value of the performance shares was estimated on the date of grant using a Monte Carlo Simulation model. The following table summarizes our performance share grant activity:

	2015		2014	
	Number of performance shares	Weighted average price(1)	Number of performance shares	Weighted average price(1)
Outstanding nonvested shares, beginning of year	59,405	\$ 41.46	-	\$ -
Shares granted	55,716	\$ 52.78	71,705	\$ 41.46

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Shares vested	-	\$	-	(4,067)	\$	41.46
Shares forfeited	-	\$	-	(8,233)	\$	41.46
Outstanding nonvested shares, end of each period	115,121	\$	46.94	59,405	\$	41.46

(1) Grant date fair value.

As of December 31, 2015, the remaining share-based compensation expense related to the performance shares totaled \$3.2 million. The portion related to the market-based awards is being recognized on a straight-line basis over the service period, and the portion related to the performance-based awards is being recognized on a tranche-by-tranche basis over the service period.

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**19. Dividend Reinvestment and Stock Purchase Plan**

Our Dividend Reinvestment and Stock Purchase Plan, or the DRSP, provides our common stockholders, as well as new investors, with a convenient and economical method of purchasing our common stock and reinvesting their distributions. The DRSP also allows our current stockholders to buy additional shares of common stock by reinvesting all or a portion of their distributions. The DRSP authorizes up to 26,000,000 common shares to be issued. During 2015, we issued 7,608,354 shares and raised approximately \$363.0 million under the DRSP. During 2014, we issued 3,527,166 shares and raised approximately \$158.5 million under the DRSP. During 2013, we issued 1,449,139 shares and raised approximately \$55.6 million under the DRSP. From the inception of the DRSP through December 31, 2015, we have issued 12,699,862 shares and raised approximately \$581.6 million.

In 2013, we revised our DRSP so that we would pay for a majority of the plan-related fees, which were previously paid by investors, and to institute a waiver approval process, allowing larger investors or institutions, per a formal approval process, to purchase shares at a small discount, if approved by us. During 2015, we issued 7,413,207 shares and raised \$353.7 million under the waiver approval process. In 2014, we issued 3,330,556 shares and raised \$150.0 million under the waiver approval process. In 2013, we issued 1,308,490 shares and raised \$50.0 million under the waiver approval process. These shares are included in the total activity noted in the preceding paragraph.

**20. At-the-Market (ATM) Program**

In September 2015, we established an at the market equity distribution program, or our ATM program, pursuant to which we can offer and sell up to 12,000,000 shares of common stock to, or through a consortium of banks acting as our sales agents by means of ordinary brokers transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices. During 2015, we issued 714,301 shares and raised approximately \$36.3 million under the ATM program.

**21. Segment Information**

We evaluate performance and make resource allocation decisions on an industry by industry basis. For financial reporting purposes, we have grouped our tenants into 48 activity segments. All of the properties are incorporated into one of the applicable segments. Because almost all of our leases require the tenant to pay operating expenses, rental revenue is the only component of segment profit and loss we measure.

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The following tables set forth certain information regarding the properties owned by us, classified according to the business of the respective tenants (dollars in thousands):

<b>Assets, as of December 31:</b>	<b>2015</b>		<b>2014</b>	
Segment net real estate:				
Apparel	\$	180,175	\$	185,237
Automotive service		129,328		120,660
Automotive tire services		247,200		255,447
Beverages		297,724		302,001
Child care		52,392		54,194
Convenience stores		724,972		752,047
Dollar stores		1,158,948		1,165,560
Drug stores		1,384,506		1,036,697
Financial services		254,022		262,095
Grocery stores		331,565		341,773
Health and fitness		839,872		546,583
Health care		220,018		227,084
Home improvement		268,974		227,733
Restaurants-casual dining		419,455		449,211
Restaurants-quick service		467,643		336,753
Theaters		371,617		375,982
Transportation services		686,041		661,053
Wholesale club		452,563		465,569
30 other non-reportable segments		2,131,869		2,015,861
Total segment net real estate		10,618,884		9,781,540
Intangible assets:				
Apparel		48,116		52,444
Automotive service		19,131		2,909
Automotive tire services		13,202		14,871
Beverages		2,538		2,797
Convenience stores		16,040		17,535
Dollar stores		56,420		58,691
Drug stores		189,433		194,905
Financial services		34,626		39,564
Grocery stores		42,823		46,964
Health and fitness		65,037		66,460
Health care		29,950		35,017
Home improvement		42,630		35,726
Restaurants-casual dining		9,392		10,649
Restaurants-quick service		32,612		16,415
Theaters		17,673		21,601
Transportation services		92,602		101,040
Wholesale club		36,215		39,707
Other non-reportable segments		285,977		282,429
Goodwill:				
Automotive service		448		451
Automotive tire services		865		865
Child care		5,034		5,095
Convenience stores		2,009		2,023
Restaurants-casual dining		2,215		2,279
Restaurants-quick service		1,082		1,085
Other non-reportable segments		3,668		3,672

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Other corporate assets		197,248		175,888
Total assets	\$	11,865,870	\$	11,012,622

Table of Contents**Revenue for the years ended**

<b>December 31,</b>	<b>2015</b>		<b>2014</b>		<b>2013</b>	
Segment rental revenue:						
Apparel	\$	19,819	\$	17,674	\$	13,851
Automotive service		18,632		16,548		15,606
Automotive tire services		28,627		28,222		27,002
Beverages		25,451		25,147		24,848
Child care		19,949		20,022		20,705
Convenience stores		90,093		89,754		83,973
Dollar stores		88,126		85,049		46,742
Drug stores		103,324		84,625		60,529
Financial services		17,044		16,828		14,904
Grocery stores		29,506		27,270		22,317
Health and fitness		75,881		62,086		46,979
Health care		16,057		16,039		14,358
Home improvement		23,112		15,593		11,456
Restaurants-casual dining		37,645		38,473		38,149
Restaurants-quick service		41,407		33,388		32,340
Theaters		49,456		47,102		46,122
Transportation services		51,745		46,287		40,552
Wholesale club		37,391		36,588		29,448
30 other non-reportable segments		203,600		186,762		158,337
Total rental revenue		976,865		893,457		748,218
Tenant reimbursements		42,015		37,118		24,944
Other revenue		4,405		2,930		7,047
Total revenue	\$	1,023,285	\$	933,505	\$	780,209

**22. Commitments and Contingencies**

In the ordinary course of business, we are party to various legal actions which we believe are routine in nature and incidental to the operation of our business. We believe that the outcome of the proceedings will not have a material adverse effect upon our consolidated financial position or results of operations.

At December 31, 2015, we had commitments of \$714,000 for re-leasing costs, recurring capital expenditures, and non-recurring building improvements. In addition, as of December 31, 2015, we had committed \$70.6 million under construction contracts, which is expected to be paid in the next twelve months.

We have certain properties that are subject to ground leases which are accounted for as operating leases. At December 31, 2015, minimum future rental payments for the next five years and thereafter are as follows (dollars in millions):

		<b>Ground Leases Paid by Realty Income(1)</b>		<b>Ground Leases Paid by Our Tenants(2)</b>		<b>Total</b>
2016	\$	1.5	\$	13.3	\$	14.8

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2017		1.5		13.3		14.8
2018		1.6		13.3		14.9
2019		1.4		13.2		14.6
2020		1.4		13.0		14.4
Thereafter		23.3		119.0		142.3
Total	\$	30.7	\$	185.1	\$	215.8

(1) Realty Income currently pays the ground lessors directly for the rent under the ground leases.

(2) Our tenants, who are generally sub-tenants under the ground leases, are responsible for paying the rent under these ground leases. In the event a tenant fails to pay the ground lease rent, we are primarily responsible.

### 23. Subsequent Events

In January 2016 and February 2016, we declared the following dividends, which will be paid in February 2016 and March 2016, respectively:

- \$0.1985 per share to our common stockholders and

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- \$0.138021 per share to our Class F preferred stockholders.

During January and February of 2016, we repaid five mortgages in full for \$129.6 million.

## REALTY INCOME CORPORATION AND SUBSIDIARIES

**CONSOLIDATED QUARTERLY FINANCIAL DATA**

(dollars in thousands, except per share data)

(not covered by Report of Independent Registered Public Accounting Firm)

	<b>First Quarter</b>	<b>Second Quarter</b>	<b>Third Quarter</b>	<b>Fourth Quarter</b>	<b>Year(2)</b>
<b>2015 (1)</b>					
Total revenue	\$ 246,867	\$ 253,860	\$ 258,889	\$ 263,668	\$ 1,023,285
Depreciation and amortization expense	98,037	101,101	104,338	105,739	409,215
Interest expense	58,468	58,680	63,950	51,982	233,079
Other expenses	29,999	31,404	29,012	27,962	118,379
Income from continuing operations	67,581	66,350	67,813	83,111	284,855
Income from discontinued operations	-	-	-	-	-
Net income	67,581	66,350	67,813	83,111	284,855
Net income available to common stockholders	60,494	59,317	60,705	76,171	256,686
Net income per common share					
Basic	0.27	0.26	0.26	0.31	1.09
Diluted	0.27	0.25	0.26	0.31	1.09
Dividends paid per common share	0.5614167	0.5685000	0.5700000	0.5715000	2.2714167
<b>2014 (1)</b>					
Total revenue	\$ 221,572	\$ 228,646	\$ 235,713	\$ 247,573	\$ 933,505
Depreciation and amortization expense	89,970	92,894	95,260	96,537	374,661
Interest expense	51,720	52,712	52,814	59,120	216,366
Other expenses	26,237	22,783	24,987	38,536	112,543
Income from continuing operations	54,916	62,221	73,627	78,374	269,140
Income from discontinued operations	3,077	20	-	(297)	2,800
Net income	57,993	62,241	73,627	78,077	271,940
Net income available to common stockholders	47,179	51,420	57,941	71,018	227,558
Net income per common share					
Basic	0.23	0.23	0.26	0.32	1.04
Diluted	0.23	0.23	0.26	0.32	1.04
Dividends paid per common share	0.5614167	0.5685000	0.5700000	0.5715000	2.1916254

(1) The consolidated quarterly financial data includes revenues and expenses from our continuing and discontinued operations. The results of operations related to certain properties, classified as held for sale or disposed of, have been reclassified to income from discontinued operations.



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Additionally, tenant reimbursements have been reported as a component of total revenue and reimbursable property expense have been reported as a component of total expenses. Therefore, some of the information may not agree to our previously filed 10-Qs.

(2) Amounts for each period are calculated independently. The sum of the quarters may differ from the annual amount.

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**Item 9: Changes In and Disagreements With Accountants on Accounting and Financial Disclosure**

We have had no disagreements with our independent registered public accounting firm on accounting matters or financial disclosure, nor have we changed accountants in the two most recent fiscal years.

**Item 9A: Controls and Procedures**

**Evaluation of Disclosure Controls and Procedures**

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended) that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

As of and for the year ended December 31, 2015, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective and were operating at a reasonable assurance level.

**Management's Report on Internal Control Over Financial Reporting**

Internal control over financial reporting refers to the process designed by, or under the supervision of, our Chief Executive Officer and Chief Financial Officer, and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

(1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

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(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company.

Management has used the framework set forth in the report entitled "Internal Control--Integrated Framework (2013)" published by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of the Company's internal control over financial reporting. Management has concluded that the Company's internal control over financial reporting was effective as of the end of the most recent fiscal year. KPMG LLP has issued an attestation report on the effectiveness of the Company's internal control over financial reporting.

Submitted on February 11, 2016 by,

John P. Case, Chief Executive Officer

Paul M. Meurer, Executive Vice President, Chief Financial Officer, and Treasurer

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**Changes in Internal Controls**

There were no changes to our internal control over financial reporting that occurred during the quarter ended December 31, 2015 that have materially affected, or are reasonably likely to material affect, our internal control over financial reporting. As of December 31, 2015, there were no material weaknesses in our internal controls, and therefore, no corrective actions were taken.

**Limitations on the Effectiveness of Controls**

Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

**Item 9B: Other Information**

None.

**PART III**

**Item 10: Directors, Executive Officers and Corporate Governance**

The information required by this item is set forth under the captions Board of Directors and Executive Officers of the Company and Section 16(a) Beneficial Ownership Reporting Compliance in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference. The Annual Meeting of Stockholders is presently scheduled to be held on May 17, 2016.

**Item 11: Executive Compensation**

The information required by this item is set forth under the caption Executive Compensation in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

**Item 12: Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The information required by this item is set forth under the caption "Security Ownership of Certain Beneficial Owners and Management" in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

**Item 13: Certain Relationships, Related Transactions and Director Independence**

The information required by this item is set forth under the caption "Related Party Transactions" in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

**Item 14: Principal Accounting Fees and Services**

The information required by this item is set forth under the caption "Independent Registered Public Accounting Firm Fees and Services" in our definitive Proxy Statement for the 2016 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

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**PART IV**

**Item 15: Exhibits and Financial Statement Schedules**

A. The following documents are filed as part of this report.

1. Financial Statements (see Item 8)

a. Reports of Independent Registered Public Accounting Firm

b. Consolidated Balance Sheets,

December 31, 2015 and 2014

c. Consolidated Statements of Income,

Years ended December 31, 2015, 2014 and 2013

d. Consolidated Statements of Equity,

Years ended December 31, 2015, 2014 and 2013

e. Consolidated Statements of Cash Flows,

Years ended December 31, 2015, 2014 and 2013

f. Notes to Consolidated Financial Statements

g. Consolidated Quarterly Financial Data,

(unaudited) for 2015 and 2014

2. Financial Statement Schedule. Reference is made to page F-1 of this report for Schedule III Real Estate and Accumulated Depreciation (electronically filed with the Securities and Exchange Commission).

Schedules not Filed: All schedules, other than those indicated in the Table of Contents, have been omitted as the required information is either not material, inapplicable or the information is presented in the financial statements or related notes.

3. Exhibits

**Articles of Incorporation and By-Laws**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
2.1	Agreement and Plan of Merger, dated as of September 6, 2012, by and among Realty Income Corporation, Tau Acquisition LLC and American Realty Capital Trust, Inc. (filed as exhibit 2.1 to the Company's Form 8-K, filed on September 6, 2012 and incorporated herein by reference).
2.2	First Amendment to Agreement and Plan of Merger, dated as of January 6, 2013, by and among Realty Income Corporation, Tau Acquisition LLC and American Realty Capital Trust, Inc. (filed as exhibit 2.1 to the Company's Form 8-K, filed on January 7, 2013 and incorporated herein by reference).
3.1	Articles of Incorporation of the Company, as amended by amendment No. 1 dated May 10, 2005 and amendment No. 2 dated May 10, 2005 (filed as exhibit 3.1 to the Company's Form 10-Q for the quarter ended June 30, 2005 and incorporated herein by reference), amendment No. 3 dated July 29, 2011 (filed as exhibit 3.1 to the Company's Form 8-K, filed on August 2, 2011 and incorporated herein by reference); and amendment No. 4 dated June 21, 2012 (filed as exhibit 3.1 to the Company's Form 8-K, filed on June 21, 2012 and incorporated herein by reference).
3.2	Amended and Restated Bylaws of the Company dated June 16, 2015 (filed as exhibit 3.1 to the Company's Form 8-K filed on June 17, 2015 and incorporated herein by reference)
3.3	Articles Supplementary to the Articles of Incorporation of the Company classifying and designating the 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock, dated February 3, 2012 (the First Class F Articles Supplementary ) (filed as exhibit 3.1 to the Company's Form 8-K, filed on February 3, 2012 and incorporated herein by reference).

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- 3.4 Certificate of Correction to the First Class F Articles Supplementary, dated April 11, 2012 (filed as exhibit 3.2 to the Company's Form 8-K, filed on April 17, 2012 and incorporated herein by reference).
- 3.5 Articles Supplementary to the Articles of Incorporation of the Company classifying and designating additional shares of the 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock, dated April 17, 2012 (filed as exhibit 3.3 to the Company's Form 8-K, filed on April 17, 2012 and incorporated herein by reference).

**Instruments defining the rights of security holders, including indentures**

- 4.1 Indenture dated as of October 28, 1998 between the Company and The Bank of New York (filed as exhibit 4.1 to the Company's Form 8-K, filed on October 28, 1998 and incorporated herein by reference).
- 4.2 Form of 5.50% Senior Notes due 2015 (filed as exhibit 4.2 to the Company's Form 8-K, filed on November 24, 2003 and incorporated herein by reference).
- 4.3 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York, as Trustee, establishing a series of securities entitled 5.50% Senior Notes due 2015 (filed as exhibit 4.3 to the Company's Form 8-K, filed on November 24, 2003 and incorporated herein by reference).
- 4.4 Form of 5.875% Senior Notes due 2035 (filed as exhibit 4.2 to the Company's Form 8-K, filed on March 11, 2005 and incorporated herein by reference).
- 4.5 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York, as Trustee, establishing a series of securities entitled 5.875% Senior Debentures due 2035 (filed as exhibit 4.3 to the Company's Form 8-K, filed on March 11, 2005 and incorporated herein by reference).
- 4.6 Form of 5.375% Senior Notes due 2017 (filed as exhibit 4.2 to the Company's Form 8-K, filed on September 16, 2005 and incorporated herein by reference).
- 4.7 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York, as Trustee, establishing a series of securities entitled 5.375% Senior Notes due 2017 (filed as exhibit 4.3 to the Company's Form 8-K, filed on September 16, 2005 and incorporated herein by reference).
- 4.8 Form of 5.95% Senior Notes due 2016 (filed as exhibit 4.2 to the Company's Form 8-K, filed on September 18, 2006 and incorporated herein by reference).
- 4.9 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York, as Trustee, establishing a series of securities entitled 5.95% Senior Notes due 2016 (filed as exhibit 4.3 to the Company's Form 8-K, filed on September 18, 2006 and incorporated herein by reference).
- 4.10 Form of 6.75% Notes due 2019 (filed as exhibit 4.2 to Company's Form 8-K, filed on September 5, 2007 and incorporated herein by reference).
- 4.11 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Trust Company, N.A., as Trustee, establishing a series of securities entitled 6.75% Senior Notes due 2019 (filed as exhibit 4.3 to the Company's Form 8-K, filed on September 5, 2007 and incorporated herein by reference).





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- 4.12 Form of 5.750% Notes due 2021 (filed as exhibit 4.2 to Company's Form 8-K, filed on June 29, 2010 and incorporated herein by reference).
- 4.13 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as Successor Trustee, establishing a series of securities entitled 5.750% Notes due 2021 (filed as exhibit 4.3 to the Company's Form 8-K, filed on June 29, 2010 and incorporated herein by reference).
- 4.14 Form of Common Stock Certificate (filed as exhibit 4.16 to the Company's Form 10-Q for the quarter ended September 30, 2011 and incorporated herein by reference).
- 4.15 Form of Preferred Stock Certificate representing the 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock (filed as exhibit 4.1 to the Company's Form 8-K, filed on February 3, 2012 and incorporated herein by reference).
- 4.16 Form of 2.000% Note due 2018 (filed as exhibit 4.2 to Company's Form 8-K, filed on October 10, 2012 and incorporated herein by reference).
- 4.17 Form of 3.250% Note due 2022 (filed as exhibit 4.3 to Company's Form 8-K, filed on October 10, 2012 and incorporated herein by reference).
- 4.18 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled 2.000% Notes due 2018 and establishing a series of securities entitled 3.250% Notes due 2022 (filed as exhibit 4.4 to the Company's Form 8-K, filed on October 10, 2012 and incorporated herein by reference).
- 4.19 Form of 4.650% Note due 2023 (filed as exhibit 4.2 to Company's Form 8-K, filed on July 16, 2013 and incorporated herein by reference).
- 4.20 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled 4.650% Notes due 2023 (filed as exhibit 4.3 to the Company's Form 8-K, filed on July 16, 2013 and incorporated herein by reference).
- 4.21 Form of 3.875% Note due 2024 (filed as exhibit 4.2 to Company's Form 8-K, filed on June 25, 2014 and incorporated herein by reference).
- 4.22 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled 3.875% Notes due 2024 (filed as exhibit 4.3 to the Company's Form 8-K, filed on June 25, 2014 and incorporated herein by reference).
- 4.23 Form of 4.125% Note due 2026 (filed as exhibit 4.2 to Company's Form 8-K, filed on September 23, 2014 and incorporated herein by reference).
- 4.24 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled 4.125% Notes due 2026 (filed as exhibit 4.3 to the Company's Form 8-K, filed on September 23, 2014 and incorporated herein by reference).

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**Material Contracts**

- 10.1 Management Incentive Plan (filed as Exhibit 10.10 to the Company's Form 10-K for the year ended December 31, 1997 and incorporated herein by reference).
- 10.2 Form of Nonqualified Stock Option Agreement for Independent Directors (filed as Exhibit 10.11 to the Company's Form 10-K for the year ended December 31, 1997 and incorporated herein by reference).
- 10.3 Form of Restricted Stock Agreement between the Company and Executive Officers under the 2003 Stock Incentive Award Plan of Realty Income Corporation (filed as exhibit 10.11 to the Company's Form 8-K, filed on January 6, 2005 and dated January 1, 2005 and incorporated herein by reference).
- 10.4 2003 Stock Incentive Award Plan of Realty Income Corporation, as amended and restated February 21, 2006 (filed as exhibit 10.10 to the Company's Form 10-K for the year ended December 31, 2005 and incorporated herein by reference).
- 10.5 Amendment dated May 15, 2007 to the Amended and Restated 2003 Stock Incentive Award Plan of Realty Income Corporation (filed as exhibit 10.1 to the Company's Form 10-Q, for the quarter ended June 30, 2007 and incorporated herein by reference).
- 10.6 Form of Restricted Stock Agreement under the 2003 Stock Incentive Award Plan of Realty Income Corporation (filed as exhibit 10.2 to the Company's Form 10-Q, for the quarter ended June 30, 2007 and incorporated herein by reference).
- 10.7 Amended and Restated Form of Employment Agreement between the Company and its Executive Officers (filed as exhibit 10.1 to the Company's Form 8-K, filed on January 7, 2010 and dated January 5, 2010 and incorporated herein by reference).
- 10.8 Form of Restricted Stock Agreement for John P. Case (filed as exhibit 10.1 to the Company's Form 10-Q, for the quarter ended March 31, 2010 and incorporated herein by reference).
- 10.9 Realty Income Corporation 2012 Incentive Award Plan (filed as Appendix B to the Company's Proxy Statement on Schedule 14A filed on March 30, 2012 and incorporated herein by reference).
- 10.10 Amended and Restated Credit Agreement dated May 10, 2012 (filed as exhibit 10.1 to the Company's Form 8-K, filed on May 11, 2012 and incorporated herein by reference).
- 10.11 Form of Restricted Stock Agreement for Employees under the Realty Income Corporation 2012 Incentive Award Plan (filed as exhibit 10.1 to the Company's Form 8-K, filed on January 8, 2013 and incorporated herein by reference).
- 10.12 Form of Restricted Stock Agreement for Non-Employee Directors under the Realty Income Corporation 2012 Incentive Award Plan (filed as exhibit 10.2 to the Company's Form 8-K, filed on January 8, 2013 and incorporated herein by reference).
- 10.13 Term Loan Agreement, dated as of January 22, 2013, by and among Tau Operating Partnership, L.P. and Lenders (as defined therein) (filed as exhibit 10.1 to the Company's Form 8-K, filed on January 23, 2013 and incorporated herein by reference).
- 10.14 The First Amendment to Amended and Restated Credit Agreement among the Company, as Borrower, each of the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent (filed as exhibit 10.1 to the Company's Form 8-K, filed on June 3, 2013 and incorporated herein by reference).



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- 10.15 Form of Amendment to Employment Agreement (filed as exhibit 10.1 to the Company's Form 8-K, filed on June 19, 2013 and incorporated herein by reference).
- 10.16 Form of Addendum to Restricted Stock Agreement (filed as exhibit 10.2 to the Company's Form 8-K, filed on June 19, 2013 and incorporated herein by reference).
- 10.17 The Second Amendment to Amended and Restated Credit Agreement among the Company, as Borrower, each of the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent (filed as exhibit 10.1 to the Company's Form 8-K, filed on August 28, 2013 and incorporated herein by reference).
- 10.18 Amended and Restated Employment Agreement dated September 3, 2013 between the Company and John P. Case (filed as exhibit 10.2 to the Company's Form 8-K, filed on September 6, 2013 and incorporated herein by reference).
- 10.19 Form of Time-Based Restricted Stock Agreement for John P. Case dated September 3, 2013 (filed as exhibit 10.7 to the Company's Form 10-Q, for the quarter ended September 30, 2013 and incorporated herein by reference).
- 10.20 Form of Performance-Based Restricted Stock Agreement for John P. Case dated September 26, 2013 (filed as exhibit 10.8 to the Company's Form 10-Q, for the quarter ended September 30, 2013 and incorporated herein by reference).
- 10.21 The Third Amendment to Amended and Restated Credit Agreement among the Company, as Borrower, each of the Lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent (filed as exhibit 10.1 to the Company's Form 8-K, filed on October 29, 2013 and incorporated herein by reference).
- 10.23 Form of Performance Share Award Agreement (filed as exhibit 99.1 to the Company's Form 8-K, filed on April 11, 2014 and incorporated herein by reference).
- 10.24 Severance Agreement for Gary M. Malino (filed as exhibit 10.2 to the Company's Form 10-Q, filed on October 30, 2014 and incorporated herein by reference).
- 10.25 Amended and Restated Form Indemnification Agreement, between the Company and each executive officer and each director of the Board of Directors of the Company (filed as exhibit 10.1 to the Company's Form 8-K, filed on October 30, 2014 and incorporated herein by reference).
- 10.26 Form of Performance Share Award Agreement (filed as exhibit 10.1 to the Company's Form 10-Q, filed on April 30, 2015 and incorporated herein by reference).
- 10.27 Dividend Reinvestment and Stock Purchase Plan (filed pursuant to Rule 424(b)(5) under the Securities Act of 1933, as amended, on February 23, 2015, as a prospectus supplement to the Company's prospectus dated February 22, 2013 (File No. 333-186788) and incorporated herein by reference).
- 10.28 Credit Agreement dated June 30, 2015 (filed as exhibit 10.1 to the Company's Form 8-K, filed on July 2, 2015 and incorporated herein by reference).
- 10.29 Dividend Reinvestment and Stock Purchase Plan (filed pursuant to Rule 424(b)(5) under the Securities Act of 1933, as amended, on July 30, 2015, as a prospectus supplement to the Company's prospectus dated February 22, 2013 (File No. 333-186788) and incorporated herein by reference).
- 10.30\* Form of Restricted Stock Agreement.

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- 10.31\* Form of Restricted Stock Unit Award Agreement.
- 10.32\* Form of Second Amendment to Employment Agreement.

Statement of Ratios

- \*12.1 Statements re computation of ratios.

Subsidiaries of the Registrant

- \*21.1 Subsidiaries of the Company as of February 11, 2016.

Consents of Experts and Counsel

- \*23.1 Consent of Independent Registered Public Accounting Firm.

Certifications

- \*31.1 Rule 13a-14(a) Certifications as filed by the Chief Executive Officer pursuant to SEC release No. 33-8212 and 34-47551.
- \*31.2 Rule 13a-14(a) Certifications as filed by the Chief Financial Officer pursuant to SEC release No. 33-8212 and 34-47551.
- \*32 Section 1350 Certifications as furnished by the Chief Executive Officer and the Chief Financial Officer pursuant to SEC release No. 33-8212 and 34-47551.

Interactive Data Files

- \*101 The following materials from Realty Income Corporation's Annual Report on Form 10-K for the year ended December 31, 2015, formatted in Extensible Business Reporting Language: (i) Consolidated Balance Sheets, (ii) Consolidated Statements of Income, (iii) Consolidated Statements of Stockholders' Equity, (iv) Consolidated Statements of Cash Flows, (v) Notes to Consolidated Financial Statements, and (vi) Schedule III Real Estate and Accumulated Depreciation.

\* Filed herewith.



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**SIGNATURES**

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

REALTY INCOME CORPORATION

By: /s/JOHN P. CASE Date: February 11, 2016  
John P. Case  
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By: /s/MICHAEL D. MCKEE Date: February 11, 2016  
Michael D. McKee  
Non-Executive Chairman of the Board of Directors

By: /s/KATHLEEN R. ALLEN, Ph.D. Date: February 11, 2016  
Kathleen R. Allen, Ph.D.  
Director

By: /s/JOHN P. CASE Date: February 11, 2016  
John P. Case  
Director, Chief Executive Officer  
(Principal Executive Officer)

By: /s/A. LARRY CHAPMAN Date: February 11, 2016  
A. Larry Chapman  
Director

By: /s/PRIYA CHERIAN HUSKINS Date: February 11, 2016  
Priya Cherian Huskins  
Director

By: /s/GREGORY T. MCLAUGHLIN Date: February 11, 2016  
Gregory T. McLaughlin  
Director

By: /s/RONALD L. MERRIMAN Date: February 11, 2016  
Ronald L. Merriman  
Director

By: /s/STEPHEN E. STERRETT Date: February 11, 2016  
Stephen E. Sterrett  
Director

By: /s/PAUL M. MEURER Date: February 11, 2016  
Paul M. Meurer  
Executive Vice President, Chief Financial Officer and Treasurer  
(Principal Financial Officer)

By: /s/SEAN P. NUGENT Date: February 11, 2016  
Sean P. Nugent



Vice President, Controller  
(Principal Accounting Officer)

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
<u>Aerospace</u>												
Batesville MS	5,883,101	2,160,849	17,219,291	None	None	2,160,849	17,219,291	19,380,140	2,324,604		8/	
Ellisville MS		4,140,000	20,930,630	6,981	None	4,140,000	20,937,611	25,077,611	1,520,748		6/2	
Columbus OH	14,867,871	-	19,637,318	None	None	-	19,637,318	19,637,318	1,426,043		6/1	
DFW Airport TX		-	37,503,886	13,600	None	-	37,517,486	37,517,486	6,815,143		6/2	
Lufkin TX		589,925	15,492,255	None	None	589,925	15,492,255	16,082,180	1,309,464		1/2	
<u>Apparel</u>												
Mesa AZ		619,035	867,013	6,484	None	619,035	873,497	1,492,532	591,485		2/1	
El Cajon CA		6,930,000	12,518,083	89,660	None	6,930,000	12,607,743	19,537,743	775,497		6/1	
Elk Grove CA		804,327	2,668,492	24,266	None	804,327	2,692,758	3,497,085	355,665		9/1	
Elk Grove CA		3,250,000	16,776,852	None	None	3,250,000	16,776,852	20,026,852	1,034,573		6/2	
Folsom CA		2,370,000	11,342,375	None	None	2,370,000	11,342,375	13,712,375	623,831		8/1	
Hanford CA		562,812	3,468,215	None	None	562,812	3,468,215	4,031,027	456,648		9/1	
Lodi CA		3,153,559	2,661,260	None	None	3,153,559	2,661,260	5,814,819	350,399		9/1	
Manteca CA		1,565,672	4,440,141	None	None	1,565,672	4,440,141	6,005,813	570,619		9/1	
Moreno Valley CA		1,654,486	3,305,084	197,969	None	1,654,486	3,503,053	5,157,539	482,187		9/1	
Redlands CA		3,006,680	2,242,430	275,278	None	3,006,680	2,517,708	5,524,388	360,230		9/1	
Sacramento CA		3,446,351	4,460,201	None	None	3,446,351	4,460,201	7,906,552	587,260		9/1	
South Lake Tahoe CA		3,110,000	3,176,091	9,750	None	3,110,000	3,185,841	6,295,841	665,992		10/2	
Sun Valley CA		4,631,964	4,710,912	None	None	4,631,964	4,710,912	9,342,876	620,270		9/1	
Vacaville CA		1,299,816	3,375,574	183,515	None	1,299,816	3,559,089	4,858,905	488,035		9/1	
Danbury CT		1,096,861	6,217,688	399,236	56	1,096,861	6,616,980	7,713,841	4,660,391		9/3	
Manchester CT		771,660	3,653,539	1,661	161	771,660	3,655,361	4,427,021	2,601,207		3/2	
Manchester CT		1,250,464	5,917,037	3,555	None	1,250,464	5,920,592	7,171,056	4,213,133		3/2	
Deerfield Beach FL		3,160,000	4,832,848	6,603	None	3,160,000	4,839,451	7,999,451	1,011,839		10/2	
Cumming GA	4,675,000	2,100,000	6,472,785	None	None	2,100,000	6,472,785	8,572,785	442,307		4/1	
Collinsville IL	3,570,500	675,724	7,021,479	None	None	675,724	7,021,479	7,697,203	830,875		1/2	
Georgetown KY	5,679,500	1,922,820	10,448,325	None	None	1,922,820	10,448,325	12,371,145	1,236,385		1/2	
Missoula MT		163,100	362,249	28,843	16,199	163,100	407,291	570,391	380,088		10/3	
Staten Island NY		4,202,093	3,385,021	230,776	None	4,202,093	3,615,797	7,817,890	2,451,874		3/2	
Bend OR		4,060,000	13,198,790	None	None	4,060,000	13,198,790	17,258,790	1,033,905		1/3	
Clarksville TN		3,992,886	-	None	None	3,992,886	-	3,992,886	-		7/1	
Dallas TX		1,210,000	2,675,265	284,527	None	1,210,000	2,959,792	4,169,792	562,636		10/2	
The Colony TX		2,580,000	2,214,133	275,999	107	2,580,000	2,490,239	5,070,239	474,205		10/2	
<u>Automotive collision services</u>												
Colorado Springs CO		1,085,560	2,137,425	None	None	1,085,560	2,137,425	3,222,985	334,784		1/3	

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Denver	CO	480,348	2,127,792	None	None	480,348	2,127,792	2,608,140	307,078	6/8/2012	9/3
Highlands Ranch	CO	583,289	2,139,057	None	None	583,289	2,139,057	2,722,346	1,001,081	7/10/2007	8/1
Littleton	CO	601,388	2,169,898	None	None	601,388	2,169,898	2,771,286	868,747	2/2/2006	11/1
Parker	CO	868,768	2,653,745	None	None	868,768	2,653,745	3,522,513	1,066,255	9/7/2012	7/3
Thornton	CO	693,323	1,896,616	None	None	693,323	1,896,616	2,589,939	835,699	10/5/2004	10/1
Fort Myers	FL	990,000	1,877,069	None	None	990,000	1,877,069	2,867,069	3,128		12/2
Fort Myers	FL	540,000	1,082,897	None	None	540,000	1,082,897	1,622,897	1,805		12/2
Naples	FL	1,560,000	1,041,531	None	None	1,560,000	1,041,531	2,601,531	1,736		12/2
Cumming	GA	661,624	1,822,363	None	None	661,624	1,822,363	2,483,987	891,251	9/18/2003	12/3
Douglasville	GA	679,868	1,935,515	None	None	679,868	1,935,515	2,615,383	952,334	8/11/2003	12/3
Lilburn	GA	1,150,000	1,670,724	None	None	1,150,000	1,670,724	2,820,724	153,177	7/29/2013	2/2
Macon	GA	1,400,000	1,317,435	None	None	1,400,000	1,317,435	2,717,435	188,808	5/11/2012	1/1
Morrow	GA	725,948	1,846,315	None	None	725,948	1,846,315	2,572,263	913,860	7/7/2003	8/3
Peachtree City	GA	1,190,380	689,284	None	None	1,190,380	689,284	1,879,664	358,121	12/16/2002	9/1
Roswell	GA	1,825,000	1,934,495	None	None	1,825,000	1,934,495	3,759,495	308,268	12/22/2011	8/1
Warner Robins	GA	1,250,000	1,012,258	None	None	1,250,000	1,012,258	2,262,258	158,263	1/11/2012	9/1
Maryville	IL	320,000	882,122	None	None	320,000	882,122	1,202,122	69,075		1/1
Naperville	IL	1,090,000	1,596,107	None	None	1,090,000	1,596,107	2,686,107	130,349		12/2
Oak Lawn	IL	180,000	1,021,449	None	None	180,000	1,021,449	1,201,449	46,495		11/1
Oak Lawn	IL	370,000	1,137,165	None	None	370,000	1,137,165	1,507,165	91,192		12/2
Orland Park South	IL	120,000	1,015,358	None	None	120,000	1,015,358	1,135,358	82,921		12/2
Holland	IL	80,000	1,548,690	None	None	80,000	1,548,690	1,628,690	126,476		12/2
Cedar Lake	IN	300,000	1,037,278	None	None	300,000	1,037,278	1,337,278	39,762		1/7
Gary	IN	100,000	1,875,652	None	None	100,000	1,875,652	1,975,652	71,900		1/7
Hammond	IN	230,000	1,217,329	None	None	230,000	1,217,329	1,447,329	46,664		1/7
Highland	IN	390,000	910,537	None	None	390,000	910,537	1,300,537	34,904		1/7
Ann Arbor	MI	680,000	1,433,382	None	None	680,000	1,433,382	2,113,382	59,724		12/2
Clawson	MI	220,000	517,432	None	None	220,000	517,432	737,432	21,560		12/2
Clinton Township	MI	480,000	3,578,405	None	None	480,000	3,578,405	4,058,405	113,316		3/3
Livonia	MI	317,728	1,035,971	None	None	317,728	1,035,971	1,353,699	43,165		12/2
Novi	MI	530,000	2,092,323	None	None	530,000	2,092,323	2,622,323	66,257		3/3
Rochester Hills	MI	280,000	1,179,451	None	None	280,000	1,179,451	1,459,451	37,349		3/3
Sterling Heights	MI	580,000	1,836,257	None	None	580,000	1,836,257	2,416,257	3,060		12/2
Warren	MI	300,000	746,229	None	None	300,000	746,229	1,046,229	23,631		3/3
Washington	MI	240,000	474,241	None	None	240,000	474,241	714,241	19,760		12/2
Wayne	MI	190,000	1,009,116	None	None	190,000	1,009,116	1,199,116	42,047		12/2
Woodhaven	MI	170,000	1,148,368	None	None	170,000	1,148,368	1,318,368	47,849		12/2
Ham Lake	MN	192,610	1,930,958	None	None	192,610	1,930,958	2,123,568	853,052	7/1/2004	10/3
Stillwater	MN	656,250	1,218,901	187,158	None	656,250	1,406,059	2,062,309	183,914		11/1
Olive Branch	MS	350,000	1,965,718	None	None	350,000	1,965,718	2,315,718	353,963	6/29/2011	11/1
Cary	NC	610,389	1,492,235	None	None	610,389	1,492,235	2,102,624	574,510		5/2
Durham	NC	680,969	1,323,140	None	None	680,969	1,323,140	2,004,109	509,409		5/2
Wilmington	NC	378,813	1,150,679	None	None	378,813	1,150,679	1,529,492	480,415	7/15/2005	12/2
Las Vegas	NV	720,000	2,710,000	None	None	720,000	2,710,000	3,430,000	146,633		10/2
Bartlett	TN	648,526	1,960,733	None	None	648,526	1,960,733	2,609,259	866,212	8/3/2004	10/2
Nashville	TN	1,830,000	2,634,982	None	None	1,830,000	2,634,982	4,464,982	85,510	In-progress	9/3
Riverton	UT	1,100,000	1,576,390	None	None	1,100,000	1,576,390	2,676,390	176,063	1/18/2013	7/2
Salt Lake City	UT	2,900,000	1,598,391	None	None	2,900,000	1,598,391	4,498,391	243,316	2/17/2012	10/1
<b>Automotive parts</b>											
Birmingham	AL	355,823	660,814	None	None	355,823	660,814	1,016,637	80,399		12/2
Flomaton	AL	90,000	808,163	None	None	90,000	808,163	898,163	84,857		5/1
Harvest	AL	744,737	1,537,832	None	None	744,737	1,537,832	2,282,569	181,977		1/2
Millbrook	AL	108,000	518,741	174,419	None	108,000	693,160	801,160	401,038	12/10/1998	1/2
Montgomery	AL	254,465	502,350	10,819	84	254,465	513,253	767,718	360,088		6/3
Cabot	AR	267,787	595,578	None	None	267,787	595,578	863,365	44,668		2/2
San Luis	AZ	287,508	694,650	None	None	287,508	694,650	982,158	63,676		9/2
Tucson	AZ	194,250	431,434	None	None	194,250	431,434	625,684	431,434		10/3
Grass Valley	CA	325,000	384,955	None	None	325,000	384,955	709,955	384,955		5/2
Sacramento	CA	210,000	466,419	None	None	210,000	466,419	676,419	466,419		11/2

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Denver	CO	141,400	314,056	None	82	141,400	314,138	455,538	314,124	11/
Denver	CO	315,000	699,623	None	161	315,000	699,784	1,014,784	699,753	5/1
Littleton	CO	252,925	561,758	None	53	252,925	561,811	814,736	561,809	2/1
Smyrna	DE	232,273	472,855	15,774	None	232,273	488,629	720,902	333,818	8/
Apopka	FL	820,000	1,115,761	None	None	820,000	1,115,761	1,935,761	113,436	6/2
Deerfield										
Beach	FL	475,000	871,738	2,420	None	475,000	874,158	1,349,158	585,644	1/2
Kissimmee	FL	1,000,000	1,169,792	None	None	1,000,000	1,169,792	2,169,792	118,929	6/2
Kissimmee	FL	580,290	1,290,608	None	None	580,290	1,290,608	1,870,898	70,983	8/1
Merritt										
Island	FL	309,652	482,459	38,694	21,831	309,652	542,984	852,636	394,070	11/
Atlanta	GA	652,551	763,360	27,163	45,249	652,551	835,772	1,488,323	542,934	12/
Byron	GA	359,612	868,859	None	None	359,612	868,859	1,228,471	82,542	8/
Council										
Bluffs	IA	194,355	431,668	None	None	194,355	431,668	626,023	431,668	5/1
Des Moines	IA	441,273	981,424	None	None	441,273	981,424	1,422,697	80,150	12/

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition			Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Buildings, Improvements and	Carrying Costs	Land	Acquisition Fees	Total					
Boise	ID	158,400	351,812	None	5,428	158,400	357,240	515,640	357,240		5/		
Moscow	ID	117,250	260,417	None	None	117,250	260,417	377,667	260,417		9/		
Chicago	IL	760,000	1,483,800	4,850	None	760,000	1,488,650	2,248,650	62,280		12/		
Chicago	IL	270,000	1,639,501	56,000	None	270,000	1,695,501	1,965,501	70,296		12/		
Chicago	IL	490,000	1,533,006	3,425	None	490,000	1,536,431	2,026,431	64,339		12/		
Joliet	IL	1,309,100	2,571,856	None	None	723,567	2,571,856	3,295,423	304,336		1/2		
Brazil	IN	183,952	453,831	26,716	None	183,952	480,547	664,499	314,083		3/3		
Chesterton	IN	293,382	708,842	None	None	293,382	708,842	1,002,224	64,977		9/2		
Griffith	IN	343,778	830,602	None	None	343,778	830,602	1,174,380	76,139		9/2		
Indianapolis	IN	243,422	541,389	16,435	None	243,422	557,824	801,246	35,611		6/		
Muncie	IN	148,901	645,660	238,611	28,327	148,901	912,598	1,061,499	632,835		11/		
Plainfield	IN	453,645	908,485	42,619	47,025	453,645	998,129	1,451,774	679,829		1/3		
Princeton	IN	134,209	560,113	11,238	None	134,209	571,351	705,560	377,150		3/3		
Vincennes	IN	185,312	489,779	25,863	None	185,312	515,642	700,954	334,916		3/3		
Kansas City	KS	222,000	455,881	18,738	None	222,000	474,619	696,619	470,889		5/		
Harrodsburg	KY	262,048	1,029,125	None	None	262,048	1,029,125	1,291,173	80,615		1/		
Lawrenceburg	KY	272,228	1,069,102	None	None	272,228	1,069,102	1,341,330	80,183		2/		
Lexington	KY	475,041	1,056,527	None	None	475,041	1,056,527	1,531,568	22,891	4/11/2014	6/3		
Scottsville	KY	503,473	1,039,640	None	None	503,473	1,039,640	1,543,113	123,024		1/2		
Stanford	KY	293,686	1,153,374	None	None	293,686	1,153,374	1,447,060	74,969		5/		
Kaplan	LA	232,224	911,999	None	None	232,224	911,999	1,144,223	68,400		2/		
Lafayette	LA	740,444	1,528,968	None	None	740,444	1,528,968	2,269,412	180,928		1/2		
Lafayette	LA	462,043	1,027,618	None	None	462,043	1,027,618	1,489,661	73,646		3/3		
Slidell	LA	629,335	1,299,536	None	None	629,335	1,299,536	1,928,871	153,778		1/2		
Sulphur	LA	290,047	700,785	3,835	None	290,047	704,620	994,667	67,302		8/		
West Monroe	LA	462,715	1,394,603	None	None	462,715	1,394,603	1,857,318	165,028		1/2		
Alma	MI	155,000	600,282	13,902	None	155,000	614,184	769,184	405,185	4/29/1999	2/		
Alma	MI	187,704	737,155	None	None	187,704	737,155	924,859	11,057		8/2		
Detroit	MI	496,691	1,104,676	None	None	496,691	1,104,676	1,601,367	82,851		2/		
Flushing	MI	367,724	817,846	None	None	367,724	817,846	1,185,570	53,160		5/		
Lansing	MI	265,000	574,931	132,237	94	265,000	707,262	972,262	468,663	4/30/1999	12		
Rockford	MI	870,632	1,726,400	None	None	870,632	1,726,400	2,597,032	204,291		1/2		
Roseville	MI	558,997	1,810,289	None	None	558,997	1,810,289	2,369,286	214,218		1/2		
Saginaw	MI	948,826	1,959,264	None	None	948,826	1,959,264	2,908,090	231,846		1/2		
Saginaw	MI	859,956	1,775,753	None	None	859,956	1,775,753	2,635,709	210,131		1/2		
St. Johns	MI	201,681	792,050	None	None	201,681	792,050	993,731	11,881		8/2		
Sturgis	MI	109,558	550,274	10,272	94	109,558	560,640	670,198	379,558		12/		
Waterford	MI	995,991	2,056,657	53,469	None	995,991	2,110,126	3,106,117	244,335		1/2		
St. Peters	MO	469,776	1,044,816	None	None	469,776	1,044,816	1,514,592	67,913		5/		
Batesville	MS	190,124	485,670	None	173	190,124	485,843	675,967	339,320		7/2		
Crystal Springs	MS	514,234	1,061,859	None	None	514,234	1,061,859	1,576,093	125,653		1/2		
Horn Lake	MS	142,702	514,779	3,945	None	142,702	518,724	661,426	362,442		6/3		
Richland	MS	243,565	558,645	10,302	None	243,565	568,947	812,512	363,501		12/		
Vicksburg	MS	631,900	1,304,832	None	None	631,900	1,304,832	1,936,732	154,405		1/2		

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Harrisburg	NC		680,000	813,119	None	None	680,000	813,119	1,493,119	82,667	6/2
Omaha	NE		196,000	435,321	None	32	196,000	435,353	631,353	435,344	5/2
Omaha	NE		199,100	412,042	None	32	199,100	412,074	611,174	412,064	5/2
Artesia	NM		400,000	807,227	None	None	400,000	807,227	1,207,227	82,068	6/2
Las Cruces	NM		370,000	1,010,676	None	None	370,000	1,010,676	1,380,676	102,752	6/2
Rio Rancho	NM		211,577	469,923	None	None	211,577	469,923	681,500	469,923	2/2
Santa Fe	NM		550,775	1,224,964	None	None	550,775	1,224,964	1,775,739	108,205	10/2
Fernley	NV		300,000	1,027,155	None	None	300,000	1,027,155	1,327,155	104,427	6/2
Las Vegas	NV		161,000	357,585	260,000	None	161,000	617,585	778,585	556,919	10/2
Dunkirk	NY	776,933	631,375	1,303,749	None	None	631,375	1,303,749	1,935,124	154,277	1/2
Akron	OH		264,619	588,531	None	None	264,619	588,531	853,150	12,752	6/2
Canton	OH		396,560	597,553	None	25,452	396,560	623,005	1,019,565	424,066	8/2
Centerville	OH		601,408	758,192	9,017	38,193	601,408	805,402	1,406,810	548,406	6/3
Delaware	OH		240,000	705,447	None	None	240,000	705,447	945,447	10,582	8/2
Hamilton	OH		183,000	515,727	6,508	None	183,000	522,235	705,235	347,952	4/7/1999
Middlefield	OH		258,980	1,017,075	None	None	258,980	1,017,075	1,276,055	62,720	6/3
Oberlin	OH		212,325	1,026,562	None	None	212,325	1,026,562	1,238,887	87,258	11/2
Toledo	OH		130,000	1,562,052	None	None	130,000	1,562,052	1,692,052	169,222	4/2
Toledo	OH		140,000	1,059,979	None	None	140,000	1,059,979	1,199,979	114,831	4/2
Waverly	OH		176,895	694,710	None	None	176,895	694,710	871,605	10,421	8/2
Del City	OK		634,664	1,178,662	None	None	634,664	1,178,662	1,813,326	143,404	12/2
Oklahoma City	OK		602,052	1,118,096	None	None	602,052	1,118,096	1,720,148	124,854	3/2
Albany	OR		152,250	338,153	None	58	152,250	338,211	490,461	338,182	8/2
Beaverton	OR		210,000	466,419	None	58	210,000	466,477	676,477	466,447	8/2
Portland	OR		190,750	423,664	None	58	190,750	423,722	614,472	423,692	8/2
Portland	OR		147,000	326,493	None	58	147,000	326,551	473,551	326,521	8/2
Salem	OR		136,500	303,170	None	58	136,500	303,228	439,728	303,198	8/2
Butler	PA		339,929	633,078	47,758	None	339,929	680,836	1,020,765	461,870	8/2
Dover	PA		265,112	593,341	3,962	None	265,112	597,303	862,415	416,338	6/3
Enola	PA		220,228	546,026	11,416	172	220,228	557,614	777,842	379,766	11/2
Hanover	PA		132,500	719,511	9,982	None	132,500	729,493	861,993	474,226	7/26/1999
Harrisburg	PA		327,781	608,291	10,681	172	327,781	619,144	946,925	430,469	6/3
Harrisburg	PA		283,417	352,473	3,100	172	283,417	355,745	639,162	245,118	9/3
Lancaster	PA		199,899	774,838	27,235	None	199,899	802,073	1,001,972	556,726	8/2
Lebanon	PA		360,751	802,338	10,935	None	360,751	813,273	1,174,024	36,219	11/2
New Castle	PA		180,009	525,774	91,802	None	180,009	617,576	797,585	410,125	6/3
Reading	PA		379,000	658,722	40,054	None	379,000	698,776	1,077,776	449,470	6/9/1999
Guayama	PR	988,000	874,937	1,806,689	None	None	874,937	1,806,689	2,681,626	213,792	1/2
Humacao	PR	1,506,700	1,161,891	2,399,229	None	None	1,161,891	2,399,229	3,561,120	283,909	1/2
Ponce	PR	1,803,100	1,321,292	2,728,382	None	None	1,321,292	2,728,382	4,049,674	322,859	1/2
San Juan	PR	1,506,700	1,158,525	2,392,278	None	None	1,158,525	2,392,278	3,550,803	283,086	1/2
Chester	SC		132,006	518,420	None	None	132,006	518,420	650,426	31,969	6/3
Columbia	SC		474,027	1,427,348	None	None	474,027	1,427,348	1,901,375	168,903	1/2
York	SC		198,409	779,197	None	None	198,409	779,197	977,606	48,051	6/3
Arlington	TN		381,083	707,726	None	None	381,083	707,726	1,088,809	86,107	12/2
Columbia	TN		273,120	431,716	None	None	273,120	431,716	704,836	285,651	6/3
Decatur	TN		180,000	880,938	None	None	180,000	880,938	1,060,938	54,325	6/3
Channelview	TX		483,804	1,168,921	None	None	483,804	1,168,921	1,652,725	111,048	8/2
Dallas	TX		562,612	1,251,290	None	None	562,612	1,251,290	1,813,902	72,992	7/2
Denton	TX		368,635	1,047,327	None	None	368,635	1,047,327	1,415,962	89,023	11/2
Edinburg	TX		320,000	963,916	None	None	320,000	963,916	1,283,916	97,998	6/2
Grand Prairie	TX		574,574	1,277,896	None	None	574,574	1,277,896	1,852,470	66,025	9/2
Hallettsville	TX		237,572	932,999	None	None	237,572	932,999	1,170,571	82,415	10/2
Katy	TX		558,684	1,242,555	None	None	558,684	1,242,555	1,801,239	76,624	6/3
Laredo	TX		807,044	1,498,795	None	None	807,044	1,498,795	2,305,839	182,353	12/2
Richmond	TX		441,254	1,253,642	None	None	441,254	1,253,642	1,694,896	110,738	10/2
Roma	TX		200,000	1,004,538	None	None	200,000	1,004,538	1,204,538	102,128	6/2
San Benito	TX		449,015	998,643	None	None	449,015	998,643	1,447,658	88,213	10/2
Richmond	VA		366,287	814,648	None	None	366,287	814,648	1,180,935	17,651	6/2
Bellevue	WA		185,500	411,997	None	107	185,500	412,104	597,604	412,090	8/2
Bellingham East	WA		168,000	373,133	None	107	168,000	373,240	541,240	373,226	8/2
Wenatchee	WA		148,400	329,602	None	107	148,400	329,709	478,109	329,695	8/2
Kenmore	WA		199,500	443,098	None	107	199,500	443,205	642,705	443,191	8/2
Kent	WA		199,500	443,091	None	107	199,500	443,198	642,698	443,184	8/2
Moses Lake	WA		138,600	307,831	None	107	138,600	307,938	446,538	307,924	8/2
Renton	WA		185,500	412,003	None	107	185,500	412,110	597,610	412,096	9/2
Seattle	WA		162,400	360,697	None	107	162,400	360,804	523,204	360,790	8/2



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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

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		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total					
Silverdale	WA	183,808	419,777	None	107	183,808	419,884	603,692	419,870	9/				
Tacoma	WA	191,800	425,996	None	107	191,800	426,103	617,903	426,089	8/				
Tacoma	WA	196,000	435,324	None	107	196,000	435,431	631,431	435,417	10/				
Vancouver	WA	180,250	400,343	None	58	180,250	400,401	580,651	400,371	8/				
Vancouver	WA	168,000	373,135	None	58	168,000	373,193	541,193	373,164	5/				
Viroqua	WI	130,000	751,418	None	None	130,000	751,418	881,418	78,899	5/				
Wausau	WI	505,955	1,154,268	None	None	505,955	1,154,268	1,660,223	1,924	12/				
<u>Automotive service</u>														
Flagstaff	AZ	144,821	417,485	8,150	36	144,821	425,671	570,492	295,623	4/11/2002	8/			
Mesa	AZ	210,620	475,072	None	None	210,620	475,072	685,692	258,910	5/				
Phoenix	AZ	189,341	546,984	None	None	189,341	546,984	736,325	298,106	5/				
Phoenix	AZ	384,608	279,824	None	None	384,608	279,824	664,432	152,502	5/				
Sierra Vista	AZ	175,114	345,508	None	None	175,114	345,508	520,622	188,300	5/				
Tucson	AZ	226,596	437,972	None	None	226,596	437,972	664,568	238,693	5/				
Tucson	AZ	287,369	533,684	None	None	287,369	533,684	821,053	123,637	3/				
Bakersfield	CA	65,165	206,927	None	None	65,165	206,927	272,092	112,773	5/				
Chula Vista	CA	313,293	409,654	None	45	313,293	409,699	722,992	321,579	5/1/1996	1/			
Dublin	CA	415,620	1,153,928	None	None	415,620	1,153,928	1,569,548	628,889	5/				
Folsom	CA	471,813	325,610	None	None	471,813	325,610	797,423	177,455	5/				
Indio	CA	264,956	265,509	None	None	264,956	265,509	530,465	144,700	5/				
Los Angeles	CA	580,446	158,876	None	None	580,446	158,876	739,322	86,585	5/				
Oxnard	CA	186,980	198,236	None	None	186,980	198,236	385,216	108,037	5/				
Simi Valley	CA	213,920	161,012	None	None	213,920	161,012	374,932	87,750	5/				
Stockton	CA	1,395,822	2,882,282	None	None	1,395,822	2,882,282	4,278,104	341,070	1/				
Vacaville	CA	358,067	284,931	None	None	358,067	284,931	642,998	155,285	5/				
Aurora	CO	231,314	430,495	None	115	231,314	430,610	661,924	142,896	9/				
Broomfield	CO	154,930	503,626	None	2,564	154,930	506,190	661,120	392,009	8/22/1996	3/			
Denver	CO	79,717	369,587	None	79	79,717	369,666	449,383	369,647	10/				
Denver	CO	239,024	444,785	None	115	239,024	444,900	683,924	147,635	9/				
Lakewood	CO	70,422	132,296	None	None	70,422	132,296	202,718	43,878	9/				
Longmont	CO	87,385	163,169	None	115	87,385	163,284	250,669	54,232	9/				
Thornton	CO	276,084	415,464	None	115	276,084	415,579	691,663	315,017	12/31/1996	10/			
Hartford	CT	248,540	482,460	35,465	1,034	248,540	518,959	767,499	388,602	9/				
Southington	CT	225,882	672,910	None	172	225,882	673,082	898,964	499,108	6/				
Vernon	CT	81,529	300,518	None	None	81,529	300,518	382,047	162,781	6/				
Jacksonville	FL	76,585	355,066	6,980	178	76,585	362,224	438,809	359,743	12/				
Miami Gardens	FL	163,239	262,726	None	None	163,239	262,726	425,965	142,310	6/				
Orange City	FL	99,613	139,008	None	None	99,613	139,008	238,621	75,757	5/				
Atlanta	GA	309,474	574,737	None	None	309,474	574,737	884,211	133,147	3/				
Bogart	GA	66,807	309,733	None	None	66,807	309,733	376,540	309,733	12/				
Duluth	GA	222,275	316,925	2,288	89	222,275	319,302	541,577	228,520	10/24/1997	6/			
Duluth	GA	290,842	110,056	None	None	290,842	110,056	400,898	59,978	5/				



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Gainesville	GA	53,589	248,452	None	None	53,589	248,452	302,041	248,452	12/
Kennesaw	GA	266,865	139,425	None	None	266,865	139,425	406,290	75,985	5/
Marietta	GA	60,900	293,461	67,871	84	60,900	361,416	422,316	326,431	12/
Marietta	GA	69,561	346,024	None	41	69,561	346,065	415,626	346,063	6/
Norcross	GA	244,124	151,831	None	None	244,124	151,831	395,955	82,746	5/
Norcross	GA	503,773	937,121	39,032	None	503,773	976,153	1,479,926	362,344	11/
Riverdale	GA	58,444	270,961	None	None	58,444	270,961	329,405	270,961	1/
Rome	GA	56,454	261,733	None	45	56,454	261,778	318,232	261,734	12/
Snellville	GA	253,316	132,124	None	None	253,316	132,124	385,440	72,006	5/
Tucker	GA	78,646	364,625	32,603	3,258	78,646	400,486	479,132	372,954	12/
Arlington Hts	IL	441,437	215,983	None	None	441,437	215,983	657,420	117,709	5/
Chicago	IL	329,076	255,294	None	None	329,076	255,294	584,370	139,133	5/
Westchester	IL	421,239	184,812	None	None	421,239	184,812	606,051	100,721	5/
Anderson	IN	232,170	385,661	None	179	232,170	385,840	618,010	278,462	12/
Indianapolis	IN	231,384	428,307	None	130	231,384	428,437	659,821	330,639	9/
Michigan City	IN	392,638	297,650	(3,065)	None	389,573	297,650	687,223	162,218	5/
Warsaw	IN	140,893	228,116	None	None	140,893	228,116	369,009	124,322	5/
Olathe	KS	217,995	367,055	None	21	217,995	367,076	585,071	273,471	4/22/1997
Topeka	KS	32,022	60,368	None	None	32,022	60,368	92,390	20,022	9/
Wichita	KS	787,377	1,463,936	78,745	70,913	787,377	1,613,594	2,400,971	557,232	11/
Louisville	KY	56,054	259,881	None	12	56,054	259,893	315,947	259,884	12/
Newport East	KY	323,511	289,017	54,307	115	323,511	343,439	666,950	234,157	9/
Wareham	MA	149,680	278,669	None	None	149,680	278,669	428,349	151,872	5/
Fairhaven	MA	138,957	289,294	None	None	138,957	289,294	428,251	157,663	5/
Gardner	MA	138,990	289,361	None	None	138,990	289,361	428,351	157,699	5/
Hyannis	MA	180,653	458,522	None	None	180,653	458,522	639,175	248,366	6/
Lenox	MA	287,769	535,273	None	None	287,769	535,273	823,042	359,514	3/
Newburyport	MA	274,698	466,449	None	None	274,698	466,449	741,147	252,660	6/
North Reading	MA	180,546	351,161	None	None	180,546	351,161	531,707	191,380	5/
Orleans	MA	138,212	394,065	None	None	138,212	394,065	532,277	214,763	5/
Teaticket	MA	191,302	340,539	None	None	191,302	340,539	531,841	185,592	5/
Aberdeen	MD	223,617	225,605	None	None	223,617	225,605	449,222	122,203	6/
Bethesda Capitol Heights	MD	282,717	525,928	None	None	282,717	525,928	808,645	174,433	9/
Clinton	MD	547,173	219,979	(12,319)	None	534,854	219,979	754,833	119,885	5/
Lexington Park	MD	70,880	328,620	11,440	None	70,880	340,060	410,940	335,007	11/
Kalamazoo	MI	111,396	335,288	(7,600)	None	103,796	335,288	439,084	182,728	5/
Portage	MI	391,745	296,975	(2,196)	None	389,549	296,975	686,524	161,850	5/
Southfield	MI	402,409	286,441	(2,112)	None	400,297	286,441	686,738	156,108	5/
Troy	MI	275,952	350,765	None	None	275,952	350,765	626,717	191,165	5/
Saint Cloud	MN	214,893	199,299	None	None	214,893	199,299	414,192	108,616	5/
Independence	MO	203,338	258,626	None	None	203,338	258,626	461,964	140,089	6/
Asheville	NC	297,641	233,152	4,467	3,958	297,641	241,577	539,218	180,260	12/
Asheville	NC	441,746	242,565	None	None	441,746	242,565	684,311	132,196	5/
Concord	NC	838,421	1,558,792	480	13,977	838,421	1,573,249	2,411,670	569,682	11/
Durham	NC	237,688	357,976	6,863	26	237,688	364,865	602,553	250,521	11/
Durham	NC	55,074	255,336	None	647	55,074	255,983	311,057	255,983	11/
Fayetteville	NC	354,676	361,203	67,400	12	354,676	428,615	783,291	272,434	8/29/1997
Greensboro	NC	224,326	257,733	None	131	224,326	257,864	482,190	186,081	12/
Matthews	NC	286,068	244,606	None	None	286,068	244,606	530,674	133,302	5/
Pineville	NC	295,580	338,472	17,484	13,514	295,580	369,470	665,050	257,073	8/28/1998
Raleigh	NC	254,460	355,630	None	23	254,460	355,653	610,113	260,171	8/28/1997
Raleigh	NC	89,145	413,301	None	None	89,145	413,301	502,446	413,301	10/
Salisbury	NC	398,694	263,621	None	None	398,694	263,621	662,315	191,969	10/
Fargo	ND	235,614	150,592	None	None	235,614	150,592	386,206	82,071	5/
Lincoln	NE	53,973	100,262	None	None	53,973	100,262	154,235	33,253	9/
Scottsbluff	NE	337,138	316,958	None	None	337,138	316,958	654,096	172,739	5/
Cherry Hill	NJ	33,307	63,355	None	None	33,307	63,355	96,662	21,012	9/
Edison	NJ	463,808	862,240	None	None	463,808	862,240	1,326,048	285,976	9/
Glassboro	NJ	448,936	238,773	None	None	448,936	238,773	687,709	130,128	5/
Hamilton Square	NJ	182,013	312,480	None	None	182,013	312,480	494,493	169,260	6/
Pleasantville	NJ	422,477	291,555	None	None	422,477	291,555	714,032	158,894	5/
Randolph	NJ	77,105	144,693	None	None	77,105	144,693	221,798	47,990	9/
Trenton	NJ	452,629	390,163	None	None	452,629	390,163	842,792	212,636	5/
West Deptford	NJ	265,238	298,167	None	None	265,238	298,167	563,405	162,497	5/
Westfield	NJ	212,788	320,283	None	None	212,788	320,283	533,071	174,551	5/
Westfield	NJ	705,337	288,720	None	None	705,337	288,720	994,057	157,348	5/

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Albuquerque	NM	231,553	430,026	None	None	231,553	430,026	661,579	99,623	3/
Las Vegas	NV	326,879	359,101	None	None	326,879	359,101	685,980	195,708	5/

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Carrying Costs	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Improvements	Buildings, Improvements and		to Acquisition	Land	Acquisition Fees		
Las Vegas NV		316,441	369,768	None	None	316,441	369,768	686,209	201,522	5/	
Las Vegas NV		252,169	562,715	None	None	252,169	562,715	814,884	306,678	5/	
Las Vegas NV		1,940,015	3,624,877	None	None	1,940,015	3,624,877	5,564,892	428,944	1/	
Sparks NV		326,813	306,311	None	None	326,813	306,311	633,124	166,937	5/	
Bethpage NY		334,120	621,391	None	None	334,120	621,391	955,511	206,094	9	
Commack NY		400,427	744,533	None	None	400,427	744,533	1,144,960	246,937	9	
East Amherst NY		260,708	484,788	None	None	260,708	484,788	745,496	325,608	3/	
East Syracuse NY		250,609	466,264	None	None	250,609	466,264	716,873	313,163	3/	
Freeport NY		134,828	251,894	None	None	134,828	251,894	386,722	83,545	9	
Johnson City NY		242,863	451,877	None	None	242,863	451,877	694,740	303,499	3/	
Queens Village NY		242,775	451,749	None	None	242,775	451,749	694,524	149,830	9	
Riverhead NY		143,929	268,795	None	None	143,929	268,795	412,724	89,150	9	
Wellsville NY		161,331	300,231	None	None	161,331	300,231	461,562	201,647	3/	
West Amherst NY		268,692	499,619	None	None	268,692	499,619	768,311	335,569	3/	
Akron OH		139,126	460,334	4,566	411	139,126	465,311	604,437	337,024	9/	
Beavercreek Canal OH		205,000	492,538	None	None	205,000	492,538	697,538	370,224	2/13/1997	
Winchester OH		443,751	825,491	None	None	443,751	825,491	1,269,242	428,925	12/19/2002	
Centerville OH		305,000	420,448	None	None	305,000	420,448	725,448	327,249	7/24/1996	
Cincinnati OH		211,185	392,210	None	None	211,185	392,210	603,395	190,222	11	
Cincinnati OH		305,556	244,662	None	None	305,556	244,662	550,218	110,505	9/	
Cincinnati OH		589,286	160,932	None	None	589,286	160,932	750,218	72,687	9/	
Cincinnati OH		159,375	265,842	None	None	159,375	265,842	425,217	120,072	9/	
Cincinnati OH		350,000	300,217	None	None	350,000	300,217	650,217	132,596	12	
Cleveland OH		337,593	451,944	None	None	337,593	451,944	789,537	228,232	5/	
Cleveland OH		317,308	307,842	None	None	317,308	307,842	625,150	139,042	9/	
Columbus OH		71,098	329,627	None	None	71,098	329,627	400,725	329,627	10	
Columbus OH		75,761	351,247	None	None	75,761	351,247	427,008	351,247	10	
Columbus OH		432,110	386,553	None	None	432,110	386,553	818,663	195,208	5/	
Columbus OH		466,696	548,133	None	None	466,696	548,133	1,014,829	276,806	5/	
Columbus OH		337,679	272,484	None	None	337,679	272,484	610,163	123,072	9/	
Columbus OH		190,000	260,162	None	None	190,000	260,162	450,162	117,506	9/	
Columbus OH		371,429	278,734	None	None	371,429	278,734	650,163	125,894	9/	
Cuyahoga Falls OH		253,750	271,400	None	None	253,750	271,400	525,150	122,582	9/	
Dayton OH		70,000	324,538	None	None	70,000	324,538	394,538	324,538	10	
Dayton OH		349,091	251,127	None	None	349,091	251,127	600,218	113,425	9/	
Dublin OH		437,887	428,046	None	None	437,887	428,046	865,933	216,162	5/	
Fairfield OH		323,408	235,024	44,232	3,330	323,408	282,586	605,994	193,399	9/	
Fairlawn OH		280,000	270,150	None	None	280,000	270,150	550,150	122,017	9/	
Findlay OH		283,515	397,004	None	114	283,515	397,118	680,633	286,614	12	
Hamilton OH		252,608	413,279	None	None	252,608	413,279	665,887	306,512	3/31/1997	
Huber Heights OH		282,000	449,381	None	None	282,000	449,381	731,381	340,780	12/3/1996	
Lima OH		241,132	114,085	None	None	241,132	114,085	355,217	51,528	9/	

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Marion	OH	100,000	275,162	None	None	100,000	275,162	375,162	121,530		12
Mason	OH	310,990	405,373	None	None	310,990	405,373	716,363	204,713		5/
Mount Vernon	OH	216,115	375,357	None	114	216,115	375,471	591,586	270,989		12
Norwalk	OH	200,205	366,000	None	114	200,205	366,114	566,319	264,235		12
Parma	OH	268,966	381,184	None	None	268,966	381,184	650,150	172,168		9/
Reynoldsburg	OH	267,750	497,371	None	None	267,750	497,371	765,121	224,646		9/
Reynoldsburg	OH	374,000	176,162	None	None	374,000	176,162	550,162	79,566		9/
Sandusky	OH	264,708	404,011	None	114	264,708	404,125	668,833	291,671		12
Solon	OH	794,305	222,797	None	None	794,305	222,797	1,017,102	112,513		5/
Springboro	OH	191,911	522,902	None	None	191,911	522,902	714,813	392,889		3/
Springfield	OH	320,000	280,217	None	None	320,000	280,217	600,217	126,565		9/
Springfield	OH	189,091	136,127	None	None	189,091	136,127	325,218	61,483		9/
Stow	OH	310,000	415,150	None	None	310,000	415,150	725,150	187,509		9/
Toledo	OH	120,000	230,217	None	None	120,000	230,217	350,217	103,981		9/
Toledo	OH	250,000	175,217	None	None	250,000	175,217	425,217	79,140		9/
Toledo	OH	320,000	280,217	None	None	320,000	280,217	600,217	126,565		9/
Toledo	OH	250,000	530,217	None	None	250,000	530,217	780,217	239,481		9/
West Chester	OH	446,449	768,644	None	None	446,449	768,644	1,215,093	382,145	6/27/2003	3/
Willowick	OH	321,347	459,774	None	None	321,347	459,774	781,121	368,585		12
Zanesville	OH	125,000	300,162	None	None	125,000	300,162	425,162	135,573		9/
Midwest City	OK	106,312	333,551	None	5	106,312	333,556	439,868	231,903	8/6/1998	8/
Tulsa	OK	133,648	249,702	None	None	133,648	249,702	383,350	82,818		9/
Portland	OR	251,499	345,952	None	58	251,499	346,010	597,509	183,382		9/
Salem	OR	337,711	253,855	None	58	337,711	253,913	591,624	138,377		5/
Bethel Park	PA	299,595	331,264	None	114	299,595	331,378	630,973	239,176		12
Bethlehem	PA	275,328	389,067	None	172	275,328	389,239	664,567	280,927		12
Bethlehem	PA	229,162	310,526	None	172	229,162	310,698	539,860	224,237		12
Bridgeville	PA	275,000	375,150	None	None	275,000	375,150	650,150	169,442		9/
Coraopolis	PA	225,000	375,150	None	None	225,000	375,150	600,150	169,442		9/
Harrisburg	PA	131,529	220,317	(2,515)	None	129,014	220,317	349,331	120,069		5/
Monroeville	PA	275,000	250,150	None	None	275,000	250,150	525,150	112,984		9/
North Wales	PA	2,813,873	4,379,809	None	None	2,813,873	4,379,809	7,193,682	518,277		1/
Pittsburgh	PA	378,715	685,374	None	None	378,715	685,374	1,064,089	361,317	8/22/2002	1/
Pittsburgh	PA	219,938	408,466	None	None	219,938	408,466	628,404	198,106		11
Pittsburgh	PA	175,000	300,150	None	None	175,000	300,150	475,150	135,567		9/
Pittsburgh	PA	243,750	406,400	None	None	243,750	406,400	650,150	183,557		9/
Pittsburgh	PA	208,333	416,817	None	None	208,333	416,817	625,150	188,262		9/
Pittsburgh	PA	121,429	303,721	None	None	121,429	303,721	425,150	137,180		9/
Warminster	PA	323,847	216,999	(3,929)	None	319,918	216,999	536,917	118,261		5/
Wexford	PA	284,375	240,775	None	None	284,375	240,775	525,150	108,750		9/
York	PA	249,436	347,424	None	172	249,436	347,596	597,032	250,869		12
Charleston	SC	217,250	294,079	6,700	159	217,250	300,938	518,188	218,771	7/14/1997	3/
Columbia	SC	267,622	298,594	4,116	None	267,622	302,710	570,332	212,221	3/31/1998	11
Greenville	SC	221,946	315,163	None	None	221,946	315,163	537,109	229,515	9/5/1997	3/
Lexington	SC	241,534	342,182	None	None	241,534	342,182	583,716	228,836		9/
North											
Charleston	SC	174,980	341,466	14,074	153	174,980	355,693	530,673	241,609	8/6/1998	3/
Sioux Falls	SD	48,833	91,572	None	None	48,833	91,572	140,405	30,371		9/
Antioch	TN	400,000	781,228	None	None	400,000	781,228	1,181,228	24,739		3/
Brentwood	TN	305,546	505,728	None	None	305,546	505,728	811,274	363,273	3/13/1998	5/
Columbia	TN	540,000	749,813	None	None	540,000	749,813	1,289,813	23,744		3/
Gallatin	TN	720,000	862,737	None	None	720,000	862,737	1,582,737	27,320		3/
Hendersonville	TN	175,764	327,096	None	None	175,764	327,096	502,860	169,545		1/
Hendersonville	TN	680,000	972,437	None	None	680,000	972,437	1,652,437	30,794		3/
Hermitage	TN	204,296	172,695	None	None	204,296	172,695	376,991	94,117		5/
Hermitage	TN	480,000	789,017	None	None	480,000	789,017	1,269,017	24,986		3/
Madison	TN	175,769	327,068	None	None	175,769	327,068	502,837	169,530		1/
Memphis	TN	108,094	217,079	None	None	108,094	217,079	325,173	118,305		5/
Memphis	TN	214,110	193,591	None	None	214,110	193,591	407,701	105,504		5/
Memphis	TN	215,017	216,794	None	None	215,017	216,794	431,811	117,430		6/
Mount Juliet	TN	540,000	929,909	None	None	540,000	929,909	1,469,909	29,447		3/
Murfreesboro	TN	150,411	215,528	None	None	150,411	215,528	365,939	117,461		5/
Murfreesboro	TN	563,164	814,275	None	None	563,164	814,275	1,377,439	25,785		3/
Murfreesboro	TN	550,000	851,709	None	None	550,000	851,709	1,401,709	26,971		3/
Nashville	TN	342,960	227,440	None	None	342,960	227,440	570,400	166,360		9/
Nashville	TN	600,000	752,612	None	None	600,000	752,612	1,352,612	23,833		3/
Nashville	TN	510,210	792,902	None	None	510,210	792,902	1,303,112	25,109		3/
Nashville	TN	568,793	822,413	None	None	568,793	822,413	1,391,206	26,043		3/
Smyrna	TN	560,000	874,142	None	None	560,000	874,142	1,434,142	27,681		3/
Carrollton	TX	174,284	98,623	None	None	174,284	98,623	272,907	53,748		5/



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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Carrollton TX		177,041	199,088	None	None	177,041	199,088	376,129	108,501		5/1		
Dallas TX		234,604	325,951	12,719	15,373	234,604	354,043	588,647	263,023	8/9/1996	2/1		
Fort Worth TX		83,530	111,960	None	None	83,530	111,960	195,490	61,017		5/1		
Houston TX		285,000	369,697	None	234	285,000	369,931	654,931	269,406	8/8/1997	8/8		
Humble TX		257,169	325,652	None	None	257,169	325,652	582,821	177,478		5/1		
Lake Jackson TX		197,170	256,376	None	None	197,170	256,376	453,546	139,723		5/1		
Lewisville TX		199,942	324,736	None	149	199,942	324,885	524,827	251,819	8/2/1996	2/1		
Lewisville TX		130,238	207,683	None	None	130,238	207,683	337,921	112,495		6/2		
Waco TX		232,105	431,053	None	None	232,105	431,053	663,158	99,861		3/2		
Wylie TX		252,000	468,000	None	None	252,000	468,000	720,000	108,420		3/2		
American Fork UT		849,848	2,561,827	None	None	849,848	2,561,827	3,411,675	234,834		9/2		
Layton UT		390,000	1,575,711	None	None	390,000	1,575,711	1,965,711	65,655		12/1		
Park City UT		780,000	1,082,808	None	None	780,000	1,082,808	1,862,808	45,117		12/1		
South Jordan UT		1,620,150	1,879,850	None	None	1,620,150	1,879,850	3,500,000	166,053		10/1		
Richmond VA		403,549	876,981	None	None	403,549	876,981	1,280,530	418,429	7/8/2004	10/1		
Roanoke VA		349,628	322,545	None	153	349,628	322,698	672,326	232,923		12/1		
Warrenton VA		186,723	241,173	None	None	186,723	241,173	427,896	131,436		5/1		
Bremerton WA		261,172	373,080	None	2,621	261,172	375,701	636,873	287,183	3/19/1997	7/2		
Tacoma WA		109,127	202,691	None	None	109,127	202,691	311,818	67,226		9/4		
Milwaukee WI		173,005	499,244	None	None	173,005	499,244	672,249	400,227		12/2		
Milwaukee WI		152,509	475,480	None	197	152,509	475,677	628,186	367,109		9/2		
Mount Pleasant WI		184,002	114,167	None	None	184,002	114,167	298,169	62,219		5/1		
New Berlin WI		188,491	466,268	55,866	507	188,491	522,641	711,132	375,871		12/2		
<u>Automotive tire services</u>													
Athens AL		760,031	1,413,494	None	None	760,031	1,413,494	2,173,525	515,921		11/2		
Auburn AL		660,210	1,228,112	None	None	660,210	1,228,112	1,888,322	448,257		11/2		
Birmingham AL		635,111	1,180,909	None	None	635,111	1,180,909	1,816,020	431,028		11/2		
Birmingham AL		620,270	1,153,493	None	None	620,270	1,153,493	1,773,763	421,021		11/2		
Daphne AL		876,139	1,629,123	None	None	876,139	1,629,123	2,505,262	594,626		11/2		
Decatur AL		635,111	1,181,499	None	None	635,111	1,181,499	1,816,610	431,243		11/2		
Dothan AL		455,651	565,343	None	None	455,651	565,343	1,020,994	161,682	10/17/2008	6/1		
Foley AL		870,031	1,617,357	None	None	870,031	1,617,357	2,487,388	590,331		11/2		
Gardendale AL		610,055	1,134,554	None	None	610,055	1,134,554	1,744,609	413,699		11/2		
Hoover AL		504,396	938,299	None	None	504,396	938,299	1,442,695	342,475		11/2		
Huntsville AL		499,843	929,863	None	None	499,843	929,863	1,429,706	339,396		11/2		
Huntsville AL		635,111	1,181,499	None	None	635,111	1,181,499	1,816,610	431,243		11/2		
Madison AL		635,111	1,181,532	None	None	635,111	1,181,532	1,816,643	431,255		11/2		
Mobile AL		635,111	1,181,499	None	None	635,111	1,181,499	1,816,610	431,243		11/2		
Mobile AL		525,750	977,810	None	None	525,750	977,810	1,503,560	356,897		11/2		
Montgomery AL		544,181	654,046	None	None	544,181	654,046	1,198,227	197,947		1/2		
Montgomery AL		630,244	1,172,036	None	None	630,244	1,172,036	1,802,280	427,789		11/2		

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Orange Beach												
Pelham	AL		635,111	1,180,909	None	None	635,111	1,180,909	1,816,020	431,028		11/2
Phenix City	AL		630,244	1,172,024	None	None	630,244	1,172,024	1,802,268	427,785		11/2
Benton	AR	1,291,458	976,474	2,016,354	None	None	976,474	2,016,354	2,992,828	238,602		1/2
Tucson	AZ		178,297	396,004	None	None	178,297	396,004	574,301	396,004		1/1
Arvada	CO		301,489	931,092	None	None	301,489	931,092	1,232,581	563,348	9/22/2000	11/2
Aurora	CO		221,691	492,382	None	None	221,691	492,382	714,073	492,382		1/2
Aurora	CO		353,283	1,135,051	None	None	353,283	1,135,051	1,488,334	671,609	1/3/2001	3/1
Colorado Springs	CO		280,193	622,317	None	None	280,193	622,317	902,510	622,317		1/2
Colorado Springs	CO		192,988	433,542	None	None	192,988	433,542	626,530	399,551		5/2
Denver	CO		688,292	1,331,224	None	None	688,292	1,331,224	2,019,516	692,011	1/10/2003	5/3
Grand Junction	CO	1,378,927	1,121,415	2,315,649	None	None	1,121,415	2,315,649	3,437,064	274,019		1/2
Westminster	CO		526,620	1,099,523	None	None	526,620	1,099,523	1,626,143	650,586	1/12/2001	1/1
Destin	FL		1,034,411	1,922,591	None	None	1,034,411	1,922,591	2,957,002	701,742		11/2
Fort Walton Beach	FL		635,111	1,181,032	None	None	635,111	1,181,032	1,816,143	431,073		11/2
Fort Walton Beach	FL		635,111	1,181,032	None	None	635,111	1,181,032	1,816,143	431,073		11/2
Lakeland	FL		500,000	645,402	None	None	500,000	645,402	1,145,402	446,591	6/4/1998	12/3
Middleburg	FL	1,167,247	2,410,289	5,843	None	1,167,247	2,416,132	3,583,379		287,640		1/2
Milton	FL		635,111	1,181,145	None	None	635,111	1,181,145	1,816,256	431,114		11/2
Niceville	FL		920,803	1,711,621	None	None	920,803	1,711,621	2,632,424	624,738		11/2
Orlando	FL		635,111	1,181,076	None	None	635,111	1,181,076	1,816,187	431,089		11/2
Orlando	FL		630,244	1,172,023	None	None	630,244	1,172,023	1,802,267	427,785		11/2
Oviedo	FL		971,996	1,806,780	None	None	971,996	1,806,780	2,778,776	659,471		11/2
Pace	FL		630,244	1,171,993	None	None	630,244	1,171,993	1,802,237	427,774		11/2
Panama City	FL		635,111	1,181,076	None	None	635,111	1,181,076	1,816,187	431,089		11/2
Pensacola	FL		635,111	1,181,063	None	None	635,111	1,181,063	1,816,174	431,084		11/2
Pensacola	FL		588,305	1,094,130	None	None	588,305	1,094,130	1,682,435	399,354		11/2
Saint Cloud	FL		525,207	976,968	None	None	525,207	976,968	1,502,175	356,589		11/2
Sanford	FL		630,244	1,172,023	None	None	630,244	1,172,023	1,802,267	427,785		11/2
Tallahassee	FL		419,902	781,405	None	None	419,902	781,405	1,201,307	285,208		11/2
Tallahassee	FL		611,916	1,137,986	None	None	611,916	1,137,986	1,749,902	415,361		11/2
Tampa	FL		427,395	472,030	None	None	427,395	472,030	899,425	326,647	6/10/1998	12/2
Union Park	FL	1,004,103	1,866,287	None	None	1,004,103	1,866,287	2,870,390		681,191		11/2
Alpharetta	GA		630,244	1,171,870	None	None	630,244	1,171,870	1,802,114	427,729		11/2
Atlanta	GA		55,840	258,889	16,005	14,141	55,840	289,035	344,875	276,203		11/2
Canton	GA		1,010,000	1,352,903	None	None	1,010,000	1,352,903	2,362,903	83,429		6/3
Columbus	GA		630,244	1,171,988	None	None	630,244	1,171,988	1,802,232	427,772		11/2
Conyers	GA		531,935	1,180,296	None	None	531,935	1,180,296	1,712,231	646,881	3/28/2002	11/2
Conyers	GA		635,111	1,181,027	None	None	635,111	1,181,027	1,816,138	431,071		11/2
Douglasville	GA		795,842	1,643,361	None	None	795,842	1,643,361	2,439,203	194,464		1/2
Duluth	GA		638,509	1,186,594	None	None	638,509	1,186,594	1,825,103	575,494		11/2
Hiram	GA		635,111	1,181,017	None	None	635,111	1,181,017	1,816,128	431,067		11/2
Kennesaw	GA		519,903	967,180	None	None	519,903	967,180	1,487,083	353,017		11/2
Kennesaw	GA		659,964	1,827,997	None	None	659,964	1,827,997	2,487,961	216,313		1/2
Lawrenceville	GA		635,111	1,181,137	None	None	635,111	1,181,137	1,816,248	431,111		11/2
Lilburn	GA		994,894	1,807,565	None	None	994,894	1,807,565	2,802,459	213,895		1/2
Marietta	GA		500,293	930,657	None	None	500,293	930,657	1,430,950	339,686		11/2
McDonough	GA		635,111	1,181,032	None	None	635,111	1,181,032	1,816,143	431,073		11/2
McDonough	GA		910,000	1,400,696	None	None	910,000	1,400,696	2,310,696	86,376		6/3
Peachtree City	GA		625,316	1,162,827	None	None	625,316	1,162,827	1,788,143	424,428		11/2
Roswell	GA		515,617	959,138	None	None	515,617	959,138	1,474,755	350,081		11/2
Sandy Springs	GA		586,211	1,090,241	None	None	586,211	1,090,241	1,676,452	397,934		11/2
Stockbridge	GA		632,128	1,175,478	None	None	632,128	1,175,478	1,807,606	429,045		11/2
Aurora	IL		513,204	953,885	None	None	513,204	953,885	1,467,089	462,630		11/2
Joliet	IL		452,267	840,716	None	None	452,267	840,716	1,292,983	407,743		11/2
Lombard	IL		428,170	795,965	None	2,000	428,170	797,965	1,226,135	387,215		11/2
Niles	IL		366,969	682,306	None	None	366,969	682,306	1,049,275	330,914		11/2
Orland Park	IL		663,087	1,232,240	None	None	663,087	1,232,240	1,895,327	597,632		11/2
Round Lake Beach	IL		472,132	236,585	None	None	472,132	236,585	708,717	128,937		5/1
Vernon Hills	IL		524,948	975,668	None	None	524,948	975,668	1,500,616	473,195		11/2
West Dundee	IL		530,835	986,628	None	None	530,835	986,628	1,517,463	478,510		11/2

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Overland Park	KS		1,101,841	2,047,067	None	None	1,101,841	2,047,067	3,148,908	992,823	11/2
Wichita	KS	1,224,570	935,607	1,989,962	3,150	None	935,607	1,993,112	2,928,719	235,485	1/2
Winchester	KY		355,474	929,177	20,045	22,464	355,474	971,686	1,327,160	666,602	6/3
Baton Rouge	LA	1,440,670	1,158,316	2,391,847	None	None	1,158,316	2,391,847	3,550,163	283,035	1/2
Allston	MA		576,505	1,071,520	None	None	576,505	1,071,520	1,648,025	519,682	11/2
Billerica	MA		399,043	462,240	None	172	399,043	462,412	861,455	345,955	4/2
Shrewsbury	MA		721,065	1,339,913	None	None	721,065	1,339,913	2,060,978	649,854	11/2
Waltham	MA		338,955	630,279	None	None	338,955	630,279	969,234	305,681	11/2
Weymouth	MA		752,234	1,397,799	None	None	752,234	1,397,799	2,150,033	677,928	11/2

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and				Cost Capitalized Subsequent to Acquisition	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Woburn MA		676,968	1,258,018	None	None	676,968	1,258,018	1,934,986	610,134		
Annapolis MD		780,806	1,450,860	None	None	780,806	1,450,860	2,231,666	703,663		
Bowie MD		734,558	1,364,970	None	None	734,558	1,364,970	2,099,528	662,006		
Capitol Heights MD		701,705	1,303,958	None	None	701,705	1,303,958	2,005,663	632,415		
Germantown MD		808,296	1,501,913	None	None	808,296	1,501,913	2,310,209	728,424		
Waldorf MD		427,033	793,854	None	None	427,033	793,854	1,220,887	385,015		
Eagan MN		902,443	845,536	None	None	902,443	845,536	1,747,979	587,673	6/19/1998	
Grandview MO		347,150	711,024	None	None	347,150	711,024	1,058,174	491,825	8/20/1998	
Independence MO		721,020	1,339,829	None	None	721,020	1,339,829	2,060,849	649,813		
Lake Saint Louis MO		1,222,303	2,019,908	None	None	1,222,303	2,019,908	3,242,211	239,022		
St. Louis MO		386,112	717,856	None	None	386,112	717,856	1,103,968	348,156		
Charlotte NC		508,100	457,295	None	None	508,100	457,295	965,395	230,934		
Charlotte NC		181,662	338,164	None	None	181,662	338,164	519,826	164,006		
Clemmons NC		630,000	1,100,160	None	None	630,000	1,100,160	1,730,160	357,552		
Jamestown NC		650,000	857,823	None	None	650,000	857,823	1,507,823	278,792		
Matthews NC		489,063	909,052	None	None	489,063	909,052	1,398,115	440,886		
Omaha NE		253,128	810,922	None	32	253,128	810,954	1,064,082	528,522	7/22/1999	
Manchester NH		722,532	1,342,636	None	None	722,532	1,342,636	2,065,168	651,174		
Newington NH		690,753	1,283,624	None	None	690,753	1,283,624	1,974,377	622,554		
Salem NH		597,833	1,111,059	None	None	597,833	1,111,059	1,708,892	538,860		
Deptford NJ		619,376	1,151,062	None	None	619,376	1,151,062	1,770,438	558,261		
Maple Shade NJ		508,285	944,750	None	None	508,285	944,750	1,453,035	458,200		
Northfield NJ		1,364,997	2,361,337	None	None	1,364,997	2,361,337	3,726,334	279,425		
Albuquerque NM		1,210,015	2,498,602	None	None	1,210,015	2,498,602	3,708,617	295,668		
Akron OH		242,133	450,467	None	None	242,133	450,467	692,600	218,472		
Cambridge OH		103,368	192,760	None	None	103,368	192,760	296,128	93,485		
Canton OH		337,161	626,948	None	None	337,161	626,948	964,109	304,066		
Cleveland OH		582,107	1,081,848	None	None	582,107	1,081,848	1,663,955	524,692		
Columbus OH		385,878	717,422	None	None	385,878	717,422	1,103,300	347,946		
Edmond OK		1,240,403	2,561,350	None	None	1,240,403	2,561,350	3,801,753	303,093		
Oklahoma City OK		509,370	752,691	None	None	509,370	752,691	1,262,061	498,201	4/14/1999	
Oklahoma City OK		404,815	771,625	None	76	404,815	771,701	1,176,516	510,745	4/9/1999	
Oklahoma City OK		1,127,056	2,327,297	None	None	1,127,056	2,327,297	3,454,353	275,397		
Owasso OK		1,078,296	2,226,612	5,698	None	1,078,296	2,232,310	3,310,606	266,509		
Tulsa OK		964,367	1,996,137	5,993	None	964,367	2,002,130	2,966,497	238,972		
Yukon OK		1,173,070	2,422,313	10,243	None	1,173,070	2,432,556	3,605,626	290,421		
Greensburg PA		594,891	1,105,589	None	None	594,891	1,105,589	1,700,480	536,207		
Lancaster PA		431,050	801,313	None	None	431,050	801,313	1,232,363	388,633		
Mechanicsburg PA		455,854	847,377	None	None	455,854	847,377	1,303,231	410,974		
Monroeville PA		723,660	1,344,733	None	None	723,660	1,344,733	2,068,393	652,191		
Philadelphia PA		334,939	622,821	None	None	334,939	622,821	957,760	302,064		
Pittsburgh PA		384,756	715,339	None	None	384,756	715,339	1,100,095	346,935		
York PA		389,291	723,760	None	None	389,291	723,760	1,113,051	351,020		
Columbia SC		343,785	295,001	183,130	None	343,785	478,131	821,916	394,119	5/27/1997	
Sioux Falls SD		332,979	498,108	None	None	332,979	498,108	831,087	346,199	6/1/1999	

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Goodlettsville	TN	601,306	1,117,504	None	None	601,306	1,117,504	1,718,810	541,985	
Hermitage	TN	560,443	1,011,799	None	None	560,443	1,011,799	1,572,242	542,795	10/15/2001
Allen	TX	1,162,614	2,400,722	46,748	None	1,162,614	2,447,470	3,610,084	291,682	
Arlington	TX	599,558	1,114,256	None	None	599,558	1,114,256	1,713,814	540,410	
Austin	TX	185,454	411,899	None	None	185,454	411,899	597,353	411,899	
Austin	TX	710,485	1,320,293	None	None	710,485	1,320,293	2,030,778	640,337	
Austin	TX	590,828	1,098,073	None	None	590,828	1,098,073	1,688,901	532,560	
Austin	TX	569,909	1,059,195	None	None	569,909	1,059,195	1,629,104	513,705	
Austin	TX	532,497	989,715	None	None	532,497	989,715	1,522,212	480,008	
Austin	TX	1,363,491	1,066,021	2,201,264	None	None	1,066,021	2,201,264	3,267,285	260,483
Carrollton	TX	568,401	1,056,394	None	None	568,401	1,056,394	1,624,795	512,347	
Conroe	TX	396,068	736,346	None	None	396,068	736,346	1,132,414	357,124	
Crowley	TX	1,103,218	2,278,074	None	None	1,103,218	2,278,074	3,381,292	269,572	
Dallas	TX	191,267	424,811	None	None	191,267	424,811	616,078	424,811	
Fort Worth	TX	543,950	1,010,984	None	None	543,950	1,010,984	1,554,934	490,323	
Garland	TX	242,887	539,461	33,982	26,371	242,887	599,814	842,701	543,860	
Harlingen	TX	134,599	298,948	18,825	None	134,599	317,773	452,372	300,321	
Houston	TX	151,018	335,417	None	58	151,018	335,475	486,493	335,433	
Houston	TX	392,113	729,002	None	None	392,113	729,002	1,121,115	353,562	
Houston	TX	1,030,379	1,914,353	None	None	1,030,379	1,914,353	2,944,732	928,457	
Houston	TX	619,101	1,150,551	None	None	619,101	1,150,551	1,769,652	558,013	
Houston	TX	642,495	1,193,997	None	None	642,495	1,193,997	1,836,492	579,085	
Houston	TX	872,866	1,621,829	None	None	872,866	1,621,829	2,494,695	786,583	
Humble	TX	612,414	1,138,132	None	None	612,414	1,138,132	1,750,546	551,990	
League City	TX	1,032,003	2,131,018	None	None	1,032,003	2,131,018	3,163,021	252,170	
Leon Valley	TX	178,221	395,834	None	None	178,221	395,834	574,055	395,834	
Leon Valley	TX	529,967	985,046	None	None	529,967	985,046	1,515,013	477,742	
Mesquite	TX	591,538	1,099,363	None	None	591,538	1,099,363	1,690,901	533,187	
Pasadena	TX	107,391	238,519	None	58	107,391	238,577	345,968	238,535	
Pasedena	TX	147,535	274,521	10,646	11,252	147,535	296,419	443,954	190,900	
Pearland	TX	1,286,313	935,739	1,932,240	None	None	935,739	1,932,240	2,867,979	228,648
Plano	TX	187,564	417,157	700	91	187,564	417,948	605,512	417,037	
Plano	TX	494,407	918,976	None	None	494,407	918,976	1,413,383	445,699	
Richardson	TX	555,188	1,031,855	None	None	555,188	1,031,855	1,587,043	500,446	
Rockwall	TX	1,178,158	2,432,819	None	None	1,178,158	2,432,819	3,610,977	287,884	
San Antonio	TX	245,164	544,518	None	None	245,164	544,518	789,682	544,518	
San Antonio	TX	688,249	1,278,967	None	None	688,249	1,278,967	1,967,216	620,295	
Stafford	TX	706,786	1,313,395	None	None	706,786	1,313,395	2,020,181	636,992	
Waco	TX	401,999	747,362	None	None	401,999	747,362	1,149,361	362,466	
Weatherford	TX	971,317	2,005,706	None	None	971,317	2,005,706	2,977,023	237,342	
Webster	TX	600,261	1,115,563	None	None	600,261	1,115,563	1,715,824	541,044	
Bountiful	UT	183,750	408,115	None	None	183,750	408,115	591,865	408,115	
Alexandria	VA	542,791	1,008,832	None	None	542,791	1,008,832	1,551,623	489,280	
Alexandria	VA	592,698	1,101,517	None	None	592,698	1,101,517	1,694,215	534,232	
Chesapeake	VA	770,000	1,112,334	None	None	770,000	1,112,334	1,882,334	361,509	
Chester	VA	1,204,525	2,487,265	None	None	1,204,525	2,487,265	3,691,790	294,326	
Lynchburg	VA	342,751	637,329	None	None	342,751	637,329	980,080	309,101	
Virginia Beach	VA	780,000	1,026,384	None	None	780,000	1,026,384	1,806,384	333,575	
Woodbridge	VA	774,854	1,439,806	None	None	774,854	1,439,806	2,214,660	698,302	
Lakewood	WA	187,111	415,579	None	None	187,111	415,579	602,690	415,579	
Brown Deer	WI	257,408	802,141	None	None	257,408	802,141	1,059,549	546,855	12/15/1998
Delafield	WI	324,574	772,702	None	None	324,574	772,702	1,097,276	502,889	7/29/1999
Madison	WI	452,630	811,977	None	None	452,630	811,977	1,264,607	558,967	10/20/1998
Milwaukee	WI	1,304,098	2,692,877	None	None	1,304,098	2,692,877	3,996,975	318,657	
Oak Creek	WI	420,465	852,408	None	None	420,465	852,408	1,272,873	586,800	8/7/1998
<b>Beverages</b>										
Calistoga	CA	12,677,285	2,750,715	None	None	12,677,285	2,750,715	15,428,000	622,990	
Calistoga	CA	5,445,030	21,154,970	None	None	5,445,030	21,154,970	26,600,000	4,689,352	
Calistoga	CA	6,039,131	1,576,869	None	None	6,039,131	1,576,869	7,616,000	349,539	
Calistoga	CA	4,988,527	1,999,473	None	None	4,988,527	1,999,473	6,988,000	445,689	
Calistoga	CA	8,146,907	2,067,093	None	None	8,146,907	2,067,093	10,214,000	458,206	
Calistoga	CA	12,675,172	4,907,828	None	None	12,675,172	4,907,828	17,583,000	1,090,257	
Calistoga	CA	45,184,528	10,437,472	None	None	45,184,528	10,437,472	55,622,000	2,319,822	
Calistoga	CA	10,630,191	5,580,929	None	None	10,630,191	5,580,929	16,211,120	1,126,773	
Calistoga	CA	6,860,862	524,117	None	None	6,860,862	524,117	7,384,979	84,732	



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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company			Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Buildings, Improvements and Acquisition Fees	Improvements	Carrying Costs	Land	Buildings, Improvements and Acquisition Fees	Total			
Napa	CA	6,000,000	25,000,000	None	None	6,000,000	25,000,000	31,000,000	5,541,667		
Napa	CA	11,253,989	2,846,011	None	None	11,253,989	2,846,011	14,100,000	635,812		
Napa	CA	17,590,091	5,898,149	None	None	17,590,091	5,898,149	23,488,240	1,363,241		
Napa	CA	23,471,336	6,589,664	None	None	23,471,336	6,589,664	30,061,000	1,469,541		
Napa	CA	10,777,485	390,515	None	None	10,777,485	390,515	11,168,000	88,416		
Napa	CA	4,675,262	298,928	None	None	4,675,262	298,928	4,974,190	60,284		
Paicines	CA	12,058,127	1,607,783	None	None	12,058,127	1,607,783	13,665,910	421,772		
Saint Helena	CA	15,254,700	4,150,300	None	None	15,254,700	4,150,300	19,405,000	936,799		
Shreveport	LA	1,320,003	8,130,438	None	147	1,320,003	8,130,585	9,450,588	1,531,363		
<u>Book stores</u>											
Tampa	FL	998,250	3,696,707	129,751	79	998,250	3,826,537	4,824,787	2,807,454		
<u>Child care</u>											
Hoover	AL	63,800	295,791	58,263	16,414	63,800	370,468	434,268	309,806		
Avondale	AZ	242,723	1,129,139	None	None	242,723	1,129,139	1,371,862	747,200	4/20/1999	
Chandler	AZ	291,720	647,923	None	None	291,720	647,923	939,643	647,923		
Chandler	AZ	271,695	603,446	9,758	19,469	271,695	632,673	904,368	621,655		
Mesa	AZ	308,951	1,025,612	None	None	308,951	1,025,612	1,334,563	668,394	7/26/1999	
Phoenix	AZ	260,719	516,181	None	32,125	260,719	548,306	809,025	538,478		
Scottsdale	AZ	291,993	648,529	None	None	291,993	648,529	940,522	648,529		
Scottsdale	AZ	264,504	587,471	None	27,467	264,504	614,938	879,442	612,250		
Tempe	AZ	292,200	648,989	None	164	292,200	649,153	941,353	649,130		
Tucson	AZ	304,500	676,303	53,621	196	304,500	730,120	1,034,620	677,329		
Tucson	AZ	283,500	546,878	7,228	299	283,500	554,405	837,905	547,060		
Calabasas	CA	156,430	725,248	100,838	58,367	156,430	884,453	1,040,883	835,854		
Carmichael	CA	131,035	607,507	80,368	21,673	131,035	709,548	840,583	648,400		
Chino	CA	155,000	634,071	None	32,148	155,000	666,219	821,219	640,802		
Chula Vista	CA	350,563	778,614	None	43,353	350,563	821,967	1,172,530	821,275		
El Cajon	CA	157,804	731,621	2,540	44,802	157,804	778,963	936,767	768,467		
Escondido	CA	276,286	613,638	5,000	44,375	276,286	663,013	939,299	652,245		
Folsom	CA	281,563	625,363	None	None	281,563	625,363	906,926	625,363		
Gold River	CA	276,328	613,733	24,967	None	276,328	638,700	915,028	635,461		
Mission Viejo	CA	353,891	744,367	12,500	None	353,891	756,867	1,110,758	691,721		
Oceanside	CA	145,568	674,889	23,000	None	145,568	697,889	843,457	687,816		
Palmdale	CA	249,490	554,125	9,864	None	249,490	563,989	813,479	563,989		
Rancho Cucamonga	CA	471,733	1,047,739	158,923	170	471,733	1,206,832	1,678,565	1,102,279		
Simi Valley	CA	208,585	967,055	79,082	108	208,585	1,046,245	1,254,830	1,017,898		
Valencia	CA	301,295	669,185	70,470	46	301,295	739,701	1,040,996	713,057		
Walnut	CA	217,365	1,007,753	57,287	51,049	217,365	1,116,089	1,333,454	1,045,924		
Aurora	CO	287,000	637,440	20,313	18,188	287,000	675,941	962,941	651,937		
Broomfield	CO	155,306	344,941	25,000	82	155,306	370,023	525,329	366,981		
Colorado Springs	CO	58,400	271,217	25,000	82	58,400	296,299	354,699	291,004		
Fort Collins	CO	55,200	256,356	15,030	79	55,200	271,465	326,665	259,611		

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Greenwood										
Village	CO	131,216	608,372	52,959	403	131,216	661,734	792,950	613,894	
Littleton	CO	161,617	358,956	None	82	161,617	359,038	520,655	359,025	
Longmont	CO	115,592	535,931	None	71	115,592	536,002	651,594	535,990	
Parker	CO	153,551	341,042	None	82	153,551	341,124	494,675	341,111	
Westminster	CO	306,387	695,737	77,412	11,233	306,387	784,382	1,090,769	715,070	
Bradenton	FL	160,060	355,501	25,000	79	160,060	380,580	540,640	376,602	
Clearwater	FL	42,223	269,380	None	79	42,223	269,459	311,682	269,459	
Jacksonville	FL	48,000	243,060	None	None	48,000	243,060	291,060	243,060	
Jacksonville	FL	184,800	410,447	22,872	None	184,800	433,319	618,119	428,319	
Margate	FL	66,686	309,183	None	None	66,686	309,183	375,869	309,183	
Melbourne	FL	256,439	549,345	None	79	256,439	549,424	805,863	505,835	
Niceville	FL	73,696	341,688	None	None	73,696	341,688	415,384	341,688	
Orlando	FL	68,001	313,922	None	140	68,001	314,062	382,063	313,938	
Orlando	FL	159,177	353,538	None	154	159,177	353,692	512,869	353,677	
Oviedo	FL	166,409	369,598	38,918	9,687	166,409	418,203	584,612	370,704	
Panama City	FL	69,500	244,314	82,701	None	69,500	327,015	396,515	285,707	
Pensacola	FL	147,000	326,492	20,000	None	147,000	346,492	493,492	337,304	
Royal Palm Beach	FL	194,193	431,309	25,000	None	194,193	456,309	650,502	448,670	
Saint Augustine	FL	44,800	213,040	23,090	None	44,800	236,130	280,930	226,943	
Sunrise	FL	245,000	533,280	92,266	153	245,000	625,699	870,699	588,279	
Tampa	FL	53,385	199,846	None	154	53,385	200,000	253,385	199,985	
Duluth	GA	310,000	1,040,008	None	None	310,000	1,040,008	1,350,008	674,321	8/25/1999
Ellenwood	GA	119,678	275,414	58,545	272	119,678	334,231	453,909	300,230	
Lawrenceville	GA	141,449	314,161	156,426	14,612	141,449	485,199	626,648	401,356	
Lithia Springs	GA	187,444	363,358	None	84	187,444	363,442	550,886	363,437	
Lithonia	GA	239,715	524,459	24,410	380	239,715	549,249	788,964	526,626	
Marietta	GA	148,620	330,090	25,000	None	148,620	355,090	503,710	351,794	
Marietta	GA	295,750	596,299	67,500	None	295,750	663,799	959,549	598,690	
Marietta	GA	301,000	668,529	71,474	19,961	301,000	759,964	1,060,964	711,112	
Smyrna	GA	274,750	610,229	None	None	274,750	610,229	884,979	610,229	
Stockbridge	GA	168,700	374,688	85,264	2,909	168,700	462,861	631,561	407,223	
Cedar Rapids	IA	194,950	427,085	None	None	194,950	427,085	622,035	402,400	
Iowa City	IA	186,900	408,910	None	None	186,900	408,910	595,810	385,244	
Addison	IL	125,780	583,146	None	132	125,780	583,278	709,058	583,278	
Algonquin	IL	241,500	509,629	28,260	583	241,500	538,472	779,972	517,855	
Aurora	IL	165,679	398,738	105,300	21,963	165,679	526,001	691,680	427,515	
Aurora	IL	468,000	1,259,926	None	None	468,000	1,259,926	1,727,926	808,543	10/26/1999
Bartlett	IL	120,824	560,166	74,917	12,101	120,824	647,184	768,008	582,742	
Carol Stream	IL	122,831	586,416	None	132	122,831	586,548	709,379	586,548	
Crystal Lake	IL	400,000	1,259,424	None	None	400,000	1,259,424	1,659,424	812,409	9/28/1999
Glendale Heights	IL	318,500	707,399	None	None	318,500	707,399	1,025,899	707,399	
Hoffman Estates	IL	318,500	707,399	None	85	318,500	707,484	1,025,984	707,469	
Homer Glen	IL	189,477	442,018	None	85	189,477	442,103	631,580	442,088	
Lake In The Hills	IL	375,000	1,127,678	None	None	375,000	1,127,678	1,502,678	727,430	9/3/1999
Naperville	IL	425,000	1,230,654	None	None	425,000	1,230,654	1,655,654	789,753	10/6/1999
O Fallon	IL	141,250	313,722	None	232	141,250	313,954	455,204	313,926	
Oswego	IL	380,000	1,165,818	None	None	380,000	1,165,818	1,545,818	755,892	8/18/1999
Palatine	IL	121,911	565,232	None	132	121,911	565,364	687,275	565,365	
Roselle	IL	297,541	561,037	None	None	297,541	561,037	858,578	561,037	
Schaumburg	IL	218,798	485,955	20,461	None	218,798	506,416	725,214	497,414	
Vernon Hills	IL	132,523	614,430	None	583	132,523	615,013	747,536	614,571	
Westmont	IL	124,742	578,330	77,621	24,741	124,742	680,692	805,434	599,899	
Fishers	IN	212,118	419,958	26,509	11,338	212,118	457,805	669,923	428,905	
Highland	IN	220,460	436,476	None	None	220,460	436,476	656,936	436,476	
Indianapolis	IN	245,000	544,153	None	None	245,000	544,153	789,153	544,153	
Lenexa	KS	318,500	707,399	98,590	127	318,500	806,116	1,124,616	728,844	
Olathe	KS	304,500	676,308	87,242	44	304,500	763,594	1,068,094	711,606	
Overland Park	KS	357,500	1,115,171	None	None	357,500	1,115,171	1,472,671	726,757	7/23/1999
Shawnee	KS	315,000	699,629	None	251	315,000	699,880	1,014,880	699,812	
Shawnee	KS	288,246	935,875	None	127	288,246	936,002	1,224,248	631,816	12/29/1998
Wichita	KS	209,890	415,549	33,984	16,592	209,890	466,125	676,015	449,137	
Acton	MA	315,533	700,813	None	None	315,533	700,813	1,016,346	700,813	
Marlborough	MA	352,765	776,488	None	None	352,765	776,488	1,129,253	776,488	

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Westborough MA	359,412	773,877	63,037	22,260	359,412	859,174	1,218,586	809,503
Ellicott City MD	219,368	630,839	26,550	None	219,368	657,389	876,757	651,722
Frederick MD	203,352	1,017,109	None	2,874	203,352	1,019,983	1,223,335	711,795
Olney MD	342,500	760,701	4,400	41,272	342,500	806,373	1,148,873	792,584

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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition			Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total						
Waldorf MD		130,430	604,702	None	302	130,430	605,004	735,434	604,934		9/26/1999			
Waldorf MD		237,207	526,844	None	172	237,207	527,016	764,223	526,988		12/31/1999			
Canton MI		55,000	378,848	2,913	304	55,000	382,065	437,065	380,719		10/6/1999			
Apple Valley MN		113,523	526,319	87,374	13,814	113,523	627,507	741,030	537,154		3/26/1999			
Brooklyn Park MN		118,111	547,587	None	197	118,111	547,784	665,895	547,784		3/26/1999			
Eden Prairie MN		124,286	576,243	None	197	124,286	576,440	700,726	576,440		3/27/1999			
Maple Grove MN		313,250	660,149	None	288	313,250	660,437	973,687	660,210		7/11/1999			
Plymouth MN		134,221	622,350	None	197	134,221	622,547	756,768	622,547		12/12/1999			
Saint Paul MN		242,165	537,856	None	288	242,165	538,144	780,309	537,917		8/30/1999			
Florissant MO		318,500	707,399	102,410	256	318,500	810,065	1,128,565	743,310		3/30/1999			
Gladstone MO		294,000	652,987	64,864	2,763	294,000	720,614	1,014,614	655,248		9/29/1999			
Kansas City MO		307,784	910,401	None	None	307,784	910,401	1,218,185	620,069	9/28/1999	8/21/1999			
Summit Lee s MO		239,627	532,220	88,926	73	239,627	621,219	860,846	532,654		9/27/1999			
Summit Lee s MO		330,000	993,787	21,445	160	330,000	1,015,392	1,345,392	648,204	7/26/1999	6/17/1999			
Summit MO		313,740	939,367	None	None	313,740	939,367	1,253,107	609,070	9/8/1999	6/30/1999			
Jackson MS		248,483	572,522	54,227	17,780	248,483	644,529	893,012	402,769		11/16/1999			
Tupelo MS		121,697	637,691	66,275	56	121,697	704,022	825,719	505,344		11/26/1999			
Cary NC		75,200	262,973	15,000	None	75,200	277,973	353,173	270,182		1/25/1999			
Charlotte NC		134,582	268,222	24,478	None	134,582	292,700	427,282	289,573		11/16/1999			
Concord NC		32,441	190,859	None	None	32,441	190,859	223,300	190,859		12/23/1999			
Durham NC		175,700	390,234	26,312	None	175,700	416,546	592,246	412,749		3/29/1999			
Durham NC		220,728	429,380	None	None	220,728	429,380	650,108	429,380		12/29/1999			
Kernersville NC		162,216	316,300	None	None	162,216	316,300	478,516	316,300		12/14/1999			
Bellevue NE		60,568	280,819	None	None	60,568	280,819	341,387	280,819		12/16/1999			
Omaha NE		60,500	280,491	None	32	60,500	280,523	341,023	280,514		8/1/1999			
Omaha NE		53,000	245,720	22,027	32	53,000	267,779	320,779	258,582		10/11/1999			
Omaha NE		142,867	317,315	None	32	142,867	317,347	460,214	317,338		12/9/1999			
Londonderry NH		335,467	745,082	85,361	11,802	335,467	842,245	1,177,712	768,361		8/18/1999			
Las Vegas NV		201,250	446,983	37,014	3,276	201,250	487,273	688,523	453,924		6/29/1999			
Beavercreek OH		179,552	398,786	None	None	179,552	398,786	578,338	398,786		6/30/1999			
Centerville OH		174,519	387,613	79,900	361	174,519	467,874	642,393	387,965		7/23/1999			
Cincinnati OH		170,778	379,305	None	85	170,778	379,390	550,168	379,375		9/28/1999			
Dublin OH		84,000	389,446	None	None	84,000	389,446	473,446	389,446		10/8/1999			
Englewood OH		74,000	343,083	None	85	74,000	343,168	417,168	343,154		10/23/1999			
Huber Heights OH		245,000	544,153	None	None	245,000	544,153	789,153	544,153		9/27/1999			
Pickerington OH		87,580	406,055	None	None	87,580	406,055	493,635	406,055		12/11/1999			
Westerville OH		82,000	380,173	None	None	82,000	380,173	462,173	380,173		10/8/1999			
Westerville OH		294,350	646,557	44,683	None	294,350	691,240	985,590	646,850		9/26/1999			
Broken Arrow OK		78,705	220,434	None	None	78,705	220,434	299,139	220,434		1/27/1999			

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Midwest City	OK	67,800	314,338	None	None	67,800	314,338	382,138	314,338		8/14/1999
Oklahoma City	OK	50,800	214,474	None	None	50,800	214,474	265,274	214,474		6/15/1999
Oklahoma City	OK	79,000	366,261	17,659	None	79,000	383,920	462,920	383,921		11/14/1999
Yukon	OK	61,000	282,812	27,000	None	61,000	309,812	370,812	306,262		5/2/1999
Charleston	SC	140,700	312,498	25,000	153	140,700	337,651	478,351	332,971		3/28/1999
Columbia	SC	58,160	269,643	None	None	58,160	269,643	327,803	269,643		11/14/1999
Columbia	SC	160,831	313,600	None	None	160,831	313,600	474,431	313,600		12/14/1999
Goose Creek	SC	61,635	192,905	None	153	61,635	193,058	254,693	193,032		12/22/1999
North Charleston	SC	125,593	278,947	12,126	14,855	125,593	305,928	431,521	289,145		5/26/1999
Summerville	SC	44,400	174,500	None	153	44,400	174,653	219,053	174,627		12/22/1999
Memphis	TN	238,000	528,608	148,663	655	238,000	677,926	915,926	537,000		9/30/1999
Arlington	TX	241,500	550,559	45,046	192	241,500	595,797	837,297	585,867		9/22/1999
Austin	TX	88,872	222,684	54,562	139	88,872	277,385	366,257	259,288		1/12/1999
Austin	TX	134,383	623,103	2,379	21,981	134,383	647,463	781,846	630,461		12/23/1999
Austin	TX	191,636	425,629	15,530	None	191,636	441,159	632,795	441,159		12/22/1999
Austin	TX	217,878	483,913	82,048	9,167	217,878	575,128	793,006	532,731		6/22/1999
Bedford	TX	241,500	550,559	34,949	None	241,500	585,508	827,008	585,507		9/22/1999
Carrollton	TX	277,850	617,113	52,614	261	277,850	669,988	947,838	634,447		12/11/1999
Cedar Park	TX	168,857	375,036	5,200	139	168,857	380,375	549,232	380,352		11/21/1999
Colleyville	TX	250,000	1,070,360	None	102	250,000	1,070,462	1,320,462	694,059	8/17/1999	5/14/1999
Converse	TX	217,000	481,963	None	7,522	217,000	489,485	706,485	482,859		9/28/1999
Corinth	TX	285,000	1,041,626	None	None	285,000	1,041,626	1,326,626	682,260	6/4/1999	5/19/1999
Euless	TX	234,111	519,962	None	None	234,111	519,962	754,073	519,962		5/8/1999
Flower Mound	TX	202,773	442,845	32,069	16,315	202,773	491,229	694,002	475,385		4/20/1999
Flower Mound	TX	281,735	1,099,726	18,618	31,678	281,735	1,150,022	1,431,757	750,274	4/23/1999	1/13/1999
Fort Worth	TX	85,518	396,495	54,750	198	85,518	451,443	536,961	421,957		12/3/1999
Fort Worth	TX	238,000	528,608	73,662	91	238,000	602,361	840,361	551,008		9/26/1999
Fort Worth	TX	216,160	427,962	None	54	216,160	428,016	644,176	426,532		2/7/1999
Grand Prairie	TX	167,164	371,276	58,206	16,405	167,164	445,887	613,051	426,079		12/13/1999
Houston	TX	139,125	308,997	19,128	286	139,125	328,411	467,536	325,836		5/22/1999
Houston	TX	141,296	313,824	12,442	307	141,296	326,573	467,869	324,143		7/24/1999
Houston	TX	219,100	486,631	25,716	25,593	219,100	537,940	757,040	501,025		9/30/1999
Houston	TX	149,109	323,314	27,979	245	149,109	351,538	500,647	333,059		6/26/1999
Houston	TX	294,582	919,276	None	None	294,582	919,276	1,213,858	617,496	1/11/1999	8/14/1999
Humble	TX	278,915	1,034,868	None	None	278,915	1,034,868	1,313,783	674,419	7/19/1999	5/14/1999
Katy	TX	309,898	983,041	None	None	309,898	983,041	1,292,939	666,855	11/30/1998	8/21/1999
Lewisville	TX	192,777	428,121	42,153	95	192,777	470,369	663,146	443,797		1/7/1999
Mansfield	TX	181,375	402,839	46,878	83	181,375	449,800	631,175	432,382		12/20/1999
Mesquite	TX	85,000	394,079	16,984	91	85,000	411,154	496,154	402,584		10/24/1999
Mesquite	TX	139,466	326,525	60,455	293	139,466	387,273	526,739	340,430		10/8/1999
Plano	TX	261,912	581,658	52,751	159	261,912	634,568	896,480	604,458		1/6/1999
Plano	TX	250,514	556,399	33,978	425	250,514	590,802	841,316	569,263		12/10/1999
Round Rock	TX	186,380	413,957	56,750	89	186,380	470,796	657,176	445,926		4/19/1999
San Antonio	TX	130,833	606,596	43,050	22,373	130,833	672,019	802,852	627,676		3/24/1999
San Antonio	TX	102,512	475,288	50,798	16,961	102,512	543,047	645,559	492,357		12/3/1999
San Antonio	TX	81,530	378,007	None	None	81,530	378,007	459,537	378,007		12/11/1999
San Antonio	TX	181,412	402,923	None	139	181,412	403,062	584,474	403,040		7/7/1999
San Antonio	TX	234,500	520,831	None	139	234,500	520,970	755,470	520,947		12/29/1999
San Antonio	TX	217,000	481,967	32,529	None	217,000	514,496	731,496	514,496		10/14/1999
San Antonio	TX	182,868	406,155	18,940	None	182,868	425,095	607,963	425,095		12/6/1999
San Antonio	TX	220,500	447,108	None	None	220,500	447,108	667,608	447,108		3/30/1999
Sugar Land	TX	339,310	1,000,876	None	None	339,310	1,000,876	1,340,186	658,908	5/30/1999	1/13/1999
Layton	UT	136,574	269,008	None	None	136,574	269,008	405,582	269,008		2/1/1999
Sandy	UT	168,089	373,330	None	None	168,089	373,330	541,419	373,330		2/1/1999
Centreville	VA	371,000	824,003	None	463	371,000	824,466	1,195,466	824,395		9/29/1999
Chesapeake	VA	190,050	422,107	24,568	None	190,050	446,675	636,725	442,609		3/28/1999
Glen Allen	VA	74,643	346,060	None	153	74,643	346,213	420,856	346,209		6/20/1999
Portsmouth	VA	171,575	381,073	24,932	None	171,575	406,005	577,580	401,990		12/21/1999
Virginia Beach	VA	69,080	320,270	29,024	None	69,080	349,294	418,374	332,922		11/15/1999
Federal Way	WA	150,785	699,101	None	107	150,785	699,208	849,993	699,194		12/17/1999
Federal Way	WA	261,943	581,782	27,500	107	261,943	609,389	871,332	604,160		11/21/1999
Kent	WA	128,300	539,141	None	None	128,300	539,141	667,441	539,141		6/3/1999



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Kent	WA	140,763	678,809	36,500	None	140,763	715,309	856,072	711,151	12/17/19
Kirkland	WA	301,000	668,534	None	107	301,000	668,641	969,641	668,627	3/31/19
Puyallup	WA	195,552	434,327	27,000	107	195,552	461,434	656,986	456,686	12/6/19
Redmond	WA	279,830	621,513	None	107	279,830	621,620	901,450	621,606	7/27/19
Renton	WA	111,183	515,490	None	None	111,183	515,490	626,673	515,490	3/24/19
Appleton	WI	196,000	424,038	None	409	196,000	424,447	620,447	424,384	7/10/19
Waukesha	WI	233,100	461,500	None	211	233,100	461,711	694,811	461,648	12/13/19
Waukesha	WI	215,950	427,546	None	409	215,950	427,955	643,905	427,891	12/13/19

Consumer  
appliances

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Improvements	Buildings, Improvements and	Carrying Costs	Land	Acquisition Fees	Total				
North Liberty IA		6,395,970	19,385,806	None	None	6,395,970	19,385,806	25,781,776	1,638,562		1/2		
Greenville OH		820,230	12,985,433	35,481	None	820,230	13,020,914	13,841,144	1,797,112		7/3		
Marion OH		801,003	25,410,810	None	None	801,003	25,410,810	26,211,813	2,147,818		1/2		
<u>Consumer electronics</u>													
Tampa FL		401,874	933,768	103,336	32,053	401,874	1,069,157	1,471,031	790,521		12/		
Smyrna GA		1,094,058	3,090,236	None	None	1,094,058	3,090,236	4,184,294	2,291,810		6/		
Jackson MI		550,162	571,590	None	210	550,162	571,800	1,121,962	385,989	1/15/1999	9/2		
Pineville NC		567,864	840,284	37,249	153	567,864	877,686	1,445,550	595,483		12/		
Albion NY		170,589	317,424	None	None	170,589	317,424	488,013	213,195		3/3		
Westbury NY		6,333,590	3,952,773	256,823	None	6,333,590	4,209,596	10,543,186	2,956,891		9/2		
Austin TX		3,630,000	5,083,734	None	None	3,630,000	5,083,734	8,713,734	279,605		8/1		
<u>Consumer goods</u>													
West Branch IA		969,797	19,896,576	125,814	None	969,797	20,022,390	20,992,187	2,638,124		9/2		
DeKalb IL	20,496,000	3,507,503	50,808,610	None	None	3,507,503	50,808,610	54,316,113	4,294,537		1/2		
Loves Park IL		1,010,778	10,068,142	None	None	1,010,778	10,068,142	11,078,920	850,998		1/2		
Rural Hall NC		710,000	17,739,591	63,900	None	710,000	17,803,491	18,513,491	148,111		9/2		
Grantsville UT		1,719,381	40,160,295	None	None	1,719,381	40,160,295	41,879,676	3,394,501		1/2		
<u>Convenience stores</u>													
Daphne AL		140,000	391,637	None	None	140,000	391,637	531,637	184,719		3/1		
Mobile AL		190,000	301,637	None	None	190,000	301,637	491,637	142,269		3/1		
Mobile AL		180,000	421,637	None	None	180,000	421,637	601,637	198,869		3/1		
North Little Rock AR		1,138,381	2,112,637	1,500	None	1,138,381	2,114,137	3,252,518	236,324		3/2		
Florence AZ		150,000	371,637	None	None	150,000	371,637	521,637	175,286		3/1		
Gilbert AZ		680,000	1,111,637	None	None	680,000	1,111,637	1,791,637	524,319		3/1		
Glendale AZ		610,000	531,637	None	None	610,000	531,637	1,141,637	250,753		3/1		
Glendale AZ		400,000	931,637	None	None	400,000	931,637	1,331,637	439,419		3/1		
Maricopa AZ		170,000	361,637	None	None	170,000	361,637	531,637	170,569		3/1		
Mesa AZ		560,000	821,637	None	None	560,000	821,637	1,381,637	387,536		3/1		
Mesa AZ		750,000	1,071,637	None	None	750,000	1,071,637	1,821,637	505,453		3/1		
Mesa AZ		810,000	1,061,637	None	None	810,000	1,061,637	1,871,637	500,736		3/1		
Mesa AZ		890,000	1,081,637	None	None	890,000	1,081,637	1,971,637	510,169		3/1		
Mesa AZ		780,000	1,071,637	None	None	780,000	1,071,637	1,851,637	505,453		3/1		
Mesa AZ		900,000	1,191,637	None	None	900,000	1,191,637	2,091,637	562,053		3/1		
Payson AZ		210,000	351,637	None	None	210,000	351,637	561,637	165,853		3/1		
Payson AZ		260,000	311,637	None	None	260,000	311,637	571,637	146,986		3/1		
Peoria AZ		520,000	751,637	None	None	520,000	751,637	1,271,637	354,519		3/1		
Phoenix AZ		440,000	511,637	None	None	440,000	511,637	951,637	241,319		3/1		
Phoenix AZ		360,000	421,637	None	None	360,000	421,637	781,637	198,869		3/1		

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Phoenix	AZ	710,000	591,637	None	None	710,000	591,637	1,301,637	279,053	3/1
Phoenix	AZ	320,000	661,637	None	None	320,000	661,637	981,637	312,069	3/1
Phoenix	AZ	450,000	651,637	None	None	450,000	651,637	1,101,637	307,353	3/1
Phoenix	AZ	430,000	711,637	None	None	430,000	711,637	1,141,637	335,653	3/1
Phoenix	AZ	730,000	931,637	None	None	730,000	931,637	1,661,637	439,419	3/1
Phoenix	AZ	790,000	1,051,637	None	None	790,000	1,051,637	1,841,637	496,019	3/1
Pinetop	AZ	170,000	311,637	None	None	170,000	311,637	481,637	146,986	3/1
Queen										
Creek	AZ	520,000	891,637	None	None	520,000	891,637	1,411,637	420,553	3/1
Scottsdale	AZ	210,000	201,637	None	None	210,000	201,637	411,637	95,103	3/1
Scottsdale	AZ	660,000	1,031,637	None	None	660,000	1,031,637	1,691,637	486,586	3/1
Sierra Vista	AZ	110,000	301,637	None	None	110,000	301,637	411,637	142,269	3/1
Tempe	AZ	620,000	1,071,637	None	None	620,000	1,071,637	1,691,637	505,453	3/1
Tempe	AZ	270,000	461,637	None	None	270,000	461,637	731,637	217,736	3/1
Tolleson	AZ	460,000	1,231,637	None	None	460,000	1,231,637	1,691,637	580,919	3/1
Tombstone	AZ	110,000	381,637	None	None	110,000	381,637	491,637	180,003	3/1
Tucson	AZ	180,000	331,637	None	None	180,000	331,637	511,637	156,419	3/1
Tucson	AZ	330,000	911,637	None	None	330,000	911,637	1,241,637	429,986	3/1
Tucson	AZ	220,000	311,637	None	None	220,000	311,637	531,637	146,986	3/1
Tucson	AZ	240,000	341,637	None	None	240,000	341,637	581,637	161,136	3/1
Tucson	AZ	550,000	511,637	None	None	550,000	511,637	1,061,637	241,319	3/1
Tucson	AZ	126,000	234,565	None	None	126,000	234,565	360,565	109,855	4/1
Wellton	AZ	120,000	291,637	None	None	120,000	291,637	411,637	137,553	3/1
Wickenburg	AZ	150,000	291,637	None	None	150,000	291,637	441,637	137,553	3/1
Colorado										
Springs	CO	1,103,650	2,048,135	1,500	None	1,103,650	2,049,635	3,153,285	229,121	3/2
Vernon	CT	179,646	319,372	None	13	179,646	319,385	499,031	265,617	3/1
Westbrook	CT	98,247	373,340	None	None	98,247	373,340	471,587	310,494	3/1
Camden	DE	113,811	174,435	None	None	113,811	174,435	288,246	89,246	3/1
Camden	DE	250,528	379,165	None	None	250,528	379,165	629,693	193,999	3/1
Dewey	DE	147,465	224,665	None	None	147,465	224,665	372,130	114,946	3/1
Dover	DE	278,804	421,707	None	None	278,804	421,707	700,511	215,766	3/1
Dover	DE	367,137	554,207	None	None	367,137	554,207	921,344	283,562	3/1
Dover	DE	367,425	554,884	None	None	367,425	554,884	922,309	283,909	3/1
Felton	DE	307,260	464,391	None	None	307,260	464,391	771,651	237,606	3/1
Greenwood	DE	632,303	1,176,711	None	None	632,303	1,176,711	1,809,014	382,429	11/1
Harrington	DE	563,812	849,220	None	None	563,812	849,220	1,413,032	434,510	3/1
Milford	DE	310,049	468,575	None	None	310,049	468,575	778,624	239,747	3/1
New Castle	DE	589,325	887,488	None	None	589,325	887,488	1,476,813	454,091	3/1
Smyrna	DE	121,774	186,436	None	None	121,774	186,436	308,210	95,386	3/1
Smyrna	DE	401,135	605,332	None	None	401,135	605,332	1,006,467	309,721	3/1
Townsend	DE	241,416	365,749	None	None	241,416	365,749	607,165	187,134	3/1
Wilmington	DE	280,682	424,525	None	None	280,682	424,525	705,207	217,208	3/1
Archer	FL	296,238	578,145	None	None	296,238	578,145	874,383	384,465	5/1
Bradenton	FL	946,638	1,671,528	499	None	946,638	1,672,027	2,618,665	197,943	1/2
Bradenton	FL	414,000	107,500	1,500	None	414,000	109,000	523,000	12,429	3/1
Bushnell	FL	130,000	291,637	None	None	130,000	291,637	421,637	137,553	3/1
Clearwater	FL	359,792	311,845	None	None	359,792	311,845	671,637	147,084	3/1
Cocoa	FL	323,827	287,810	None	None	323,827	287,810	611,637	135,748	3/1
Deltona	FL	140,000	321,637	None	None	140,000	321,637	461,637	151,703	3/1
Englewood	FL	270,000	331,637	None	None	270,000	331,637	601,637	156,419	3/1
Gainesville	FL	515,834	873,187	None	None	515,834	873,187	1,389,021	580,668	5/1
Gainesville	FL	480,318	600,633	None	None	480,318	600,633	1,080,951	399,420	5/1
Gainesville	FL	347,310	694,859	None	None	347,310	694,859	1,042,169	462,080	5/1
Gainesville	FL	339,263	658,807	None	None	339,263	658,807	998,070	438,105	5/1
Gainesville	FL	351,921	552,557	None	None	351,921	552,557	904,478	367,449	5/1
Gainesville	FL	500,032	850,291	None	None	500,032	850,291	1,350,323	565,442	5/1
Homosassa										
Springs	FL	740,000	621,637	None	None	740,000	621,637	1,361,637	293,203	3/1
Hudson	FL	300,000	351,637	None	None	300,000	351,637	651,637	165,853	3/1
Intercession										
City	FL	161,776	319,861	None	None	161,776	319,861	481,637	150,865	3/1
Jacksonville	FL	266,111	494,206	None	None	266,111	494,206	760,317	231,453	4/1
Key West	FL	873,700	627,937	None	None	873,700	627,937	1,501,637	296,174	3/1
Key West	FL	492,785	208,852	None	None	492,785	208,852	701,637	98,506	3/1
Lakeland	FL	527,076	464,561	None	None	527,076	464,561	991,637	219,115	3/1
Lakeland	FL	300,000	321,637	None	None	300,000	321,637	621,637	151,703	3/1
Land O										
Lakes	FL	120,000	361,637	None	None	120,000	361,637	481,637	170,569	3/1
Largo	FL	900,000	1,475,882	None	None	900,000	1,475,882	2,375,882	99,059	4/9/2014 8/1

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Lutz	FL	480,000	421,637	None	None	480,000	421,637	901,637	198,869	3/1
Moore										
Haven	FL	180,342	331,295	None	None	180,342	331,295	511,637	156,258	3/1
Mount Dora	FL	1,423,518	2,513,578	751	None	1,423,518	2,514,329	3,937,847	297,659	1/2
Naples	FL	150,000	301,637	None	None	150,000	301,637	451,637	142,269	3/1
Naples	FL	620,000	381,637	None	None	620,000	381,637	1,001,637	180,003	3/1

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized	Gross Amount at Which Carried			Accumulated	Date of	D
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	to Acquisition	at Close of Period (Notes 3, 4, 6 and 7)	Buildings, Improvements and	Total			
					Carrying Costs	Land	Acquisition Fees					
New Port Richey	FL	190,000	601,637	None	None	190,000	601,637	791,637		283,769		3/1
North Fort Myers	FL	140,000	281,637	None	None	140,000	281,637	421,637		132,836		3/1
Okeechobee	FL	195,075	346,562	None	None	195,075	346,562	541,637		163,459		3/1
Orlando	FL	240,000	301,637	None	None	240,000	301,637	541,637		142,269		3/1
Palm Bay	FL	230,880	300,757	None	None	230,880	300,757	531,637		141,854		3/1
Palm Harbor	FL	510,000	381,637	None	None	510,000	381,637	891,637		180,003		3/1
Panama City	FL	210,000	431,637	None	None	210,000	431,637	641,637		203,586		3/1
Pensacola	FL	168,000	312,727	None	None	168,000	312,727	480,727		146,458		4/1
Port Charlotte	FL	170,000	311,637	None	None	170,000	311,637	481,637		146,986		3/1
Port Charlotte	FL	200,000	356,637	None	None	200,000	356,637	556,637		168,211		3/1
Port Orange	FL	609,438	512,199	None	None	609,438	512,199	1,121,637		241,585		3/1
Punta Gorda	FL	400,000	511,637	None	None	400,000	511,637	911,637		241,319		3/1
Riverview	FL	1,930,000	1,423,752	None	None	1,930,000	1,423,752	3,353,752		121,243	8/30/2013	8/1
Tallahassee	FL	600,000	341,637	None	None	600,000	341,637	941,637		161,136		3/1
Tampa	FL	300,000	301,637	None	None	300,000	301,637	601,637		142,269		3/1
Tampa	FL	380,000	361,637	None	None	380,000	361,637	741,637		170,569		3/1
Tampa	FL	320,000	591,637	None	None	320,000	591,637	911,637		279,053		3/1
Webster	FL	640,000	1,071,637	None	None	640,000	1,071,637	1,711,637		505,453		3/1
Winter Springs	FL	150,000	291,637	None	None	150,000	291,637	441,637		137,553		3/1
Augusta	GA	620,000	383,232	None	None	620,000	383,232	1,003,232		252,289		7/2
Augusta	GA	540,000	337,853	None	None	540,000	337,853	877,853		222,416		7/2
Augusta	GA	510,000	392,929	None	None	510,000	392,929	902,929		258,674		7/2
Augusta	GA	180,000	422,020	None	None	180,000	422,020	602,020		277,827		7/2
Augusta	GA	260,000	392,171	None	None	260,000	392,171	652,171		258,176		7/2
Augusta	GA	240,000	451,637	None	None	240,000	451,637	691,637		213,019		3/1
Calhoun	GA	122,500	228,742	None	None	122,500	228,742	351,242		111,696		10/1
Calhoun	GA	262,500	488,742	None	None	262,500	488,742	751,242		238,663		10/1
Cartersville	GA	262,500	488,742	None	None	262,500	488,742	751,242		238,663		10/1
Chatsworth	GA	140,000	261,242	None	None	140,000	261,242	401,242		127,567		10/1
Chatsworth	GA	140,000	261,242	None	None	140,000	261,242	401,242		127,567		10/1
Chatsworth	GA	140,000	261,242	None	None	140,000	261,242	401,242		127,567		10/1
Chickamauga	GA	181,731	338,742	None	None	181,731	338,742	520,473		165,413		10/1
Dalton	GA	171,500	319,742	None	None	171,500	319,742	491,242		156,134		10/1
Dalton	GA	87,500	163,742	None	None	87,500	163,742	251,242		79,954		10/1
Dalton	GA	485,650	903,162	None	None	485,650	903,162	1,388,812		441,038		10/1
Dalton	GA	146,000	272,385	None	None	146,000	272,385	418,385		133,008		10/1
Dalton	GA	420,000	781,242	None	None	420,000	781,242	1,201,242		381,500		10/1
Dalton	GA	210,000	391,242	None	None	210,000	391,242	601,242		191,050		10/1
Dalton	GA	332,500	618,742	None	None	332,500	618,742	951,242		302,146		10/1
Dalton	GA	437,500	813,742	None	None	437,500	813,742	1,251,242		397,371		10/1
Decatur	GA	529,383	532,429	None	296	529,383	532,725	1,062,108		395,046		6/2
Decatur	GA	1,860,265	1,622,631	2,865,162	856	1,622,631	2,866,018	4,488,649		339,294		1/2

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Dunwoody	GA	545,462	724,254	None	296	545,462	724,550	1,270,012	537,308	6/2
Flintstone	GA	157,500	293,742	None	None	157,500	293,742	451,242	143,438	10/1
La Fayette	GA	122,500	228,742	None	None	122,500	228,742	351,242	111,696	10/1
Lithonia	GA	386,784	776,436	None	None	386,784	776,436	1,163,220	575,800	6/2
Mableton	GA	491,069	355,957	None	None	491,069	355,957	847,026	263,953	6/2
Martinez	GA	450,000	402,777	None	None	450,000	402,777	852,777	265,157	7/2
Martinez	GA	830,000	871,637	None	None	830,000	871,637	1,701,637	411,119	3/1
Norcross	GA	384,162	651,273	None	None	384,162	651,273	1,035,435	482,967	6/2
Ringgold	GA	234,500	1,168,914	(7,829)	None	226,671	1,168,914	1,395,585	519,590	10/1
Ringgold	GA	385,000	716,242	(21,175)	None	363,825	716,242	1,080,067	349,758	10/1
Ringgold	GA	482,251	896,851	None	None	482,251	896,851	1,379,102	437,956	10/1
Rocky Face	GA	164,231	306,241	None	None	164,231	306,241	470,472	149,542	10/1
Rome	GA	210,000	391,242	None	None	210,000	391,242	601,242	191,050	10/1
Rome	GA	199,199	371,183	None	None	199,199	371,183	570,382	181,255	10/1
Rome	GA	201,791	375,997	(22,030)	None	179,761	375,997	555,758	183,606	10/1
Rome	GA	315,000	586,242	None	None	315,000	586,242	901,242	286,275	10/1
Rossville	GA	157,500	293,742	None	None	157,500	293,742	451,242	143,438	10/1
Summerville	GA	66,231	124,242	None	None	66,231	124,242	190,473	60,665	10/1
Trenton	GA	129,231	241,242	None	None	129,231	241,242	370,473	117,800	10/1
Adair	IA	779,853	1,377,027	411	None	779,853	1,377,438	2,157,291	163,068	1/2
Neola	IA	784,675	1,385,540	414	None	784,675	1,385,954	2,170,629	164,076	1/2
Belvidere	IL	768,748	1,426,176	1,500	None	768,748	1,427,676	2,196,424	345,559	12/2
Dekalb	IL	661,500	1,226,500	2,000	None	661,500	1,228,500	1,890,000	297,604	12/2
Godfrey	IL	374,586	733,190	None	None	374,586	733,190	1,107,776	543,718	6/2
Granite City	IL	362,287	737,255	None	None	362,287	737,255	1,099,542	546,734	6/2
Hartford	IL	599,172	1,110,747	2,000	None	599,172	1,112,747	1,711,919	269,631	12/2
Loves Park	IL	547,582	1,016,523	1,500	None	547,582	1,018,023	1,565,605	328,180	12/2
Loves Park	IL	760,725	1,410,775	2,000	None	760,725	1,412,775	2,173,500	342,137	12/2
Machesney Park	IL	562,275	1,043,225	1,000	None	562,275	1,044,225	1,606,500	252,713	12/2
Marengo	IL	501,948	930,688	1,500	None	501,948	932,188	1,434,136	225,816	12/2
Rochelle	IL	607,418	1,128,145	1,000	None	607,418	1,129,145	1,736,563	363,685	12/2
Rockford	IL	463,050	858,450	1,500	None	463,050	859,950	1,323,000	208,359	12/2
Rockford	IL	388,631	720,244	1,500	None	388,631	721,744	1,110,375	174,959	12/2
Tuscola	IL	752,456	1,394,419	3,000	None	752,456	1,397,419	2,149,875	338,785	12/2
Albany	IN	427,437	794,632	2,000	None	427,437	796,632	1,224,069	275,862	5/2
Alexandria	IN	139,219	259,369	None	None	139,219	259,369	398,588	89,479	5/2
Anderson	IN	147,263	274,307	None	None	147,263	274,307	421,570	94,633	5/2
Anderson	IN	283,430	527,190	2,000	None	283,430	529,190	812,620	183,594	5/2
Elkhart	IN	495,914	922,471	1,500	None	495,914	923,971	1,419,885	319,537	5/2
Frankfort	IN	208,666	388,345	2,000	None	208,666	390,345	599,011	135,692	5/2
Greenwood	IN	173,250	323,022	None	None	173,250	323,022	496,272	111,439	5/2
Hartford City	IN	250,310	465,702	2,000	None	250,310	467,702	718,012	162,380	5/2
Indianapolis	IN	129,938	242,134	None	None	129,938	242,134	372,072	83,533	5/2
Indianapolis	IN	269,294	500,939	1,500	None	269,294	502,439	771,733	174,108	5/2
Indianapolis	IN	318,432	592,193	1,500	None	318,432	593,693	912,125	205,591	5/2
Knox	IN	341,250	633,499	1,500	None	341,250	634,999	976,249	209,236	10/1
Lafayette	IN	147,263	274,309	None	None	147,263	274,309	421,572	94,633	5/2
Lafayette	IN	112,613	209,959	None	None	112,613	209,959	322,572	72,433	5/2
Marion	IN	209,196	389,995	1,500	None	209,196	391,495	600,691	135,833	5/2
Michigan City	IN	227,500	422,249	1,500	None	227,500	423,749	651,249	139,876	10/1
Mishawaka	IN	123,983	231,743	2,000	None	123,983	233,743	357,726	81,665	5/2
Morristown	IN	366,590	682,082	2,000	None	366,590	684,082	1,050,672	237,032	5/2
Muncie	IN	103,950	193,870	None	None	103,950	193,870	297,820	66,882	5/2
Muncie	IN	184,237	342,974	2,000	None	184,237	344,974	529,211	120,039	5/2
New Albany	IN	181,459	289,353	None	None	181,459	289,353	470,812	240,645	3/3
New Albany	IN	262,465	331,796	None	None	262,465	331,796	594,261	275,943	3/6
New Castle	IN	138,600	258,672	None	None	138,600	258,672	397,272	89,238	5/2
New Castle	IN	79,854	149,572	1,000	None	79,854	150,572	230,426	52,457	5/2
New Castle	IN	203,941	380,019	1,500	None	203,941	381,519	585,460	132,391	5/2
Richmond	IN	281,248	523,589	1,500	None	281,248	525,089	806,337	181,922	5/2
Richmond	IN	255,908	476,528	2,000	None	255,908	478,528	734,436	166,116	5/2
Rushville	IN	138,600	258,672	None	None	138,600	258,672	397,272	89,238	5/2
Rushville	IN	121,275	226,497	None	None	121,275	226,497	347,772	78,138	5/2
South Bend	IN	372,387	693,064	2,000	None	372,387	695,064	1,067,451	240,821	5/2
Wabash	IN	430,437	800,871	2,000	None	430,437	802,871	1,233,308	278,014	5/2
Wabash	IN	334,923	623,488	1,500	13	334,923	625,001	959,924	216,394	5/2
Warsaw	IN	415,275	772,713	1,500	13	415,275	774,226	1,189,501	267,876	5/2
West Lafayette	IN	1,052,628	1,340,855	2,000	None	1,052,628	1,342,855	2,395,483	464,085	5/2

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Zionsville IN

910,595

1,691,926

2,000

None

910,595

1,693,926

2,604,521

585,428

5/2

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	A
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Berea KY		252,077	360,815	None	None	252,077	360,815	612,892	300,078		3/		
Elizabethtown KY		286,106	286,106	None	439	286,106	286,545	572,651	238,100		3/		
Lebanon KY		158,052	316,105	None	153	158,052	316,258	474,310	263,021		3/		
Louisville KY		198,926	368,014	None	None	198,926	368,014	566,940	306,065		3/		
Louisville KY		216,849	605,697	None	None	216,849	605,697	822,546	473,320	6/18/1996	11/		
Mount Washington KY		327,245	479,593	None	None	327,245	479,593	806,838	366,920	12/6/1996	5/		
Baton Rouge LA		500,000	521,637	None	None	500,000	521,637	1,021,637	246,036		3/		
Baton Rouge LA		210,000	361,637	None	None	210,000	361,637	571,637	170,569		3/		
Bossier City LA		230,000	431,637	None	None	230,000	431,637	661,637	203,586		3/		
Destrehan LA		200,000	411,637	None	None	200,000	411,637	611,637	194,153		3/		
Lafayette LA		240,000	391,637	None	None	240,000	391,637	631,637	184,719		3/		
Pineville LA		170,000	371,637	None	None	170,000	371,637	541,637	175,286		3/		
Shreveport LA		192,500	358,227	None	None	192,500	358,227	550,727	167,767		4/		
Amherst MA		110,969	639,806	None	None	110,969	639,806	750,775	316,704		8/		
North Reading MA		574,601	756,174	None	None	574,601	756,174	1,330,775	374,306		8/		
Seekonk MA		298,354	268,518	None	None	298,354	268,518	566,872	223,318		3/		
Berlin MD		255,951	387,395	None	None	255,951	387,395	643,346	198,210		3/		
Crisfield MD		219,704	333,024	None	None	219,704	333,024	552,728	170,390		3/		
Hebron MD		376,251	567,844	None	None	376,251	567,844	944,095	290,540		3/		
La Plata MD		1,017,544	2,706,729	None	None	1,017,544	2,706,729	3,724,273	1,447,853		8/		
Mechanicsville MD		1,540,335	2,860,928	None	None	1,540,335	2,860,928	4,401,263	1,549,610		6/		
Millersville MD		830,737	2,696,245	None	None	830,737	2,696,245	3,526,982	1,460,513		6/		
Breckenridge MI		437,500	811,968	1,500	None	437,500	813,468	1,250,968	267,834		10/		
Carson City MI		262,500	486,468	2,000	None	262,500	488,468	750,968	161,374		10/		
Charlevoix MI		385,000	713,013	2,500	None	385,000	715,513	1,100,513	236,168		10/		
Cheboygan MI		280,000	518,013	2,500	None	280,000	520,513	800,513	172,143		10/		
Clare MI		306,250	567,718	2,000	None	306,250	569,718	875,968	188,051		10/		
Clare MI		229,250	426,218	500	None	229,250	426,718	655,968	140,354		10/		
Comstock Park MI		315,000	583,761	2,500	None	315,000	586,261	901,261	193,730		10/		
Farwell MI		437,500	811,468	2,000	None	437,500	813,468	1,250,968	268,082		10/		
Flint MI		194,492	476,504	None	139	194,492	476,643	671,135	382,137		12/		
Gladwin MI		140,000	259,013	1,500	None	140,000	260,513	400,513	86,280		10/		
Grand Rapids MI		437,500	812,261	1,500	None	437,500	813,761	1,251,261	267,930		10/		
Kalamazoo MI		238,000	442,249	1,000	None	238,000	443,249	681,249	146,030		10/		
Kalkaska MI		437,500	809,513	3,500	None	437,500	813,013	1,250,513	268,678		10/		
Lake City MI		115,500	213,513	1,500	None	115,500	215,013	330,513	71,341		10/		
Lakeview MI		96,250	177,718	2,000	None	96,250	179,718	275,968	60,001		10/		
Mackinaw City MI		455,000	844,513	1,000	None	455,000	845,513	1,300,513	278,107		10/		
Mecosta MI		122,500	227,468	1,000	None	122,500	228,468	350,968	75,510		10/		
Midland MI		437,500	811,013	2,000	None	437,500	813,013	1,250,513	267,933		10/		
Mount Pleasant MI		162,750	300,794	2,500	13	162,750	303,307	466,057	100,828		10/		
Mount Pleasant MI		463,750	860,718	1,500	None	463,750	862,218	1,325,968	283,840		10/		



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Mount Pleasant										
Mount Pleasant	MI	210,000	388,968	2,000	None	210,000	390,968	600,968	129,361	10
Mount Pleasant	MI	437,500	810,968	2,500	None	437,500	813,468	1,250,968	268,330	10
Mount Pleasant	MI	350,000	649,468	1,500	None	350,000	650,968	1,000,968	214,480	10
Mount Pleasant	MI	175,000	324,468	1,500	None	175,000	325,968	500,968	107,771	10
Petoskey	MI	490,000	909,513	1,000	None	490,000	910,513	1,400,513	299,448	10
Prudenville	MI	133,000	245,013	2,500	None	133,000	247,513	380,513	82,508	10
Saginaw	MI	262,500	486,513	1,500	None	262,500	488,013	750,513	160,976	10
Standish	MI	92,750	171,263	1,500	None	92,750	172,763	265,513	57,469	10
Traverse City	MI	210,000	389,002	2,000	None	210,000	391,002	601,002	129,372	10
Walker	MI	586,250	1,088,499	1,500	None	586,250	1,089,999	1,676,249	358,628	10
Alexandria	MN	132,924	244,858	2,000	None	132,924	246,858	379,782	50,396	12
Andover	MN	888,706	1,648,454	2,000	None	888,706	1,650,454	2,539,160	333,455	12
Apple Valley	MN	350,000	648,000	2,000	None	350,000	650,000	1,000,000	131,697	12
Baxter	MN	350,000	648,000	2,000	None	350,000	650,000	1,000,000	131,697	12
Blaine	MN	767,270	1,422,929	2,000	None	767,270	1,424,929	2,192,199	287,974	12
Bloomington	MN	262,500	485,500	2,000	None	262,500	487,500	750,000	98,926	12
Bloomington	MN	676,771	1,255,359	1,500	None	676,771	1,256,859	1,933,630	253,927	12
Brainerd	MN	490,000	907,000	3,000	None	490,000	910,000	1,400,000	184,437	12
Brooklyn Center	MN	979,764	1,818,061	1,500	None	979,764	1,819,561	2,799,325	367,405	12
Brooklyn Center	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Brooklyn Center	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Brooklyn Park	MN	830,336	1,540,052	2,000	None	830,336	1,542,052	2,372,388	311,594	12
Brooklyn Park	MN	578,964	1,073,220	2,000	None	578,964	1,075,220	1,654,184	217,449	12
Brooklyn Park	MN	750,697	1,391,651	2,500	None	750,697	1,394,151	2,144,848	146,790	5
Burnsville	MN	615,240	1,141,089	1,500	None	615,240	1,142,589	1,757,829	230,882	12
Burnsville	MN	515,298	954,981	2,000	None	515,298	956,981	1,472,279	193,605	12
Burnsville	MN	350,000	648,000	2,000	None	350,000	650,000	1,000,000	131,697	12
Burnsville	MN	932,558	1,729,892	2,000	None	932,558	1,731,892	2,664,450	349,878	12
Chaska	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Chaska	MN	490,000	908,000	2,000	None	490,000	910,000	1,400,000	184,130	12
Chaska	MN	410,797	760,408	2,500	None	410,797	762,908	1,173,705	80,510	5
Columbia Heights	MN	673,068	1,248,483	1,500	None	673,068	1,249,983	1,923,051	252,540	12
Coon Rapids	MN	490,000	908,000	2,000	None	490,000	910,000	1,400,000	184,130	12
Cottage Grove	MN	805,888	1,494,650	2,000	None	805,888	1,496,650	2,302,538	302,438	12
Crystal	MN	552,641	1,024,332	2,000	None	552,641	1,026,332	1,578,973	207,590	12
Crystal	MN	740,518	1,373,248	2,000	None	740,518	1,375,248	2,115,766	277,955	12
Eagan	MN	906,287	1,680,604	2,500	None	906,287	1,683,104	2,589,391	340,193	12
Eagan	MN	699,277	1,296,658	2,000	None	699,277	1,298,658	1,997,935	262,509	12
Eden Prairie	MN	947,702	1,758,519	1,500	None	947,702	1,760,019	2,707,721	355,397	12
Eden Prairie	MN	485,526	899,690	2,000	None	485,526	901,690	1,387,216	182,454	12
Edina	MN	568,893	1,054,516	2,000	None	568,893	1,056,516	1,625,409	213,677	12
Elk River	MN	613,113	1,137,137	1,500	None	613,113	1,138,637	1,751,750	230,085	12
Elk River	MN	456,850	846,435	2,000	None	456,850	848,435	1,305,285	171,714	12
Excelsior	MN	262,500	485,500	2,000	None	262,500	487,500	750,000	98,926	12
Falcon Heights	MN	494,415	916,199	2,000	None	494,415	918,199	1,412,614	185,783	12
Farmington	MN	437,500	810,500	2,000	None	437,500	812,500	1,250,000	164,468	12
Forest Lake	MN	398,985	739,473	1,500	None	398,985	740,973	1,139,958	149,890	12
Fridley	MN	519,325	962,461	2,000	None	519,325	964,461	1,483,786	195,113	12
Fridley	MN	706,295	1,309,691	2,000	None	706,295	1,311,691	2,017,986	265,138	12
Fridley	MN	175,000	323,000	2,000	None	175,000	325,000	500,000	66,155	12
Golden Valley	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Ham Lake	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Hastings	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Inver Grove Heights	MN	134,705	248,666	1,500	None	134,705	250,166	384,871	50,910	12
Inver Grove Heights	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Lakeville	MN	631,855	1,171,446	2,000	None	631,855	1,173,446	1,805,301	237,258	12
Lakeville	MN	654,912	1,214,266	2,000	None	654,912	1,216,266	1,871,178	245,894	12

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Litchfield	MN	388,788	720,536	1,500	None	388,788	722,036	1,110,824	146,071	12
Little Falls	MN	175,000	323,500	1,500	None	175,000	325,000	500,000	66,002	12
Long Lake	MN	808,543	1,499,579	2,000	None	808,543	1,501,579	2,310,122	303,432	12
Maplewood	MN	931,427	1,728,293	1,500	None	931,427	1,729,793	2,661,220	349,302	12
Maplewood	MN	175,000	323,000	2,000	None	175,000	325,000	500,000	66,155	12
Mendota Heights	MN	827,026	1,533,906	2,000	None	827,026	1,535,906	2,362,932	310,354	12
Mendota Heights	MN	717,808	1,331,072	2,000	None	717,808	1,333,072	2,050,880	269,450	12
Minneapolis	MN	967,640	1,795,045	2,000	None	967,640	1,797,045	2,764,685	363,017	12
Minneapolis	MN	856,122	1,587,941	2,000	None	856,122	1,589,941	2,446,063	321,251	12
Minneapolis	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Minneapolis	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12
Minneapolis	MN	938,237	1,740,440	2,000	None	938,237	1,742,440	2,680,677	352,005	12

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Buildings, Improvements and	Carrying Costs	Land	Acquisition Fees	Total				
Minneapolis MN		365,977	678,171	1,500	None	365,977	679,671	1,045,648	137,527		12/1/11		
Minneapolis MN		979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558		12/1/11		
Minneapolis MN		738,535	1,370,064	1,500	None	738,535	1,371,564	2,110,099	277,059		12/1/11		
Minneapolis MN		811,510	1,505,590	1,500	None	811,510	1,507,090	2,318,600	304,390		12/1/11		
Minneapolis MN		539,242	999,450	2,000	None	539,242	1,001,450	1,540,692	202,572		12/1/11		
Minneapolis MN		577,070	1,069,702	2,000	None	577,070	1,071,702	1,648,772	216,740		12/1/11		
Minneapolis MN		175,000	323,500	1,500	None	175,000	325,000	500,000	66,002		12/1/11		
Minneapolis MN		175,000	323,000	2,000	None	175,000	325,000	500,000	66,155		12/1/11		
Minneapolis MN		979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558		12/1/11		
Minneapolis MN		350,000	648,500	1,500	None	350,000	650,000	1,000,000	131,543		12/1/11		
Minneapolis MN		759,822	1,409,597	1,500	None	759,822	1,411,097	2,170,919	285,031		12/1/11		
Minnnetonka MN		582,162	1,079,158	2,000	None	582,162	1,081,158	1,663,320	113,845		5/1/12		
Monticello MN		589,643	1,093,051	2,000	None	589,643	1,095,051	1,684,694	221,449		12/1/11		
Mounds													
View New	MN	743,926	1,379,578	2,000	None	743,926	1,381,578	2,125,504	279,232		12/1/11		
Brighton	MN	585,039	1,085,002	1,500	None	585,039	1,086,502	1,671,541	219,571		12/1/11		
New Hope	MN	175,000	323,500	1,500	None	175,000	325,000	500,000	66,002		12/1/11		
Newport	MN	967,228	1,794,280	2,000	None	967,228	1,796,280	2,763,508	362,863		12/1/11		
Oak Park													
Heights	MN	635,158	1,177,579	2,000	None	635,158	1,179,579	1,814,737	238,495		12/1/11		
Pine City	MN	644,412	1,194,265	2,500	None	644,412	1,196,765	1,841,177	242,114		12/1/11		
Princeton	MN	546,257	1,012,476	2,000	None	546,257	1,014,476	1,560,733	205,199		12/1/11		
Ramsey	MN	650,205	1,205,523	2,000	None	650,205	1,207,523	1,857,728	244,130		12/1/11		
Richfield	MN	630,540	1,169,003	2,000	None	630,540	1,171,003	1,801,543	236,766		12/1/11		
Richfield	MN	678,216	1,257,543	2,000	None	678,216	1,259,543	1,937,759	254,621		12/1/11		
Richfield	MN	436,919	809,921	1,500	None	436,919	811,421	1,248,340	164,097		12/1/11		
Richfield	MN	839,497	1,557,065	2,000	None	839,497	1,559,065	2,398,562	315,025		12/1/11		
Rogers	MN	781,303	1,448,991	2,000	None	781,303	1,450,991	2,232,294	293,230		12/1/11		
Roseville	MN	403,786	748,387	1,500	None	403,786	749,887	1,153,673	151,687		12/1/11		
Roseville	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558		12/1/11		
Roseville	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558		12/1/11		
Roseville	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558		12/1/11		
Saint Cloud	MN	786,129	1,458,454	1,500	None	786,129	1,459,954	2,246,083	294,884		12/1/11		
Saint Cloud	MN	175,000	322,000	3,000	None	175,000	325,000	500,000	66,462		12/1/11		
Saint Cloud	MN	677,052	1,255,383	2,000	None	677,052	1,257,383	1,934,435	254,186		12/1/11		
Saint													
Michael	MN	561,604	1,040,480	2,500	None	561,604	1,042,980	1,604,584	211,101		12/1/11		
Saint Paul	MN	808,755	1,500,473	1,500	None	808,755	1,501,973	2,310,728	303,358		12/1/11		
Saint Paul	MN	418,774	776,223	1,500	None	418,774	777,723	1,196,497	157,301		12/1/11		
Saint Paul	MN	175,000	323,500	1,500	None	175,000	325,000	500,000	66,002		12/1/11		
Saint Paul	MN	832,144	1,543,409	2,000	None	832,144	1,545,409	2,377,553	312,271		12/1/11		
Saint Paul	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558		12/1/11		
Saint Paul	MN	175,000	323,500	1,500	None	175,000	325,000	500,000	66,002		12/1/11		
Saint Paul	MN	979,764	1,818,061	1,500	None	979,764	1,819,561	2,799,325	367,405		12/1/11		

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Saint Paul	MN	979,764	1,818,061	1,500	None	979,764	1,819,561	2,799,325	367,405	12/1/
Saint Paul	MN	576,820	1,069,736	1,500	None	576,820	1,071,236	1,648,056	216,493	12/1/
Saint Paul	MN	979,764	1,818,061	1,500	None	979,764	1,819,561	2,799,325	367,405	12/1/
Saint Paul	MN	531,091	984,311	2,000	None	531,091	986,311	1,517,402	199,519	12/1/
Saint Paul	MN	592,617	1,099,075	1,500	None	592,617	1,100,575	1,693,192	222,409	12/1/
Saint Paul	MN	739,277	1,371,444	1,500	None	739,277	1,372,944	2,112,221	277,337	12/1/
Saint Paul	MN	788,752	1,463,324	1,500	None	788,752	1,464,824	2,253,576	295,866	12/1/
Saint Paul	MN	950,678	1,764,046	1,500	None	950,678	1,765,546	2,716,224	356,512	12/1/
Saint Paul	MN	175,000	323,500	1,500	None	175,000	325,000	500,000	66,002	12/1/
Saint Paul	MN	262,500	486,000	1,500	None	262,500	487,500	750,000	98,773	12/1/
Saint Paul	MN	541,547	1,004,231	1,500	None	541,547	1,005,731	1,547,278	203,282	12/1/
Saint Paul	MN	827,608	1,535,987	1,000	None	827,608	1,536,987	2,364,595	310,266	12/1/
Saint Paul	MN	789,790	1,464,752	2,000	None	789,790	1,466,752	2,256,542	296,408	12/1/
Saint Paul	MN	648,354	1,202,586	1,500	None	648,354	1,204,086	1,852,440	126,672	5/1/2
Saint Paul										
Park	MN	1,925,000	3,575,000	None	None	1,925,000	3,575,000	5,500,000	720,958	12/1/
Sauk										
Rapids	MN	175,000	323,000	2,000	None	175,000	325,000	500,000	66,155	12/1/
Savage	MN	605,220	1,122,481	1,500	None	605,220	1,123,981	1,729,201	227,130	12/1/
Savage	MN	569,195	1,055,575	1,500	None	569,195	1,057,075	1,626,270	213,637	12/1/
Savage	MN	175,000	323,000	2,000	None	175,000	325,000	500,000	66,155	12/1/
Shakopee	MN	522,391	966,156	4,000	None	522,391	970,156	1,492,547	196,875	12/1/
Shakopee	MN	477,517	883,817	3,000	None	477,517	886,817	1,364,334	179,761	12/1/
Shakopee	MN	688,324	1,276,317	2,000	None	688,324	1,278,317	1,966,641	258,407	12/1/
Shakopee	MN	783,764	1,454,062	1,500	None	783,764	1,455,562	2,239,326	293,998	12/1/
Vadnais										
Heights	MN	931,400	1,727,742	2,000	None	931,400	1,729,742	2,661,142	349,445	12/1/
White Bear										
Lake	MN	943,945	1,751,040	2,000	None	943,945	1,753,040	2,696,985	354,143	12/1/
White Bear										
Lake	MN	860,523	1,596,113	2,000	None	860,523	1,598,113	2,458,636	322,899	12/1/
Woodbury	MN	962,500	1,786,000	1,500	None	962,500	1,787,500	2,750,000	360,939	12/1/
Zimmerman	MN	979,764	1,817,561	2,000	None	979,764	1,819,561	2,799,325	367,558	12/1/
Bolivar	MO	712,586	1,258,249	376	None	712,586	1,258,625	1,971,211	149,002	1/22/
Bolivar	MO	734,876	1,297,609	388	None	734,876	1,297,997	2,032,873	153,663	1/22/
Fair Grove	MO	331,197	584,812	89,200	127	331,197	674,139	1,005,336	83,909	1/22/
Hollister	MO	660,909	1,167,001	349	None	660,909	1,167,350	1,828,259	138,197	1/22/
Monett	MO	493,610	871,592	260	None	493,610	871,852	1,365,462	103,214	1/22/
Springfield	MO	471,920	833,292	249	None	471,920	833,541	1,305,461	98,679	1/22/
Springfield	MO	794,438	1,402,780	419	None	794,438	1,403,199	2,197,637	166,118	1/22/
Springfield	MO	805,817	1,422,872	425	None	805,817	1,423,297	2,229,114	168,497	1/22/
Springfield	MO	600,117	1,059,657	317	None	600,117	1,059,974	1,660,091	125,485	1/22/
Springfield	MO	735,236	1,298,243	388	None	735,236	1,298,631	2,033,867	153,739	1/22/
Springfield	MO	782,041	1,380,889	413	None	782,041	1,381,302	2,163,343	163,526	1/22/
Springfield	MO	1,955,824	3,453,498	1,032	None	1,955,824	3,454,530	5,410,354	408,965	1/22/
Springfield	MO	839,527	1,482,396	443	None	839,527	1,482,839	2,322,366	175,546	1/22/
Waynesville	MO	511,912	903,909	270	None	511,912	904,179	1,416,091	107,041	1/22/
Brandon	MS	671,486	1,247,588	None	None	671,486	1,247,588	1,919,074	526,067	6/30/
Flowood	MS	437,926	813,832	None	None	437,926	813,832	1,251,758	343,166	6/30/
Flowood	MS	399,972	743,347	None	None	399,972	743,347	1,143,319	313,445	6/30/
Jackson	MS	329,904	613,221	None	None	329,904	613,221	943,125	258,575	6/30/
Jackson	MS	540,108	1,003,600	None	None	540,108	1,003,600	1,543,708	423,185	6/30/
Marion	MS	350,341	651,013	None	None	350,341	651,013	1,001,354	274,511	6/30/
Meridian	MS	437,926	813,671	None	None	437,926	813,671	1,251,597	343,099	6/30/
Meridian	MS	405,811	754,030	None	None	405,811	754,030	1,159,841	317,950	6/30/
Meridian	MS	145,975	271,478	None	None	145,975	271,478	417,453	114,474	6/30/
Meridian	MS	280,273	520,887	None	None	280,273	520,887	801,160	219,641	6/30/
Meridian	MS	321,146	596,794	None	None	321,146	596,794	917,940	249,659	7/19/
Newton	MS	467,121	867,891	None	None	467,121	867,891	1,335,012	365,961	6/30/
Pearl	MS	544,488	1,011,733	None	None	544,488	1,011,733	1,556,221	426,615	6/30/
Philadelphia	MS	472,960	878,735	None	None	472,960	878,735	1,351,695	370,534	6/30/
Southaven	MS	310,000	641,637	None	None	310,000	641,637	951,637	302,636	3/18/
Terry	MS	583,901	1,084,930	None	None	583,901	1,084,930	1,668,831	457,479	6/30/
Waveland	MS	180,000	331,637	None	None	180,000	331,637	511,637	156,419	3/18/
Archdale	NC	410,000	731,637	None	None	410,000	731,637	1,141,637	345,086	3/18/
Banner Elk	NC	386,993	718,861	2,000	None	386,993	720,861	1,107,854	225,594	3/27/
Banner Elk	NC	355,330	660,558	1,500	None	355,330	662,058	1,017,388	207,035	3/27/
Burgaw	NC	198,774	369,653	1,000	None	198,774	370,653	569,427	115,982	3/27/
Burgaw	NC	457,356	849,377	1,500	None	457,356	850,877	1,308,233	265,884	3/27/
	NC	457,356	848,929	2,000	None	457,356	850,929	1,308,285	266,132	3/27/

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Carolina Beach										
Cary	NC	255,064	473,349	2,500	None	255,064	475,849	730,913	149,463	3/27/
Charlotte	NC	300,000	291,637	None	None	300,000	291,637	591,637	137,553	3/18/
Charlotte	NC	640,000	581,637	None	None	640,000	581,637	1,221,637	274,336	3/18/
Durham	NC	720,000	851,637	None	None	720,000	851,637	1,571,637	401,686	3/18/
Goldsboro	NC	460,000	740,625	None	None	460,000	740,625	1,200,625	443,117	1/25/

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date of Acquisition
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Hampstead	NC	562,900	1,045,971	1,000	None	562,900	1,046,971	1,609,871	326,768		3/2		
Holy Ridge	NC	721,215	1,339,486	1,500	None	721,215	1,340,986	2,062,201	418,634		3/2		
Hubert	NC	404,584	750,372	2,500	None	404,584	752,872	1,157,456	235,802		3/2		
Jacksonville	NC	180,000	371,637	None	None	180,000	371,637	551,637	175,286		3/1		
Jacksonville	NC	140,000	260,727	None	None	140,000	260,727	400,727	122,104		4/1		
Jacksonville	NC	351,812	653,367	1,500	None	351,812	654,867	1,006,679	204,794		3/2		
Kinston	NC	550,000	1,057,833	None	153	550,000	1,057,986	1,607,986	770,531		10/2		
Raleigh	NC	740,000	791,637	None	None	740,000	791,637	1,531,637	373,386		3/1		
Richlands	NC	492,537	914,735	1,500	None	492,537	916,235	1,408,772	286,253		3/2		
Richlands	NC	376,439	698,103	2,500	None	376,439	700,603	1,077,042	219,512		3/2		
Riegelwood	NC	-	452,416	1,500	None	-	453,916	453,916	150,630		3/2		
Roanoke													
Rapids	NC	834,223	1,551,226	480	50,351	834,223	1,602,057	2,436,280	571,228		11/		
Roxboro	NC	243,112	368,107	None	None	243,112	368,107	611,219	188,341		3/1		
Shalotte	NC	492,537	914,766	1,500	None	492,537	916,266	1,408,803	286,263		3/2		
Southern													
Pines	NC	600,000	300,625	None	None	600,000	300,625	900,625	179,851		1/2		
Wallace	NC	-	175,408	2,000	None	-	177,408	177,408	76,410		3/2		
Wilmington	NC	228,678	424,774	1,500	None	228,678	426,274	654,952	133,549		3/2		
Wilmington	NC	527,718	979,145	2,500	None	527,718	981,645	1,509,363	307,103		3/2		
Wilmington	NC	351,812	653,930	1,000	None	351,812	654,930	1,006,742	204,582		3/2		
Wilmington	NC	474,946	881,640	2,000	None	474,946	883,640	1,358,586	276,327		3/2		
Wilmington	NC	-	351,366	2,000	None	-	353,366	353,366	194,743		3/2		
Wilmington	NC	364,126	676,287	1,500	None	364,126	677,787	1,041,913	211,938		3/2		
Wilmington	NC	439,765	817,271	1,000	None	439,765	818,271	1,258,036	255,490		3/2		
Wilmington	NC	-	804,196	1,500	None	-	805,696	805,696	251,803		3/2		
Wilmington	NC	386,993	718,788	1,500	None	386,993	720,288	1,107,281	225,184		3/2		
Wilmington	NC	527,718	979,102	2,500	None	527,718	981,602	1,509,320	307,090		3/2		
Wilmington	NC	334,222	620,284	2,000	None	334,222	622,284	956,506	194,871		3/2		
Wilmington	NC	334,222	620,751	1,500	None	334,222	622,251	956,473	194,629		3/2		
Winston													
Salem	NC	320,000	311,637	None	None	320,000	311,637	631,637	146,986		3/1		
Zebulon	NC	306,077	568,087	2,500	None	306,077	570,587	876,664	178,990		3/2		
Absecon	NJ	1,367,872	2,540,604	None	None	1,367,872	2,540,604	3,908,476	1,376,118		6/2		
Mays													
Landing	NJ	1,539,117	2,858,630	None	None	1,539,117	2,858,630	4,397,747	1,549,318		6/2		
Millville	NJ	953,891	1,771,782	None	None	953,891	1,771,782	2,725,673	959,706		6/2		
Toms River	NJ	1,265,861	2,351,154	None	None	1,265,861	2,351,154	3,617,015	1,273,896		6/2		
Toms River	NJ	982,526	1,824,961	None	None	982,526	1,824,961	2,807,487	988,168		6/2		
Wall													
Township	NJ	1,459,957	2,712,264	None	None	1,459,957	2,712,264	4,172,221	1,451,022		8/6		
Albuquerque	NM	200,000	271,637	None	None	200,000	271,637	471,637	128,119		3/1		
Kingston	NY	257,763	456,042	None	None	257,763	456,042	713,805	377,755		4/6		
Rochester	NY	632,586	1,116,989	334	None	632,586	1,117,323	1,749,909	132,274		1/2		
Alliance	OH	454,440	841,460	2,500	None	454,440	843,960	1,298,400	187,899		6/2		

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Atwater	OH		118,555	266,748	None	None	118,555	266,748	385,303	221,846		3/3
Bellefontaine	OH		560,000	1,039,610	2,500	None	560,000	1,042,110	1,602,110	329,425		2/2
Bellefontaine	OH		455,000	845,610	1,500	None	455,000	847,110	1,302,110	267,532		2/2
Columbus	OH		147,296	304,411	None	None	147,296	304,411	451,707	253,169		3/3
Columbus	OH		273,085	471,693	13,088	None	273,085	484,781	757,866	383,103		12/2
Cuyahoga												
Falls	OH		321,792	1,144,619	None	None	321,792	1,144,619	1,466,411	578,150		3/3
De Graff	OH		302,750	561,860	2,500	None	302,750	564,360	867,110	178,934		2/2
Eaton	OH		164,588	306,934	None	None	164,588	306,934	471,522	105,889		5/2
Galion	OH		138,981	327,597	None	None	138,981	327,597	466,578	272,452		3/6
Jackson												
Center	OH		367,500	682,110	2,500	None	367,500	684,610	1,052,110	216,812		2/2
Kenton	OH		140,000	261,462	1,000	None	140,000	262,462	402,462	77,854		8/2
Marysville	OH		507,500	943,110	1,500	None	507,500	944,610	1,452,110	298,244		2/2
Marysville	OH		700,000	1,300,610	1,500	None	700,000	1,302,110	2,002,110	410,857		2/2
Marysville	OH		350,000	650,610	1,500	None	350,000	652,110	1,002,110	206,107		2/2
Perrysburg	OH		211,678	390,680	None	134	211,678	390,814	602,492	298,053	1/10/1996	9/1
Russells												
Point	OH		546,000	1,013,610	2,500	None	546,000	1,016,110	1,562,110	321,235		2/2
Streetsboro	OH		402,988	533,349	None	114	402,988	533,463	936,451	378,784	1/27/1997	9/3
Tiffin	OH		117,017	273,040	None	None	117,017	273,040	390,057	227,078		3/7
Troy	OH		355,009	588,111	None	85	355,009	588,196	943,205	422,523	1/31/1997	6/2
Wadsworth	OH		266,507	496,917	None	116	266,507	497,033	763,540	363,859	11/26/1996	7/1
Edmond	OK	926,606	946,988	1,037,325	2,000	None	946,988	1,039,325	1,986,313	105,961		6/2
Edmond	OK	585,266	365,152	715,425	1,000	None	365,152	716,425	1,081,577	72,985		6/2
Edmond	OK	488,806	352,862	692,398	2,000	None	352,862	694,398	1,047,260	70,894		6/2
Edmond	OK	920,232	519,976	1,017,575	1,500	None	519,976	1,019,075	1,539,051	103,828		6/2
Edmond	OK	1,542,358	962,803	1,886,389	1,000	None	962,803	1,887,389	2,850,192	192,033		6/2
Midwest City	OK	649,675	405,372	794,228	1,000	None	405,372	795,228	1,200,600	80,997		6/2
Midwest City	OK	713,438	445,188	872,239	1,000	None	445,188	873,239	1,318,427	88,928		6/2
Moore	OK	491,590	306,341	600,193	2,000	None	306,341	602,193	908,534	61,520		6/2
Moore	OK	472,957	294,864	577,709	1,500	None	294,864	579,209	874,073	59,109		6/2
Norman	OK	384,099	248,874	487,810	2,000	None	248,874	489,810	738,684	50,094		6/2
Norman	OK	516,913	390,000	521,739	2,000	None	390,000	523,739	913,739	53,543		6/2
Norman	OK	797,046	470,199	920,644	2,000	None	470,199	922,644	1,392,843	94,099		6/2
Norman	OK	1,118,491	697,964	1,367,492	1,500	None	697,964	1,368,992	2,066,956	139,403		6/2
Norman	OK	262,191	163,252	319,845	1,500	None	163,252	321,345	484,597	32,893		6/2
Oklahoma												
City	OK	759,414	453,873	888,815	2,000	None	453,873	890,815	1,344,688	90,863		6/2
Oklahoma	OK	834,113	520,386	1,019,567	1,500	None	520,386	1,021,067	1,541,453	104,031		6/2
Oklahoma	OK	658,540	410,750	804,762	1,500	None	410,750	806,262	1,217,012	82,192		6/2
Oklahoma	OK	675,689	421,459	825,743	1,500	None	421,459	827,243	1,248,702	84,325		6/2
Oklahoma	OK	245,057	166,843	327,194	2,000	None	166,843	329,194	496,037	33,765		6/2
Oklahoma	OK	684,745	426,956	836,510	2,000	None	426,956	838,510	1,265,466	85,545		6/2
Oklahoma	OK	673,911	456,873	895,930	2,000	None	456,873	897,930	1,354,803	91,586		6/2
Oklahoma	OK	370,886	220,000	510,953	2,500	None	220,000	513,453	733,453	52,572		6/2
Oklahoma	OK	552,452	344,347	674,656	2,000	None	344,347	676,656	1,021,003	69,090		6/2
Oklahoma	OK	262,191	178,588	350,229	2,000	None	178,588	352,229	530,817	36,107		6/2
Oklahoma	OK	322,179	200,554	392,926	2,000	None	200,554	394,926	595,480	40,448		6/2
Oklahoma	OK	728,237	479,805	940,620	1,000	None	479,805	941,620	1,421,425	95,880		6/2
Oklahoma	OK	622,641	388,491	761,152	1,000	None	388,491	762,152	1,150,643	77,634		6/2
Oklahoma	OK	711,125	514,604	1,009,798	1,000	None	514,604	1,010,798	1,525,402	102,913		6/2
Oklahoma	OK	982,195	612,698	1,200,429	2,000	None	612,698	1,202,429	1,815,127	122,544		6/2
Oklahoma	OK	356,213	221,963	434,876	1,500	None	221,963	436,376	658,339	44,587		6/2
City	OK	528,120	306,360	599,729	1,000	None	306,360	600,729	907,089	61,222		6/2

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Oklahoma City											
Oklahoma City	OK	456,880	180,000	616,260	2,000	None	180,000	618,260	798,260	63,153	6/2
Oklahoma City	OK	686,375	440,000	827,361	2,000	None	440,000	829,361	1,269,361	84,615	6/2
Oklahoma City	OK	618,337	411,910	807,611	1,000	None	411,910	808,611	1,220,521	82,357	6/2
Oklahoma City	OK	817,463	471,600	923,140	1,500	None	471,600	924,640	1,396,240	94,228	6/2
Oklahoma City	OK	667,015	481,598	945,011	1,000	None	481,598	946,011	1,427,609	96,326	6/2
Oklahoma City	OK	453,723	275,094	538,804	1,500	None	275,094	540,304	815,398	55,153	6/2
Oklahoma City	OK	649,161	404,894	793,287	1,500	None	404,894	794,787	1,199,681	81,026	6/2
Tulsa	OK		126,545	508,266	None	None	126,545	508,266	634,811	376,922	6/2
Yukon	OK	990,935	618,155	1,211,121	2,000	None	618,155	1,213,121	1,831,276	123,631	6/2
Yukon	OK	635,104	390,000	696,726	1,500	None	390,000	698,226	1,088,226	71,209	6/2
Yukon	OK	1,061,822	713,299	1,398,650	1,000	None	713,299	1,399,650	2,112,949	142,446	6/2
Yukon	OK	1,303,633	813,732	1,594,318	1,000	None	813,732	1,595,318	2,409,050	162,339	6/2
Aliquippa	PA		226,195	452,631	None	None	226,195	452,631	678,826	216,506	1/2
Allentown	PA	4,684,217	3,922,420	5,970,215	1,565	None	3,922,420	5,971,780	9,894,200	706,932	1/2
Beaver	PA		95,626	223,368	None	None	95,626	223,368	318,994	106,842	1/2
Beaver Falls	PA		92,207	230,758	None	None	92,207	230,758	322,965	110,377	1/2
Bensalem	PA		569,763	387,611	None	None	569,763	387,611	957,374	195,738	5/2
Downingtown	PA		1,722,222	576	None	None	1,722,222	576	1,722,798	295	2/2
Mount											
Washington	PA		118,118	231,108	None	None	118,118	231,108	349,226	110,545	1/2
Penndel	PA		739,487	1,003,809	None	None	739,487	1,003,809	1,743,296	506,918	5/2



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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date of Acquisition
		Land	Acquisition Fees	Buildings, Improvements and		Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Perryopolis PA		148,953	134,299	None	None	148,953	134,299	283,252	64,237		1/2/15		
Philadelphia PA		808,681	256,843	None	None	808,681	256,843	1,065,524	129,700		5/2/15		
Philadelphia PA		425,928	167,147	None	None	425,928	167,147	593,075	84,404		5/2/15		
Philadelphia PA		390,342	226,919	None	None	390,342	226,919	617,261	114,588		5/2/15		
Philadelphia PA		541,792	236,049	None	None	541,792	236,049	777,841	119,199		5/2/15		
Philadelphia PA		614,101	277,277	None	None	614,101	277,277	891,378	140,019		5/2/15		
Philadelphia PA		1,011,389	491,302	None	None	1,011,389	491,302	1,502,691	248,102		5/2/15		
Philadelphia PA		935,672	448,426	None	None	935,672	448,426	1,384,098	226,450		5/2/15		
Philadelphia PA		689,172	426,596	None	None	689,172	426,596	1,115,768	215,426		5/2/15		
Philadelphia PA		349,294	134,485	None	None	349,294	134,485	483,779	67,909		5/2/15		
Pittsburgh PA		497,668	320,170	None	None	497,668	320,170	817,838	153,146		1/2/15		
Pittsburgh PA		296,277	287,540	None	None	296,277	287,540	583,817	137,538		1/2/15		
Pittsburgh PA		395,417	474,741	None	None	395,417	474,741	870,158	227,082		1/2/15		
South Park PA		252,247	436,182	None	None	252,247	436,182	688,429	208,599		1/2/15		
Southampton PA		783,279	163,721	None	None	783,279	163,721	947,000	82,673		5/2/15		
Valencia PA		440,565	278,492	None	None	440,565	278,492	719,057	133,210		1/2/15		
Verona PA		171,411	257,358	None	None	171,411	257,358	428,769	123,101		1/2/15		
Willow Grove PA		329,934	73,123	None	None	329,934	73,123	403,057	36,922		5/2/15		
Aiken SC		400,000	402,665	None	None	400,000	402,665	802,665	265,084		7/2/15		
Aiken SC		320,000	432,527	None	None	320,000	432,527	752,527	284,743		7/2/15		
Aiken SC		330,000	472,679	None	None	330,000	472,679	802,679	311,176		7/2/15		
Aiken SC		560,000	543,588	None	None	560,000	543,588	1,103,588	357,856		7/2/15		
Aiken SC		360,000	542,982	None	None	360,000	542,982	902,982	357,458		7/2/15		
Aiken SC		540,000	388,058	None	None	540,000	388,058	928,058	255,467		7/2/15		
Aiken SC		250,000	251,770	None	None	250,000	251,770	501,770	165,746		7/2/15		
Beech Island SC		330,000	481,637	None	None	330,000	481,637	811,637	227,169		3/1/15		
Belvedere SC		490,000	463,080	None	None	490,000	463,080	953,080	304,856		7/2/15		
Bishopville SC		191,738	356,130	1,500	None	191,738	357,630	549,368	112,155		3/2/15		
Bonneau SC		128,411	239,191	1,500	None	128,411	240,691	369,102	75,709		3/2/15		
Camden SC		269,136	499,897	1,500	None	269,136	501,397	770,533	156,962		3/2/15		
Columbia SC		520,000	471,637	None	None	520,000	471,637	991,637	222,453		3/1/15		
Conway SC		-	251,890	1,000	None	-	252,890	252,890	122,762		3/2/15		
Cordova SC		137,207	255,025	2,000	None	137,207	257,025	394,232	81,032		3/2/15		
Eastover SC		138,966	258,625	1,000	None	138,966	259,625	398,591	81,379		3/2/15		
Florence SC		193,497	359,413	1,500	None	193,497	360,913	554,410	113,178		3/2/15		
Florence SC		337,740	627,293	1,500	None	337,740	628,793	966,533	196,668		3/2/15		
Goose Creek SC		150,000	241,637	None	None	150,000	241,637	391,637	113,969		3/1/15		
Greenville SC		390,000	462,847	None	None	390,000	462,847	852,847	304,703		7/2/15		
Greenville SC		300,000	402,392	None	None	300,000	402,392	702,392	264,905		7/2/15		
Greenville SC		370,000	432,695	None	None	370,000	432,695	802,695	284,854		7/2/15		
Greenville SC		620,000	483,604	None	None	620,000	483,604	1,103,604	318,367		7/2/15		
Greenville SC		680,000	423,604	None	None	680,000	423,604	1,103,604	278,867		7/2/15		
Greer SC		400,000	502,879	None	None	400,000	502,879	902,879	331,057		7/2/15		
Hemingway SC		246,269	458,069	1,500	None	246,269	459,569	705,838	143,926		3/2/15		
Hilton Head SC		500,000	691,637	None	None	500,000	691,637	1,191,637	326,219		3/1/15		

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Hilton Head	SC	185,500	344,510	None	None	185,500	344,510	530,010	161,346	4/1
Irmo	SC	690,000	461,637	None	None	690,000	461,637	1,151,637	217,736	3/18
Jackson	SC	170,000	632,626	None	None	170,000	632,626	802,626	416,475	7/23
Kingstree	SC	-	301,766	2,000	None	-	303,766	303,766	137,820	3/21
Kingstree	SC	209,328	389,965	1,000	None	209,328	390,965	600,293	122,313	3/21
Lake City	SC	202,292	376,398	1,500	None	202,292	377,898	580,190	118,472	3/21
Lexington	SC	640,000	563,891	None	None	640,000	563,891	1,203,891	371,222	7/23
Lexington	SC	540,000	563,588	None	None	540,000	563,588	1,103,588	371,023	7/23
Lexington	SC	360,000	843,891	None	None	360,000	843,891	1,203,891	555,556	7/23
Lugoff	SC	200,533	372,490	1,500	None	200,533	373,990	574,523	117,254	3/21
Moncks Corner	SC	351,812	654,578	1,000	None	351,812	655,578	1,007,390	204,784	3/21
Mount Pleasant	SC	668,443	1,241,940	1,000	None	668,443	1,242,940	1,911,383	387,845	3/21
Myrtle Beach	SC	492,537	913,807	2,500	None	492,537	916,307	1,408,844	286,740	3/21
Myrtle Beach	SC	703,624	1,307,326	1,000	None	703,624	1,308,326	2,011,950	408,224	3/21
Myrtle Beach	SC	-	176,002	1,500	None	-	177,502	177,502	56,015	3/21
Myrtle Beach	SC	-	753,979	1,500	None	-	755,479	755,479	236,151	3/21
Myrtle Beach	SC	-	327,278	1,000	None	-	328,278	328,278	186,171	3/21
Myrtle Beach	SC	-	277,019	1,000	None	-	278,019	278,019	137,774	3/21
North Augusta	SC	400,000	452,777	None	None	400,000	452,777	852,777	298,074	7/23
North Augusta	SC	490,000	1,221,637	None	None	490,000	1,221,637	1,711,637	576,203	3/18
Orangeburg	SC	320,000	691,637	None	None	320,000	691,637	1,011,637	326,219	3/18
Pinewood	SC	325,426	605,076	1,500	None	325,426	606,576	932,002	189,743	3/21
Simpsonville	SC	530,000	573,485	None	None	530,000	573,485	1,103,485	377,538	7/23
Spartanburg	SC	470,000	432,879	None	None	470,000	432,879	902,879	284,974	7/23
Summerton	SC	142,484	265,326	1,500	None	142,484	266,826	409,310	83,855	3/21
Summerville	SC	297,500	553,227	None	None	297,500	553,227	850,727	259,092	4/14
Sumter	SC	211,087	392,065	1,500	None	211,087	393,565	604,652	123,355	3/21
Sumter	SC	263,859	490,128	1,500	None	263,859	491,628	755,487	153,918	3/21
Sumter	SC	362,367	673,012	1,500	None	362,367	674,512	1,036,879	210,917	3/21
Sumter	SC	181,183	336,587	1,500	None	181,183	338,087	519,270	106,064	3/21
Sumter	SC	154,797	287,584	1,500	None	154,797	289,084	443,881	90,792	3/21
Sumter	SC	351,812	653,469	1,500	None	351,812	654,969	1,006,781	204,826	3/21
Sumter	SC	334,222	620,801	1,500	None	334,222	622,301	956,523	194,644	3/21
Sumter	SC	281,450	522,796	1,500	None	281,450	524,296	805,746	164,099	3/21
Sumter	SC	146,002	271,250	1,500	None	146,002	272,750	418,752	85,701	3/21
Sumter	SC	372,921	693,113	1,000	None	372,921	694,113	1,067,034	216,794	3/21
Sumter	SC	149,520	277,726	1,500	None	149,520	279,226	428,746	87,719	3/21
Sumter	SC	262,100	486,861	1,500	None	262,100	488,361	750,461	152,900	3/21
Sumter	SC	184,701	344,620	None	None	184,701	344,620	529,321	107,406	3/21
West Columbia	SC	410,000	693,574	None	None	410,000	693,574	1,103,574	456,597	7/23
West Columbia	SC	336,000	624,727	None	None	336,000	624,727	960,727	292,578	4/14
Arrington	TN	385,000	716,242	None	None	385,000	716,242	1,101,242	349,758	10/11
Athens	TN	175,000	326,242	None	None	175,000	326,242	501,242	159,308	10/11
Athens	TN	124,179	231,860	None	None	124,179	231,860	356,039	113,219	10/11
Benton	TN	192,500	358,742	None	None	192,500	358,742	551,242	175,179	10/11
Chattanooga	TN	181,731	338,741	None	None	181,731	338,741	520,472	165,412	10/11
Chattanooga	TN	131,820	313,242	(8,814)	None	131,820	304,428	436,248	153,848	10/11
Chattanooga	TN	175,000	326,242	(79,571)	None	162,879	258,792	421,671	126,370	10/11
Chattanooga	TN	159,979	298,346	None	None	159,979	298,346	458,325	145,686	10/11
Chattanooga	TN	105,000	196,242	None	None	105,000	196,242	301,242	95,825	10/11
Chattanooga	TN	245,000	456,242	None	None	245,000	456,242	701,242	222,792	10/11
Chattanooga	TN	297,500	553,742	None	None	297,500	553,742	851,242	270,404	10/11
Chattanooga	TN	323,750	822,529	None	None	323,750	822,529	1,146,279	381,748	10/11
Chattanooga	TN	280,000	521,242	None	None	280,000	521,242	801,242	254,533	10/11
Chattanooga	TN	257,250	478,992	None	None	257,250	478,992	736,242	233,901	10/11
Chattanooga	TN	283,209	527,201	None	None	283,209	527,201	810,410	257,444	10/11
Chattanooga	TN	542,500	1,008,742	None	None	542,500	1,008,742	1,551,242	492,596	10/11
Chattanooga	TN	332,500	618,742	None	None	332,500	618,742	951,242	302,146	10/11
Chattanooga	TN	300,373	559,077	(39,679)	None	260,694	559,077	819,771	273,010	10/11
Chattanooga	TN	175,000	326,242	(24,664)	None	150,336	326,242	476,578	159,308	10/11
Cleveland	TN	110,009	205,545	None	None	110,009	205,545	315,554	100,368	10/11
Cleveland	TN	227,500	423,742	None	None	227,500	423,742	651,242	206,921	10/11
Cleveland	TN	280,000	521,242	None	None	280,000	521,242	801,242	254,533	10/11
Cleveland	TN	245,000	456,242	None	None	245,000	456,242	701,242	222,792	10/11

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Cleveland	TN	157,500	293,742	None	None	157,500	293,742	451,242	143,438	10/1
Cleveland	TN	122,500	228,742	None	None	122,500	228,742	351,242	111,696	10/1

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Gross Amount at Which Carried			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Cost Capitalized Subsequent to Acquisition Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Cleveland TN		300,373	559,077	None	None	300,373	559,077	859,450	273,010	10/	
Dayton TN		262,500	488,742	None	None	262,500	488,742	751,242	238,663	10/	
Decatur TN		181,731	338,742	None	None	181,731	338,742	520,473	165,413	10/	
Dunlap TN		315,000	586,242	None	None	315,000	586,242	901,242	286,275	10/	
Etowah TN		192,500	358,742	None	None	192,500	358,742	551,242	175,179	10/	
Gallatin TN		525,000	976,242	None	None	525,000	976,242	1,501,242	476,725	10/	
Gray TN		191,151	355,563	None	None	191,151	355,563	546,714	115,556	11/2	
Harrison TN		484,313	900,680	None	None	484,313	900,680	1,384,993	439,826	10/	
Hixson TN		350,000	651,242	None	None	350,000	651,242	1,001,242	318,017	10/	
Hixson TN		271,250	504,992	None	None	271,250	504,992	776,242	246,598	10/	
Hixson TN		513,215	954,355	None	None	513,215	954,355	1,467,570	466,037	10/	
Hixson TN		94,500	176,742	None	None	94,500	176,742	271,242	86,303	10/	
Hixson TN		300,373	559,077	None	None	300,373	559,077	859,450	273,010	10/	
Kimball TN		332,500	618,742	None	None	332,500	618,742	951,242	302,146	10/	
Kingsport TN		155,603	289,545	None	None	155,603	289,545	445,148	94,101	11/2	
Kingsport TN		310,303	576,845	None	None	310,303	576,845	887,148	187,473	11/2	
La Vergne TN		340,000	650,000	None	None	340,000	650,000	990,000	529,750	8/2	
La Vergne TN		577,500	1,073,742	(15,745)	None	561,755	1,073,742	1,635,497	524,338	10/	
Manchester TN		266,119	495,463	None	None	266,119	495,463	761,582	241,945	10/	
Manchester TN		281,675	524,352	None	None	281,675	524,352	806,027	256,052	10/	
Manchester TN		319,846	595,242	None	None	319,846	595,242	915,088	290,670	10/	
Monteagle TN		271,173	504,849	None	None	271,173	504,849	776,022	246,528	10/	
Mount Juliet TN		397,128	738,764	None	None	397,128	738,764	1,135,892	360,757	10/	
Murfreesboro TN		549,500	1,021,742	None	None	549,500	1,021,742	1,571,242	498,944	10/	
Murfreesboro TN		467,810	870,032	None	None	467,810	870,032	1,337,842	424,859	10/	
Murfreesboro TN		300,373	559,077	None	None	300,373	559,077	859,450	273,010	10/	
Nashville TN		498,628	927,264	None	None	498,628	927,264	1,425,892	452,808	10/	
Ocoee TN		119,792	223,713	(11,239)	None	108,553	223,713	332,266	109,240	10/	
Ooltewah TN		234,231	436,241	None	None	234,231	436,241	670,472	213,025	10/	
Ooltewah TN		700,000	1,301,242	(190,623)	None	635,909	1,174,710	1,810,619	577,220	10/	
Ooltewah TN		105,000	196,242	None	None	105,000	196,242	301,242	95,825	10/	
Roan											
Mountain TN		286,303	532,274	None	None	286,303	532,274	818,577	172,987	11/2	
Shelbyville TN		320,229	595,953	None	None	320,229	595,953	916,182	291,017	10/	
Smyrna TN		426,466	793,251	None	None	426,466	793,251	1,219,717	387,364	10/	
Smyrna TN		630,000	1,170,036	None	None	630,000	1,170,036	1,800,036	434,863	9/2	
Soddy Daisy TN		297,500	553,732	None	None	297,500	553,732	851,232	270,400	10/	
Soddy Daisy TN		350,000	651,242	None	None	350,000	651,242	1,001,242	318,017	10/	
Soddy Daisy TN		245,000	456,242	None	None	245,000	456,242	701,242	222,792	10/	
Sweetwater TN		122,500	228,742	None	None	122,500	228,742	351,242	111,696	10/	
Sweetwater TN		339,231	1,131,287	None	None	339,231	1,131,287	1,470,518	474,932	10/	
Sweetwater TN		133,000	248,242	None	None	133,000	248,242	381,242	121,218	10/	
Abingdon VA		57,847	107,997	None	None	57,847	107,997	165,844	35,098	11/2	
Big Stone											
Gap VA		527,303	979,860	None	None	527,303	979,860	1,507,163	318,453	11/2	

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Bristol	VA	213,369	396,824	None	None	213,369	396,824	610,193	128,966		11/2
Bristol	VA	268,303	498,845	None	None	268,303	498,845	767,148	162,123		11/2
Bristol	VA	171,156	318,428	None	None	171,156	318,428	489,584	103,488		11/2
Castlewood	VA	387,303	720,307	None	None	387,303	720,307	1,107,610	234,098		11/2
Charlottesville	VA	817,604	1,619,856	2,000	None	817,604	1,621,856	2,439,460	127,272		1/3
Charlottesville	VA	536,443	1,062,813	2,500	None	536,443	1,065,313	1,601,756	83,733		1/3
Charlottesville	VA	692,490	1,371,977	2,000	None	692,490	1,373,977	2,066,467	107,855		1/3
Chatham	VA	347,728	525,031	None	None	347,728	525,031	872,759	268,634		3/1
Chesapeake	VA	225,000	400,366	None	None	225,000	400,366	625,366	166,152		8/1
Clintwood	VA	378,553	703,610	None	None	378,553	703,610	1,082,163	228,672		11/2
Coeburn	VA	168,934	314,764	None	None	168,934	314,764	483,698	102,297		11/2
Coeburn	VA	312,303	581,021	None	None	312,303	581,021	893,324	188,830		11/2
Coeburn	VA	282,303	525,307	None	None	282,303	525,307	807,610	170,723		11/2
Collinsville	VA	84,465	130,137	None	None	84,465	130,137	214,602	66,579		3/1
Danville	VA	149,276	227,333	None	None	149,276	227,333	376,609	116,311		3/1
Danville	VA	83,644	128,884	None	None	83,644	128,884	212,528	65,939		3/1
Danville	VA	266,722	403,501	None	None	266,722	403,501	670,223	206,451		3/1
Franklin	VA	536,667	863,699	None	None	536,667	863,699	1,400,366	358,435		8/1
Gate City	VA	422,303	784,845	None	None	422,303	784,845	1,207,148	255,073		11/2
Glen Allen	VA	329,698	498,015	None	None	329,698	498,015	827,713	254,810		3/1
Gordonsville	VA	770,000	1,155,478	1,500	None	770,000	1,156,978	1,926,978	90,800		1/3
Gordonsville	VA	2,190,000	2,286,653	3,000	None	2,190,000	2,289,653	4,479,653	179,696		1/3
Hampton	VA	433,985	459,108	None	None	433,985	459,108	893,093	325,191		4/1
Highland Springs	VA	396,720	598,547	None	None	396,720	598,547	995,267	306,250		3/1
Honaker	VA	492,303	915,307	None	None	492,303	915,307	1,407,610	297,473		11/2
Martinsville	VA	246,820	373,653	None	None	246,820	373,653	620,473	191,179		3/1
Martinsville	VA	83,521	128,706	None	None	83,521	128,706	212,227	65,847		3/1
Midlothian	VA	325,000	302,872	None	153	325,000	303,025	628,025	222,713		8/2
Newport News	VA	490,616	605,304	None	None	490,616	605,304	1,095,920	399,415	1/20/2000	4/1
Norton	VA	157,826	293,688	None	None	157,826	293,688	451,514	95,447		11/2
Norton	VA	457,303	849,860	None	None	457,303	849,860	1,307,163	276,203		11/2
Norton	VA	222,256	413,344	None	None	222,256	413,344	635,600	134,335		11/2
Pound	VA	256,170	476,327	None	None	256,170	476,327	732,497	154,805		11/2
Pound	VA	276,303	513,717	None	None	276,303	513,717	790,020	166,957		11/2
Richlands	VA	492,303	915,307	None	None	492,303	915,307	1,407,610	297,473		11/2
Richlands	VA	140,051	261,125	None	None	140,051	261,125	401,176	84,864		11/2
Richmond	VA	700,000	400,740	None	None	700,000	400,740	1,100,740	283,850		4/1
Richmond	VA	400,000	250,875	None	None	400,000	250,875	650,875	177,694		4/1
Richmond	VA	1,000,000	740	None	None	1,000,000	740	1,000,740	516		4/1
Richmond	VA	700,000	100,695	None	None	700,000	100,695	800,695	71,319		4/1
Richmond	VA	1,144,841	3,371,146	None	None	1,144,841	3,371,146	4,515,987	1,801,723		8/2
Richmond	VA	298,227	451,014	None	None	298,227	451,014	749,241	230,762		3/1
Richmond	VA	213,982	324,659	None	None	213,982	324,659	538,641	166,110		3/1
Richmond	VA	482,735	727,776	None	None	482,735	727,776	1,210,511	372,372		3/1
Richmond	VA	350,453	529,365	None	None	350,453	529,365	879,818	270,851		3/1
Richmond	VA	323,496	488,918	None	None	323,496	488,918	812,414	250,156		3/1
Richmond	VA	278,443	421,584	None	None	278,443	421,584	700,027	215,703		3/1
Roanoke	VA	325,000	575,366	None	None	325,000	575,366	900,366	238,777		8/1
Rosedale	VA	211,147	393,160	None	None	211,147	393,160	604,307	127,775		11/2
Saint Paul	VA	334,803	622,807	None	None	334,803	622,807	957,610	202,411		11/2
Saint Paul	VA	422,303	785,307	None	None	422,303	785,307	1,207,610	255,223		11/2
Sandston	VA	152,535	232,528	None	None	152,535	232,528	385,063	118,969		3/1
South Boston	VA	160,893	244,778	None	None	160,893	244,778	405,671	125,238		3/1
Stafford	VA	271,865	601,997	None	161	271,865	602,158	874,023	458,681		12/2
Staunton	VA	675,000	1,000,366	None	None	675,000	1,000,366	1,675,366	415,152		8/1
Suffolk	VA	700,000	1,000,366	None	None	700,000	1,000,366	1,700,366	415,152		8/1
Tazewell	VA	153,382	285,882	None	None	153,382	285,882	439,264	92,910		11/2
Troutville	VA	575,000	975,366	(93,309)	None	481,691	975,366	1,457,057	404,777		8/1
Virginia Beach	VA	1,194,560	2,218,773	None	None	1,194,560	2,218,773	3,413,333	1,201,820		6/2
Warrenton	VA	515,971	649,125	None	161	515,971	649,286	1,165,257	494,578		12/2
Weber City	VA	369,803	687,345	None	None	369,803	687,345	1,057,148	223,385		11/2
Williamsburg	VA	838,172	1,556,910	None	None	838,172	1,556,910	2,395,082	843,251		6/2
Wise	VA	334,803	622,360	None	None	334,803	622,360	957,163	202,265		11/2
Wise	VA	66,733	124,517	None	None	66,733	124,517	191,250	40,466		11/2
Wise	VA	527,303	979,860	None	None	527,303	979,860	1,507,163	318,453		11/2
Wytheville	VA	1,222,535	1,577,830	None	None	1,222,535	1,577,830	2,800,365	654,800		8/1
Yorktown	VA	309,435	447,144	None	None	309,435	447,144	756,579	316,711		4/1

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Yorktown	VA	3,324,510	2,121,289	4,701,469	1,623	None	2,121,289	4,703,092	6,824,381	556,814	1/2
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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total					
East Troy WI		578,813	1,072,938	2,000	None	578,813	1,074,938	1,653,751	260,493		12/		
Ellsworth WI		175,000	323,500	1,500	None	175,000	325,000	500,000	66,002		12/		
Menomonie WI		770,442	1,428,821	2,000	None	770,442	1,430,821	2,201,263	289,162		12/		
Menomonie WI		175,000	323,000	2,000	None	175,000	325,000	500,000	66,155		12/		
Menomonie WI		441,256	817,975	1,500	None	441,256	819,475	1,260,731	165,721		12/		
Mondovi WI		175,000	323,500	1,500	None	175,000	325,000	500,000	66,002		12/		
Osseo WI		613,373	1,136,622	2,500	None	613,373	1,139,122	1,752,495	230,490		12/		
<u>Crafts and novelties</u>													
Morgan Hill Rancho CA		319,063	2,518,205	None	None	319,063	2,518,205	2,837,268	331,564		9/1		
Cucamonga CA		2,790,740	4,713,106	38,396	None	2,790,740	4,751,502	7,542,242	620,879		9/1		
Roseville CA		1,415,674	4,367,269	None	None	1,415,674	4,367,269	5,782,943	575,024		9/1		
Temecula CA		2,027,441	4,644,558	9,194	None	2,027,441	4,653,752	6,681,193	611,661		9/1		
Clermont FL		980,500	4,587,292	None	None	980,500	4,587,292	5,567,792	500,073	5/10/2013	6/2		
Cutler Bay FL		743,498	657,485	392,136	154	743,498	1,049,775	1,793,273	637,592		12/		
Albany GA		653,464	12,112,986	372	None	653,464	12,113,358	12,766,822	989,497		1/2		
Rockford IL		159,587	618,398	178,656	211	159,587	797,265	956,852	496,894		11/		
Clovis NM		150,000	2,939,618	53,910	None	150,000	2,993,528	3,143,528	181,726		6/3		
Stony Brook Pleasant Hills PA		980,000	1,801,586	78,970	None	980,000	1,880,556	2,860,556	1,226,995		1/1		
Columbia SC		631,084	1,172,563	32,078	42	631,084	1,204,683	1,835,767	619,876		11/		
		1,102,910	4,391,377	None	None	1,102,910	4,391,377	5,494,287	336,309	1/27/2014	6/2		
<u>Diversified industrial</u>													
Jacksonville Cedar Rapids Buffalo Grove Portland Deer Park	FL IA IL TN TX	2,210,000 1,000,000 10,227,026 9,828,153 9,790,000	41,378,120 12,981,440 3,130,000 1,481,370 2,410,000	None None None None None	None None None None None	2,210,000 1,000,000 3,130,000 1,481,370 2,410,000	41,378,120 12,981,440 17,353,386 10,969,189 13,364,183	43,588,120 13,981,440 20,483,386 12,450,559 15,774,183	833,477 819,067 847,011 1,444,277 652,299	10/30/2014	2/2 10/ 4/ 9/1 4/		
<u>Dollar stores</u>													
Andalusia Ariton Bessemer Bessemer Birmingham Birmingham Birmingham Birmingham Birmingham Birmingham	AL AL AL AL AL AL AL AL AL	334,025 113,182 391,797 279,833 707,673 322,861 248,925 235,245 265,160	1,085,582 824,898 1,273,339 1,100,867 1,314,251 599,600 979,275 925,455 1,043,140	None None None None None None None None None	None None None None None None None None None	334,025 113,182 391,797 279,833 707,673 322,861 248,925 235,245 265,160	1,085,582 824,898 1,273,339 1,100,867 1,314,251 599,600 979,275 925,455 1,043,140	1,419,607 938,080 1,665,136 1,380,700 2,021,924 922,461 1,228,200 1,160,700 1,308,300	128,461 64,617 150,678 104,582 186,185 72,951 93,031 87,918 99,098		1/2 1/3 1/2 8/2 6/ 12/ 8/2 8/2 8/2		

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Birmingham	AL	312,444	1,229,156	None	None	312,444	1,229,156	1,541,600	116,770	8/2
Birmingham	AL	266,882	1,049,918	None	None	266,882	1,049,918	1,316,800	99,742	8/2
Camp Hill	AL	127,780	851,515	None	None	127,780	851,515	979,295	66,702	1/2
Castleberry	AL	121,658	810,716	None	None	121,658	810,716	932,374	63,506	1/2
Cedar Bluff	AL	160,037	836,150	None	None	160,037	836,150	996,187	65,498	1/2
Center Point	AL	232,043	912,857	None	None	232,043	912,857	1,144,900	86,721	8/2
Clanton	AL	300,000	962,598	None	None	300,000	962,598	1,262,598	75,404	1/3
Crossville	AL	268,814	873,647	None	None	268,814	873,647	1,142,461	103,382	1/2
Cullman	AL	277,067	685,954	None	None	277,067	685,954	963,021	53,733	1/2
Decatur	AL	301,085	559,159	None	None	301,085	559,159	860,244	79,214	6/
Decatur	AL	269,275	765,035	None	None	269,275	765,035	1,034,310	59,928	1/3
Duncanville	AL	162,574	786,023	None	None	162,574	786,023	948,597	61,572	1/3
Enterprise	AL	294,944	837,962	None	None	294,944	837,962	1,132,906	65,640	1/3
Eufaula	AL	201,712	1,053,886	None	None	201,712	1,053,886	1,255,598	82,554	1/2
Evergreen	AL	193,413	1,010,529	None	None	193,413	1,010,529	1,203,942	79,158	1/2
Florence	AL	419,440	778,959	None	None	419,440	778,959	1,198,399	94,773	12/
Forestdale	AL	287,839	1,132,361	None	None	287,839	1,132,361	1,420,200	107,574	8/2
Frisco City	AL	163,025	788,202	None	None	163,025	788,202	951,227	61,742	1/3
Gilbertown	AL	171,006	1,246,332	None	None	171,006	1,246,332	1,417,338	97,629	1/3
Huntsville	AL	501,318	931,020	None	None	501,318	931,020	1,432,338	131,894	6/
Jasper	AL	276,246	897,800	None	None	276,246	897,800	1,174,046	106,240	1/2
Jasper	AL	282,574	918,366	None	None	282,574	918,366	1,200,940	108,673	1/2
Jasper	AL	280,753	912,446	None	None	280,753	912,446	1,193,199	107,973	1/2
Lillian	AL	203,832	985,500	None	None	203,832	985,500	1,189,332	77,198	1/3
Livingston	AL	239,319	941,481	None	None	239,319	941,481	1,180,800	89,441	8/2
Marbury	AL	160,000	1,006,765	None	None	160,000	1,006,765	1,166,765	78,863	1/3
Mobile	AL	212,971	837,829	None	None	212,971	837,829	1,050,800	79,594	8/2
Montgomery	AL	532,170	988,317	None	None	532,170	988,317	1,520,487	120,245	12/
Montgomery	AL	366,980	681,533	None	None	366,980	681,533	1,048,513	82,920	12/
Moundville	AL	230,583	907,117	None	None	230,583	907,117	1,137,700	86,176	8/2
Odenville	AL	176,981	855,676	None	None	176,981	855,676	1,032,657	67,028	1/3
Opelika	AL	331,598	1,077,694	None	None	331,598	1,077,694	1,409,292	127,527	1/2
Prichard	AL	429,411	797,478	None	None	429,411	797,478	1,226,889	97,026	12/
Remlap	AL	177,711	859,208	None	None	177,711	859,208	1,036,919	67,305	1/3
Samson	AL	181,064	1,319,631	None	None	181,064	1,319,631	1,500,695	103,371	1/3
Shelby	AL	277,350	901,388	None	None	277,350	901,388	1,178,738	106,664	1/2
Slocomb	AL	268,240	1,055,260	None	None	268,240	1,055,260	1,323,500	100,250	8/2
Slocomb	AL	280,000	2,597,341	None	None	280,000	2,597,341	2,877,341	203,458	1/3
Smiths										
Station	AL	359,391	1,168,019	None	None	359,391	1,168,019	1,527,410	138,216	1/2
Sycamore	AL	50,000	885,687	None	None	50,000	885,687	935,687	69,379	1/3
Sylacauga	AL	147,110	980,328	None	None	147,110	980,328	1,127,438	76,792	1/2
Thorsby	AL	298,516	970,178	None	None	298,516	970,178	1,268,694	114,804	1/2
Troy	AL	257,985	1,014,915	None	None	257,985	1,014,915	1,272,900	96,417	8/2
Uriah	AL	140,000	776,826	None	None	140,000	776,826	916,826	60,851	1/3
Weaver	AL	220,771	627,231	8,685	None	220,771	635,916	856,687	51,393	12/
Webb	AL	173,294	905,411	None	None	173,294	905,411	1,078,705	70,924	1/2
Wedowee	AL	251,256	988,444	None	None	251,256	988,444	1,239,700	93,902	8/2
York	AL	218,727	860,473	None	None	218,727	860,473	1,079,200	81,745	8/2
Atkins	AR	264,657	491,507	None	None	264,657	491,507	756,164	59,800	12/
Black Rock	AR	137,428	915,809	None	None	137,428	915,809	1,053,237	71,738	1/2
Cabot	AR	479,323	1,186,692	None	None	479,323	1,186,692	1,666,015	92,958	1/2
Clarendon	AR	156,618	1,043,684	None	None	156,618	1,043,684	1,200,302	81,755	1/2
Dermott	AR	137,299	540,136	None	None	137,299	540,136	677,435	49,512	9/1
Drasco	AR	135,176	900,796	None	None	135,176	900,796	1,035,972	70,562	1/2
England	AR	147,813	985,008	None	None	147,813	985,008	1,132,821	77,159	1/2
Greenbrier	AR	277,423	1,449,455	None	None	277,423	1,449,455	1,726,878	113,541	1/2
Gurdon	AR	99,815	727,471	None	None	99,815	727,471	827,286	61,835	11/
Hampton	AR	128,214	854,405	None	None	128,214	854,405	982,619	66,928	1/2
Haskell	AR	191,254	999,249	None	None	191,254	999,249	1,190,503	78,275	1/2
Hope	AR	421,413	782,623	None	None	421,413	782,623	1,204,036	110,872	6/
Huntsville	AR	168,806	1,124,906	None	None	168,806	1,124,906	1,293,712	88,118	1/2
Jasper	AR	110,000	835,511	None	None	110,000	835,511	945,511	65,448	1/2
Jonesboro	AR	240,000	867,698	None	None	240,000	867,698	1,107,698	67,970	1/2
Jonesboro	AR	380,000	806,115	None	None	380,000	806,115	1,186,115	63,146	1/2
Little Rock	AR	248,520	977,680	None	None	248,520	977,680	1,226,200	92,880	8/2
Little Rock	AR	157,195	618,405	None	None	157,195	618,405	775,600	58,749	8/2
Malvern	AR	139,776	570,280	None	None	139,776	570,280	710,056	67,483	1/2
Marianna	AR	230,373	427,836	None	None	230,373	427,836	658,209	52,053	12/
Ola	AR	126,412	842,394	None	None	126,412	842,394	968,806	65,988	1/2



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Pine Bluff	AR	562,282	1,044,237	None	None	562,282	1,044,237	1,606,519	147,934	6/
Pine Bluff	AR	579,851	1,076,865	None	None	579,851	1,076,865	1,656,716	131,019	12/
Pine Bluff	AR	243,412	602,631	None	None	243,412	602,631	846,043	47,206	1/2

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Pine Bluff	AR	279,924	693,026	None	None	279,924	693,026	972,950	54,287		1/24/20
Prescott	AR	119,075	793,501	None	None	119,075	793,501	912,576	62,158		1/24/20
Sherwood	AR	225,665	887,766	None	None	225,665	887,766	1,113,431	87,297		7/9/20
West Fork	AR	281,211	1,469,249	None	None	281,211	1,469,249	1,750,460	115,091		1/24/20
West Helena	AR	331,612	615,851	None	None	331,612	615,851	947,463	74,929		12/14/20
Bisbee	AZ	181,118	946,292	None	None	181,118	946,292	1,127,410	74,126		1/24/20
Camp Verde	AZ	244,826	454,678	None	None	244,826	454,678	699,504	64,413		6/1/20
Douglas	AZ	188,809	986,472	None	None	188,809	986,472	1,175,281	77,274		1/24/20
Gila Bend	AZ	161,460	1,075,950	None	None	161,460	1,075,950	1,237,410	84,283		1/24/20
Phoenix	AZ	712,708	1,323,600	None	None	712,708	1,323,600	2,036,308	187,510		6/1/20
Phoenix	AZ	642,917	1,193,990	None	None	642,917	1,193,990	1,836,907	169,149		6/1/20
Phoenix	AZ	721,637	1,340,182	None	None	721,637	1,340,182	2,061,819	189,859		6/1/20
Phoenix	AZ	580,167	1,077,452	None	None	580,167	1,077,452	1,657,619	152,639		6/1/20
Salome	AZ	251,540	989,560	None	None	251,540	989,560	1,241,100	94,008		8/22/20
Tolleson	AZ	581,123	1,079,228	None	None	581,123	1,079,228	1,660,351	152,891		6/1/20
Tucson	AZ	461,061	856,257	None	None	461,061	856,257	1,317,318	121,303		6/1/20
Tucson	AZ	259,447	1,020,665	None	None	259,447	1,020,665	1,280,112	103,768		6/21/20
Williams	AZ	160,391	1,168,960	None	None	160,391	1,168,960	1,329,351	103,258		10/15/20
Yuma	AZ	225,609	418,988	None	None	225,609	418,988	644,597	59,357		6/1/20
Yuma	AZ	276,672	1,088,428	None	None	276,672	1,088,428	1,365,100	103,401		8/22/20
Yuma	AZ	418,158	1,188,024	None	None	418,158	1,188,024	1,606,182	85,142		3/14/20
Akron	CO	318,751	1,035,939	None	None	318,751	1,035,939	1,354,690	122,586		1/22/20
Federal Heights	CO	561,752	1,043,254	None	None	561,752	1,043,254	1,605,006	147,794		6/1/20
Holyoke	CO	361,977	1,176,425	None	None	361,977	1,176,425	1,538,402	139,210		1/22/20
Keenesburg	CO	339,959	1,104,866	None	None	339,959	1,104,866	1,444,825	130,743		1/22/20
Silver Cliff	CO	245,520	797,939	1,950	None	245,520	799,889	1,045,409	95,581		1/22/20
Anthony	FL	259,074	1,353,588	None	None	259,074	1,353,588	1,612,662	106,031		1/24/20
Baldwin	FL	252,938	995,062	None	None	252,938	995,062	1,248,000	94,531		8/22/20
Bartow	FL	476,372	884,692	None	None	476,372	884,692	1,361,064	107,637		12/14/20
Bradenton	FL	255,520	739,091	573	None	255,520	739,664	995,184	6,980		10/9/20
Brandon	FL	605,652	1,124,782	None	None	605,652	1,124,782	1,730,434	136,848		12/14/20
Cape Coral	FL	310,235	1,220,465	None	None	310,235	1,220,465	1,530,700	115,944		8/22/20
Cape Coral	FL	299,371	1,177,729	None	None	299,371	1,177,729	1,477,100	111,884		8/22/20
Casselberry	FL	314,673	1,237,927	None	None	314,673	1,237,927	1,552,600	117,603		8/22/20
Century Citrus Springs	FL	215,484	847,716	None	None	215,484	847,716	1,063,200	80,533		8/22/20
Cottondale	FL	210,810	1,101,421	None	None	210,810	1,101,421	1,312,231	86,278		1/24/20
Cross City	FL	458,337	851,196	None	None	458,337	851,196	1,309,533	103,562		12/14/20
Cross City	FL	308,087	1,609,668	None	None	308,087	1,609,668	1,917,755	126,091		1/24/20
Crystal River Daytona Beach	FL	432,782	803,739	None	None	432,782	803,739	1,236,521	97,788		12/14/20
Debarry	FL	315,423	1,240,877	None	None	315,423	1,240,877	1,556,300	117,883		8/22/20
	FL	257,762	1,014,038	None	None	257,762	1,014,038	1,271,800	96,334		8/22/20
	FL	282,063	1,109,637	None	None	282,063	1,109,637	1,391,700	105,416		8/22/20

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DeFuniak Springs											
Deland	FL		471,921	1,168,367	None	None	471,921	1,168,367	1,640,288	91,522	1/24/20
Destin	FL		420,175	2,195,293	None	None	420,175	2,195,293	2,615,468	171,965	1/24/20
Dover	FL		432,677	1,071,208	None	None	432,677	1,071,208	1,503,885	83,911	1/24/20
Dundee	FL		250,810	986,690	None	None	250,810	986,690	1,237,500	93,736	8/22/20
Dunedin	FL		353,830	1,391,970	None	None	353,830	1,391,970	1,745,800	132,237	8/22/20
Edgewater	FL		579,101	1,433,719	None	None	579,101	1,433,719	2,012,820	112,308	1/24/20
Eustis	FL		572,540	1,417,475	None	None	572,540	1,417,475	1,990,015	111,036	1/24/20
Fanning Springs	FL		440,000	1,647,482	None	None	440,000	1,647,482	2,087,482	129,053	1/24/20
Fern Park	FL		663,492	1,232,199	None	None	663,492	1,232,199	1,895,691	149,918	12/14/20
Florahome	FL		197,567	1,316,563	None	None	197,567	1,316,563	1,514,130	103,131	1/24/20
Floral City	FL		259,079	1,019,221	None	None	259,079	1,019,221	1,278,300	96,826	8/22/20
Fort Meade	FL		261,728	1,367,452	None	None	261,728	1,367,452	1,629,180	107,117	1/24/20
Fort Myers	FL		352,006	1,384,794	None	None	352,006	1,384,794	1,736,800	131,555	8/22/20
Fort Myers	FL		313,964	1,235,136	None	None	313,964	1,235,136	1,549,100	117,338	8/22/20
Fort Myers	FL		282,549	1,111,551	None	None	282,549	1,111,551	1,394,100	105,597	8/22/20
Ft White	FL		200,000	947,109	6,901	None	200,000	954,010	1,154,010	74,324	1/15/20
Ft. Walton Beach	FL		294,345	1,157,955	None	None	294,345	1,157,955	1,452,300	110,006	8/22/20
Ft. White	FL		204,195	803,305	None	None	204,195	803,305	1,007,500	76,314	8/22/20
Gainesville	FL		491,957	913,635	None	None	491,957	913,635	1,405,592	111,159	12/14/20
Gainesville	FL		578,261	1,431,639	None	None	578,261	1,431,639	2,009,900	112,145	1/24/20
Gainesville	FL		868,725	1,621,793	None	None	868,725	1,621,793	2,490,518	127,040	1/24/20
Greensboro	FL		185,185	1,234,053	None	None	185,185	1,234,053	1,419,238	96,667	1/24/20
Groveland	FL		101,782	189,258	None	None	101,782	189,258	291,040	127,115	3/31/19
Groveland	FL		730,550	1,363,839	None	None	730,550	1,363,839	2,094,389	106,834	1/24/20
Hilliard	FL	746,061	461,328	1,499,315	None	None	461,328	1,499,315	1,960,643	177,419	1/22/20
Holiday	FL		287,353	1,130,447	None	None	287,353	1,130,447	1,417,800	107,392	8/22/20
Holiday	FL		296,473	1,166,327	None	None	296,473	1,166,327	1,462,800	110,801	8/22/20
Homosassa	FL		331,697	1,733,022	None	None	331,697	1,733,022	2,064,719	135,753	1/24/20
Hudson	FL		485,785	902,173	None	None	485,785	902,173	1,387,958	109,764	12/14/20
Hudson	FL		917,578	1,712,997	None	None	917,578	1,712,997	2,630,575	134,185	1/24/20
Immokalee	FL		659,438	1,224,671	None	None	659,438	1,224,671	1,884,109	173,495	6/1/20
Inglis	FL		221,544	871,556	None	None	221,544	871,556	1,093,100	82,798	8/22/20
Inglis	FL		231,860	1,545,090	None	None	231,860	1,545,090	1,776,950	121,032	1/24/20
Jacksonville	FL		479,745	890,954	None	None	479,745	890,954	1,370,699	126,219	6/1/20
Jacksonville	FL		635,245	1,179,740	None	None	635,245	1,179,740	1,814,985	143,535	12/14/20
Jacksonville	FL		577,368	1,072,255	None	None	577,368	1,072,255	1,649,623	130,458	12/14/20
Jacksonville	FL		774,832	1,438,974	None	None	774,832	1,438,974	2,213,806	175,075	12/14/20
Jacksonville	FL		580,539	1,078,144	None	None	580,539	1,078,144	1,658,683	131,174	12/14/20
Jacksonville	FL	807,804	484,992	1,576,223	None	None	484,992	1,576,223	2,061,215	186,520	1/22/20
Jacksonville	FL		284,535	1,119,365	None	None	284,535	1,119,365	1,403,900	106,340	8/22/20
Jacksonville	FL		316,457	1,244,943	None	None	316,457	1,244,943	1,561,400	118,270	8/22/20
Jacksonville	FL		717,739	1,181,877	None	None	717,739	1,181,877	1,899,616	11,108	10/9/20
Jacksonville	FL		501,314	806,878	None	None	501,314	806,878	1,308,192	7,788	10/9/20
Jasper	FL		397,823	738,814	None	None	397,823	738,814	1,136,637	89,889	12/14/20
Kissimmee	FL		283,238	1,114,262	None	None	283,238	1,114,262	1,397,500	105,855	8/22/20
Kissimmee	FL		444,433	1,268,502	None	None	444,433	1,268,502	1,712,935	69,768	8/15/20
Lake City	FL		262,680	1,372,428	None	None	262,680	1,372,428	1,635,108	107,507	1/24/20
Lake City	FL		275,994	1,441,991	None	None	275,994	1,441,991	1,717,985	112,956	1/24/20
Lakeland	FL		342,755	636,546	None	None	342,755	636,546	979,301	90,177	6/1/20
Lakeland	FL		455,575	846,067	None	None	455,575	846,067	1,301,642	102,938	12/14/20
Lakeland	FL		249,452	981,348	None	None	249,452	981,348	1,230,800	93,228	8/22/20
Largo	FL		567,646	1,054,201	None	None	567,646	1,054,201	1,621,847	128,261	12/14/20
Laurel Hill	FL		330,715	1,074,825	None	None	330,715	1,074,825	1,405,540	127,188	1/22/20
Lawtey	FL		186,088	1,240,070	None	None	186,088	1,240,070	1,426,158	97,139	1/24/20
Lehigh Acres	FL		560,116	1,040,215	None	None	560,116	1,040,215	1,600,331	126,559	12/14/20
Lehigh Acres	FL		391,588	1,540,512	None	None	391,588	1,540,512	1,932,100	146,349	8/22/20
Masaryktown	FL		290,081	1,141,181	None	None	290,081	1,141,181	1,431,262	116,020	6/10/20
Mascotte	FL		279,063	1,097,837	None	None	279,063	1,097,837	1,376,900	104,294	8/22/20
Miami	FL		648,087	1,203,591	None	None	648,087	1,203,591	1,851,678	146,437	12/14/20
Micco	FL		276,043	1,085,957	None	None	276,043	1,085,957	1,362,000	103,166	8/22/20
Milton	FL		150,059	784,013	None	None	150,059	784,013	934,072	61,414	1/24/20
Milton	FL		660,000	1,295,281	None	None	660,000	1,295,281	1,955,281	101,464	1/24/20
Monticello	FL		335,167	1,751,150	None	None	335,167	1,751,150	2,086,317	137,173	1/24/20
Ocala	FL		482,475	896,026	None	None	482,475	896,026	1,378,501	109,016	12/14/20
Ocala	FL		258,877	1,018,423	None	None	258,877	1,018,423	1,277,300	96,750	8/22/20
Ocala	FL		500,472	1,239,053	None	None	500,472	1,239,053	1,739,525	97,059	1/24/20

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Ocala	FL	470,580	1,165,046	None	None	470,580	1,165,046	1,635,626	91,262	1/24/20
Ocklawaha	FL	261,265	1,365,037	None	None	261,265	1,365,037	1,626,302	106,928	1/24/20
Opa Locka	FL	665,870	1,236,615	None	None	665,870	1,236,615	1,902,485	175,187	6/1/20

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and				Cost Capitalized Subsequent to Acquisition	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Orlando	FL	351,337	1,382,163	None	None	351,337	1,382,163	1,733,500	131,305		8/22/2011	
Orlando	FL	401,945	1,560,171	None	None	401,945	1,560,171	1,962,116	33,804		8/22/2011	
Pace	FL	322,488	798,404	None	None	322,488	798,404	1,120,892	62,542		1/24/2011	
Palatka	FL	311,775	1,226,525	None	None	311,775	1,226,525	1,538,300	116,520		8/22/2011	
Palm Bay	FL	290,940	1,144,560	None	None	290,940	1,144,560	1,435,500	108,733		8/22/2011	
Panama City	FL	468,060	869,253	None	None	468,060	869,253	1,337,313	105,759		12/14/2011	
Panama City	FL	462,383	1,144,753	None	None	462,383	1,144,753	1,607,136	89,672		1/24/2011	
Panama City	FL	486,671	1,204,883	None	None	486,671	1,204,883	1,691,554	94,383		1/24/2011	
Pensacola	FL	324,665	1,166,541	None	None	324,665	1,166,541	1,491,206	10,644		10/9/2011	
Perry	FL	244,021	959,979	None	None	244,021	959,979	1,204,000	91,198		8/22/2011	
Perry	FL	213,916	1,117,652	None	None	213,916	1,117,652	1,331,568	87,549		1/24/2011	
Pinellas Park	FL	324,807	1,277,793	None	None	324,807	1,277,793	1,602,600	121,390		8/22/2011	
Port St Joe	FL	950,000	2,678,477	None	None	950,000	2,678,477	3,628,477	209,814		1/31/2011	
Punta Gorda	FL	544,349	1,347,680	None	None	544,349	1,347,680	1,892,029	105,568		1/24/2011	
Riverview	FL	318,240	1,251,960	None	None	318,240	1,251,960	1,570,200	118,936		8/22/2011	
Riviera Beach	FL	395,095	1,554,305	None	None	395,095	1,554,305	1,949,400	147,659		8/22/2011	
Rockledge	FL	246,149	968,351	None	None	246,149	968,351	1,214,500	91,993		8/22/2011	
Saint Cloud	FL	403,749	1,588,351	None	None	403,749	1,588,351	1,992,100	150,893		8/22/2011	
San Antonio	FL	258,167	1,015,633	None	None	258,167	1,015,633	1,273,800	96,485		8/22/2011	
San Mateo	FL	455,279	1,479,656	None	None	455,279	1,479,656	1,934,935	175,093		1/22/2011	
Santa Rosa Beach	FL	316,256	1,652,348	None	None	316,256	1,652,348	1,968,604	129,434		1/24/2011	
Seminole	FL	541,317	1,005,304	None	None	541,317	1,005,304	1,546,621	122,312		12/14/2011	
Sneads	FL	222,497	875,303	None	None	222,497	875,303	1,097,800	83,154		8/22/2011	
Sorrento	FL	253,303	996,497	None	None	253,303	996,497	1,249,800	94,667		8/22/2011	
South Daytona	FL	652,903	1,212,534	None	None	652,903	1,212,534	1,865,437	147,525		12/14/2011	
Spring Hill	FL	315,224	1,286,099	None	None	315,224	1,286,099	1,601,323	135,040		5/23/2011	
Spring Hill	FL	314,531	1,237,369	None	None	314,531	1,237,369	1,551,900	117,550		8/22/2011	
Tampa	FL	559,416	1,038,915	None	None	559,416	1,038,915	1,598,331	147,180		6/1/2011	
Tampa	FL	552,447	1,025,973	None	None	552,447	1,025,973	1,578,420	145,346		6/1/2011	
Tampa	FL	549,314	1,020,154	None	None	549,314	1,020,154	1,569,468	124,119		12/14/2011	
Tampa	FL	611,153	1,134,998	None	None	611,153	1,134,998	1,746,151	138,091		12/14/2011	
Tampa	FL	634,199	1,177,799	None	None	634,199	1,177,799	1,811,998	143,299		12/14/2011	
Tampa	FL	378,121	1,228,892	12,109	None	378,121	1,241,001	1,619,122	145,991		1/22/2011	
Tavares	FL	534,612	1,323,575	None	None	534,612	1,323,575	1,858,187	103,680		1/24/2011	
Temple Terrace	FL	666,400	1,237,599	None	None	666,400	1,237,599	1,903,999	175,327		6/1/2011	
Waldo	FL	150,203	1,000,934	None	None	150,203	1,000,934	1,151,137	78,407		1/24/2011	

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Webster	FL	244,703	962,663	10,957	None	244,703	973,620	1,218,323	92,302	8/2/2013
Weirsdale	FL	440,625	1,090,885	None	None	440,625	1,090,885	1,531,510	85,453	1/24/2013
Wildwood	FL	553,758	1,370,976	None	None	553,758	1,370,976	1,924,734	107,393	1/24/2013
Winter Haven	FL	441,079	819,148	None	None	441,079	819,148	1,260,227	116,046	6/1/2012
Winter Haven	FL	437,109	811,775	None	None	437,109	811,775	1,248,884	98,766	12/14/2012
Springs	FL	336,947	1,325,553	None	None	336,947	1,325,553	1,662,500	125,928	8/22/2011
Yulee	FL	331,698	1,304,902	None	None	331,698	1,304,902	1,636,600	123,966	8/22/2011
Zephyrhills	FL	304,398	1,197,502	None	None	304,398	1,197,502	1,501,900	113,763	8/22/2011
Zolfo	FL	420,000	1,144,259	None	None	420,000	1,144,259	1,564,259	89,634	1/24/2013
Athens	GA	396,815	982,422	None	None	396,815	982,422	1,379,237	76,956	1/24/2013
Atlanta	GA	368,101	1,045,807	None	None	368,101	1,045,807	1,413,908	85,408	12/4/2011
Atlanta	GA	386,653	1,098,516	None	None	386,653	1,098,516	1,485,169	78,727	3/28/2011
Atlanta	GA	477,551	1,363,030	None	None	477,551	1,363,030	1,840,581	74,967	8/1/2011
Auburn	GA	234,333	921,867	None	None	234,333	921,867	1,156,200	87,577	8/22/2011
Augusta	GA	572,784	1,063,741	None	None	572,784	1,063,741	1,636,525	150,697	6/1/2012
Augusta	GA	396,046	735,513	None	None	396,046	735,513	1,131,559	89,487	12/14/2012
Augusta	GA	244,244	960,856	None	None	244,244	960,856	1,205,100	91,281	8/22/2011
Augusta	GA	240,656	946,744	None	None	240,656	946,744	1,187,400	89,941	8/22/2011
Bogart	GA	341,583	970,468	None	None	341,583	970,468	1,312,051	79,255	12/4/2011
Brooklet	GA	189,211	988,573	None	None	189,211	988,573	1,177,784	77,438	1/24/2013
Brunswick	GA	525,784	976,455	None	None	525,784	976,455	1,502,239	118,802	12/14/2012
Brunswick	GA	374,722	695,913	None	None	374,722	695,913	1,070,635	84,669	12/14/2012
Carrollton	GA	184,110	724,290	None	None	184,110	724,290	908,400	68,808	8/22/2011
Carrollton	GA	266,882	1,049,918	None	None	266,882	1,049,918	1,316,800	99,742	8/22/2011
Collins	GA	120,219	876,179	None	None	120,219	876,179	996,398	68,634	1/31/2011
Conyers	GA	737,753	1,370,114	None	None	737,753	1,370,114	2,107,867	194,099	6/1/2012
Dalton	GA	401,120	748,837	None	None	401,120	748,837	1,149,957	58,659	1/24/2013
Dawson	GA	413,732	768,359	None	None	413,732	768,359	1,182,091	93,484	12/14/2012
Dewey Rose	GA	190,003	747,472	None	None	190,003	747,472	937,475	71,010	8/20/2011
Dexter	GA	58,236	424,437	18,715	None	58,236	443,152	501,388	38,510	12/20/2011
Dublin	GA	208,680	1,008,938	None	None	208,680	1,008,938	1,217,618	79,034	1/31/2011
Elberton	GA	194,222	764,071	None	None	194,222	764,071	958,293	72,587	8/20/2011
Forest Park	GA	288,001	1,132,999	None	None	288,001	1,132,999	1,421,000	107,635	8/22/2011
Glenville	GA	245,706	966,610	None	None	245,706	966,610	1,212,316	95,050	7/3/2013
Gordon	GA	179,124	704,676	None	None	179,124	704,676	883,800	66,944	8/22/2011
Greenville	GA	170,000	880,648	None	None	170,000	880,648	1,050,648	68,984	1/24/2013
Hartwell	GA	222,699	876,101	None	None	222,699	876,101	1,098,800	83,230	8/22/2011
Hoschton	GA	312,038	1,227,562	None	None	312,038	1,227,562	1,539,600	116,618	8/22/2011
Irwinton	GA	331,310	1,076,757	None	None	331,310	1,076,757	1,408,067	127,416	1/22/2011
Jonesboro	GA	316,862	1,246,538	None	None	316,862	1,246,538	1,563,400	118,421	8/22/2011
LaGrange	GA	270,000	831,559	None	None	270,000	831,559	1,101,559	65,139	1/31/2011
Lilburn	GA	323,652	1,273,248	None	None	323,652	1,273,248	1,596,900	120,959	8/22/2011
Ludowici	GA	344,543	1,119,765	12,235	None	344,543	1,132,000	1,476,543	137,480	1/22/2011
Macon	GA	245,825	967,075	None	None	245,825	967,075	1,212,900	91,872	8/22/2011
Marietta	GA	289,116	1,137,384	None	None	289,116	1,137,384	1,426,500	108,051	8/22/2011
Midway	GA	243,028	956,072	None	None	243,028	956,072	1,199,100	90,827	8/22/2011
Milledgeville	GA	245,290	696,890	None	None	245,290	696,890	942,180	54,590	1/31/2011
Monticello	GA	146,301	1,066,274	None	None	146,301	1,066,274	1,212,575	76,416	3/28/2011
Nicholls	GA	198,723	781,777	None	None	198,723	781,777	980,500	74,269	8/22/2011
Pooler	GA	279,935	1,101,265	None	None	279,935	1,101,265	1,381,200	104,620	8/22/2011
Powder Springs	GA	290,373	1,142,327	None	None	290,373	1,142,327	1,432,700	108,521	8/22/2011
Resaca	GA	600,000	2,830,403	None	None	600,000	2,830,403	3,430,403	221,715	1/31/2011
Richmond Hill	GA	297,203	1,169,197	None	None	297,203	1,169,197	1,466,400	111,074	8/22/2011
Savannah	GA	450,992	1,774,208	None	None	450,992	1,774,208	2,225,200	168,550	8/22/2011
Screven	GA	198,288	780,067	None	None	198,288	780,067	978,355	74,106	8/8/2013
Stockbridge	GA	348,721	863,351	None	None	348,721	863,351	1,212,072	67,629	1/24/2011
Talbotton	GA	128,449	855,969	None	None	128,449	855,969	984,418	67,051	1/24/2011
Thomasville	GA	407,954	757,629	None	None	407,954	757,629	1,165,583	92,178	12/14/2012
Tifton	GA	202,011	824,197	None	None	202,011	824,197	1,026,208	86,541	5/23/2011
Uvalda	GA	187,576	737,924	None	None	187,576	737,924	925,500	70,103	8/22/2011
Vienna	GA	340,000	2,529,310	None	None	340,000	2,529,310	2,869,310	198,129	1/31/2011
Warrenton	GA	298,668	554,669	None	None	298,668	554,669	853,337	67,485	12/14/2012
Waycross	GA	417,843	775,994	None	None	417,843	775,994	1,193,837	94,413	12/14/2012
Waynesville	GA	132,112	880,378	None	None	132,112	880,378	1,012,490	68,963	1/24/2013

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Whigham	GA	123,430	822,527	None	None	123,430	822,527	945,957	64,431	1/24/201
Wrightsville	GA	274,254	509,328	None	None	274,254	509,328	783,582	61,968	12/14/20
Wrightsville	GA	166,239	868,552	None	None	166,239	868,552	1,034,791	68,037	1/24/201
Des Moines	IA	455,336	845,625	None	None	455,336	845,625	1,300,961	119,797	6/1/2012
Des Moines	IA	214,167	842,533	None	None	214,167	842,533	1,056,700	80,041	8/22/201
Mason City	IA	242,135	449,678	None	None	242,135	449,678	691,813	63,704	6/1/2012
Montrose	IA	307,533	999,483	None	None	307,533	999,483	1,307,016	118,272	1/22/201
Waterloo	IA	366,422	1,190,872	None	None	366,422	1,190,872	1,557,294	140,920	1/22/201
Calumet										
City	IL	561,828	1,043,394	None	None	561,828	1,043,394	1,605,222	147,814	6/1/2012
Catlin	IL	373,096	1,212,561	None	None	373,096	1,212,561	1,585,657	143,486	1/22/201
Cerro Gordo	IL	312,718	1,016,334	None	None	312,718	1,016,334	1,329,052	120,266	1/22/201

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Columbia	IL	383,895	1,247,660	None	None	383,895	1,247,660	1,631,555	147,640		1/22/20	
Dwight	IL	355,224	659,701	None	None	355,224	659,701	1,014,925	80,264		12/14/20	
East Saint Louis	IL	564,367	1,048,111	None	None	564,367	1,048,111	1,612,478	127,520		12/14/20	
Farina	IL	161,831	1,078,428	None	None	161,831	1,078,428	1,240,259	84,477		1/24/20	
Galesburg	IL	325,959	605,353	None	None	325,959	605,353	931,312	85,758		6/1/20	
Gillespie	IL	540,251	346,508	1,126,153	None	None	346,508	1,126,153	1,472,661	133,261	1/22/20	
Goreville	IL	175,538	690,566	None	None	175,538	690,566	866,104	63,302		9/13/20	
Harvey	IL	356,530	662,127	None	None	356,530	662,127	1,018,657	80,559		12/14/20	
Joliet	IL	396,961	737,212	None	None	396,961	737,212	1,134,173	89,694		12/14/20	
La Salle	IL	457,726	1,487,609	None	None	457,726	1,487,609	1,945,335	176,034		1/22/20	
Marseilles	IL	596,849	364,551	1,184,791	None	None	364,551	1,184,791	1,549,342	140,200	1/22/20	
Metropolis	IL	522,911	971,120	None	None	522,911	971,120	1,494,031	118,153		12/14/20	
Mount Zion	IL	612,285	344,938	1,121,050	None	None	344,938	1,121,050	1,465,988	132,658	1/22/20	
Peoria	IL	378,198	702,367	None	None	378,198	702,367	1,080,565	99,502		6/1/20	
Quincy	IL	351,325	869,798	None	None	351,325	869,798	1,221,123	68,134		1/24/20	
Virden	IL	546,679	1,015,261	None	None	546,679	1,015,261	1,561,940	123,523		12/14/20	
Anderson	IN	634,963	1,179,216	None	None	634,963	1,179,216	1,814,179	143,471		12/14/20	
Anderson	IN	335,312	830,155	None	None	335,312	830,155	1,165,467	65,029		1/24/20	
Indianapolis	IN	454,789	844,607	None	None	454,789	844,607	1,299,396	119,653		6/1/20	
Muncie	IN	347,731	860,902	None	None	347,731	860,902	1,208,633	67,437		1/24/20	
Muncie	IN	327,861	811,707	None	None	327,861	811,707	1,139,568	63,584		1/24/20	
New Albany	IN	437,343	812,209	None	None	437,343	812,209	1,249,552	98,819		12/14/20	
New Carlisle	IN	210,347	1,099,005	None	None	210,347	1,099,005	1,309,352	86,089		1/24/20	
Oxford	IN	60,000	940,000	None	None	60,000	940,000	1,000,000	73,633		1/24/20	
Parker City	IN	266,530	494,983	None	None	266,530	494,983	761,513	70,123		6/1/20	
Rockport	IN	203,782	378,451	None	None	203,782	378,451	582,233	46,045		12/14/20	
South Bend	IN	507,845	943,140	None	None	507,845	943,140	1,450,985	114,749		12/14/20	
Arma	KS	170,875	793,860	None	None	170,875	793,860	964,735	107,171		8/30/20	
Basehor	KS	171,627	872,548	None	None	171,627	872,548	1,044,175	117,794		8/30/20	
Burlington	KS	173,930	806,439	None	None	173,930	806,439	980,369	108,869		8/30/20	
Cheney	KS	161,300	770,354	None	None	161,300	770,354	931,654	103,998		8/30/20	
Cherryvale	KS	90,248	811,836	None	None	90,248	811,836	902,084	109,598		8/30/20	
Coffeyville	KS	519,254	964,328	None	None	519,254	964,328	1,483,582	117,327		12/14/20	
Edwardsville	KS	161,785	906,004	None	None	161,785	906,004	1,067,789	122,310		8/30/20	
Elkhart	KS	119,882	848,233	None	None	119,882	848,233	968,115	114,511		8/30/20	
Elwood	KS	273,826	677,929	None	None	273,826	677,929	951,755	53,104		1/24/20	
Fort Scott	KS	486,062	752,183	None	None	486,062	752,183	1,238,245	96,530		10/31/20	
Fredonia	KS	412,134	637,779	None	None	412,134	637,779	1,049,913	81,848		10/31/20	
Galena	KS	419,578	649,300	None	None	419,578	649,300	1,068,878	83,327		10/31/20	
Girard	KS	129,389	862,237	None	None	129,389	862,237	991,626	67,542		1/24/20	
Great Bend	KS	190,000	887,599	None	None	190,000	887,599	1,077,599	1,479		12/15/20	
Herington	KS	210,000	911,321	None	None	210,000	911,321	1,121,321	1,519		12/15/20	
Horton	KS	101,571	844,142	None	None	101,571	844,142	945,713	113,959		8/30/20	
Hoxie	KS	393,962	609,658	None	None	393,962	609,658	1,003,620	78,239		10/31/20	



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Independence	KS	370,000	671,122	None	None	370,000	671,122	1,041,122	86,127	10/31/2
Kansas City	KS	577,037	1,071,640	None	None	577,037	1,071,640	1,648,677	151,816	6/1/20
Kansas City	KS	140,147	922,934	None	None	140,147	922,934	1,063,081	124,596	8/30/20
Kansas City	KS	147,689	581,011	None	None	147,689	581,011	728,700	55,196	8/22/20
Lawrence	KS	236,948	965,247	None	None	236,948	965,247	1,202,195	130,308	8/30/20
Leavenworth	KS	430,140	665,644	None	None	430,140	665,644	1,095,784	85,424	10/31/2
Liberal	KS	394,833	611,006	None	None	394,833	611,006	1,005,839	78,412	10/31/2
Lyndon	KS	100,642	822,510	None	None	100,642	822,510	923,152	111,039	8/30/20
Neodesha	KS	124,388	867,203	None	None	124,388	867,203	991,591	117,072	8/30/20
Newton	KS	110,986	873,540	None	None	110,986	873,540	984,526	117,928	8/30/20
Norton	KS	142,749	951,265	None	None	142,749	951,265	1,094,014	74,516	1/24/20
Oskaloosa	KS	152,298	1,014,896	None	None	152,298	1,014,896	1,167,194	79,500	1/24/20
Phillipsburg	KS	146,172	974,073	None	None	146,172	974,073	1,120,245	76,302	1/24/20
Salina	KS	194,508	889,894	None	None	194,508	889,894	1,084,402	120,136	8/30/20
Topeka	KS	395,822	612,536	None	None	395,822	612,536	1,008,358	78,609	10/31/2
Wakeeney	KS	124,960	832,723	None	None	124,960	832,723	957,683	65,230	1/24/20
Washington	KS	81,586	828,885	None	None	81,586	828,885	910,471	111,900	8/30/20
Wichita	KS	533,216	825,154	None	None	533,216	825,154	1,358,370	105,895	10/31/2
Wichita	KS	530,000	901,373	None	None	530,000	901,373	1,431,373	115,676	10/31/2
Wichita	KS	625,585	968,095	None	None	625,585	968,095	1,593,680	124,239	10/31/2
Wichita	KS	541,521	838,007	None	None	541,521	838,007	1,379,528	107,544	10/31/2
Wichita	KS	498,745	771,810	None	None	498,745	771,810	1,270,555	99,049	10/31/2
Benton	KY	132,553	883,318	None	None	132,553	883,318	1,015,871	69,193	1/24/20
Bronston	KY	297,256	966,082	None	None	297,256	966,082	1,263,338	114,320	1/22/20
Corydon	KY	161,985	766,073	None	None	161,985	766,073	928,058	60,009	1/24/20
Dayton	KY	141,508	508,446	None	None	141,508	508,446	649,954	4,639	10/9/20
Dorton	KY	283,556	921,558	None	None	283,556	921,558	1,205,114	109,051	1/22/20
Fordsville	KY	130,000	785,971	None	None	130,000	785,971	915,971	61,568	1/24/20
Ledbetter	KY	100,000	771,540	None	None	100,000	771,540	871,540	60,437	1/24/20
Louisville	KY	499,759	928,124	None	None	499,759	928,124	1,427,883	112,922	12/14/2
Louisville	KY	265,221	1,043,379	None	None	265,221	1,043,379	1,308,600	99,121	8/22/20
Louisville	KY	251,195	988,205	None	None	251,195	988,205	1,239,400	93,879	8/22/20
Louisville	KY	456,605	1,297,257	None	None	456,605	1,297,257	1,753,862	114,591	10/11/2
Louisville	KY	409,904	1,164,574	None	None	409,904	1,164,574	1,574,478	75,697	5/28/20
Mount Vernon	KY	470,619	874,008	None	None	470,619	874,008	1,344,627	106,338	12/14/2
Paducah	KY	200,750	789,750	None	None	200,750	789,750	990,500	75,026	8/22/20
Prestonsburg	KY	223,906	1,082,554	None	None	223,906	1,082,554	1,306,460	95,626	10/11/2
Providence	KY	199,919	786,481	None	None	199,919	786,481	986,400	74,716	8/22/20
Radcliff	KY	280,806	1,104,694	None	None	280,806	1,104,694	1,385,500	104,946	8/22/20
Sacramento	KY	113,547	756,668	None	None	113,547	756,668	870,215	59,272	1/24/20
Somerset	KY	456,467	847,725	None	None	456,467	847,725	1,304,192	120,094	6/1/20
Somerset	KY	330,419	818,041	None	None	330,419	818,041	1,148,460	64,080	1/24/20
Wingo	KY	106,789	711,629	None	None	106,789	711,629	818,418	55,744	1/24/20
Abbeville	LA	386,990	1,257,716	None	None	386,990	1,257,716	1,644,706	148,830	1/22/20
Bastrop	LA	179,126	935,881	None	None	179,126	935,881	1,115,007	73,311	1/24/20
Baton Rouge	LA	563,114	1,045,783	None	None	563,114	1,045,783	1,608,897	148,153	6/1/20
Baton Rouge	LA	433,213	804,539	None	None	433,213	804,539	1,237,752	97,886	12/14/2
Baton Rouge	LA	279,327	1,098,873	None	None	279,327	1,098,873	1,378,200	104,393	8/22/20
Baton Rouge	LA	188,485	535,504	22,133	None	188,485	557,637	746,122	46,976	12/20/20
Baton Rouge	LA	342,664	848,357	None	None	342,664	848,357	1,191,021	66,455	1/24/20
Baton Rouge	LA	422,535	1,046,098	None	None	422,535	1,046,098	1,468,633	81,944	1/24/20
Blanchard	LA	177,898	860,109	38,083	None	177,898	898,192	1,076,090	75,926	12/20/2
Colfax	LA	148,313	583,465	None	None	148,313	583,465	731,778	55,429	8/21/20
Deridder	LA	250,446	985,254	None	None	250,446	985,254	1,235,700	93,599	8/22/20
Dixie Inn	LA	318,870	592,187	None	None	318,870	592,187	911,057	72,049	12/14/2
Duson	LA	355,640	1,155,831	None	None	355,640	1,155,831	1,511,471	136,773	1/22/20
Florien	LA	323,203	1,050,409	None	None	323,203	1,050,409	1,373,612	124,298	1/22/20
Franklinton	LA	150,109	1,000,309	None	None	150,109	1,000,309	1,150,418	78,358	1/24/20
Geismar	LA	489,660	909,368	None	None	489,660	909,368	1,399,028	110,640	12/14/2
Gretna	LA	880,000	839,022	None	None	880,000	839,022	1,719,022	65,723	1/24/20
Hammond	LA	417,284	774,955	None	None	417,284	774,955	1,192,239	109,785	6/1/20
Lafayette	LA	402,767	1,308,994	None	None	402,767	1,308,994	1,711,761	154,898	1/22/20
Lafayette	LA	262,452	745,651	19,188	None	262,452	764,839	1,027,291	64,250	12/20/2
Lafitte	LA	259,861	1,228,959	None	None	259,861	1,228,959	1,488,820	96,268	1/24/20
Logansport	LA	494,202	917,805	None	None	494,202	917,805	1,412,007	111,666	12/14/2
Many	LA	199,395	1,041,784	None	None	199,395	1,041,784	1,241,179	81,606	1/24/20
Melville	LA	367,000	1,192,748	None	None	367,000	1,192,748	1,559,748	141,142	1/22/20



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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Fees	Total			
Minden LA		339,679	630,832	None	None	339,679	630,832	970,511	89,368		6/1/20
Monroe LA		667,232	1,073,926	None	None	667,232	1,073,926	1,741,158	10,366		10/9/20
Moreauville LA		186,423	974,008	None	None	186,423	974,008	1,160,431	76,297		1/24/20
Morse LA		352,771	1,146,506	None	None	352,771	1,146,506	1,499,277	135,670		1/22/20
Natchitoches LA		250,162	984,138	None	None	250,162	984,138	1,234,300	93,493		8/22/20
Opelousas LA		350,277	1,138,401	None	None	350,277	1,138,401	1,488,678	134,711		1/22/20
Opelousas LA		365,368	1,187,446	None	None	365,368	1,187,446	1,552,814	140,514		1/22/20
Port Vincent LA		398,039	1,293,627	None	None	398,039	1,293,627	1,691,666	153,079		1/22/20
Robeline LA		329,964	1,072,382	None	None	329,964	1,072,382	1,402,346	126,899		1/22/20
Saint Bernard LA		447,884	831,784	None	None	447,884	831,784	1,279,668	117,836		6/1/20
Shreveport LA		605,336	1,124,196	None	None	605,336	1,124,196	1,729,532	159,261		6/1/20
Shreveport LA		719,595	1,336,390	None	None	719,595	1,336,390	2,055,985	162,594		12/14/20
Sibley LA		180,316	942,101	None	None	180,316	942,101	1,122,417	73,798		1/24/20
Tallulah LA		287,313	473,108	None	None	287,313	473,108	760,421	4,447		10/9/20
Violet LA		342,764	848,603	None	None	342,764	848,603	1,191,367	66,474		1/24/20
West Monroe LA		362,591	1,178,420	None	None	362,591	1,178,420	1,541,011	139,446		1/22/20
West Monroe LA		262,241	1,031,659	None	None	262,241	1,031,659	1,293,900	98,008		8/22/20
West Monroe LA		160,000	755,108	None	None	160,000	755,108	915,108	59,150		1/24/20
Pittsfield MA		165,324	1,489,846	None	None	165,324	1,489,846	1,655,170	2,483		12/15/20
Alanson MI		314,390	1,021,767	5,337	None	314,390	1,027,104	1,341,494	120,942		1/22/20
Bangor MI		513,772	954,149	None	None	513,772	954,149	1,467,921	135,171		6/1/20
Battle Creek MI		438,869	815,042	None	None	438,869	815,042	1,253,911	115,464		6/1/20
Beaverton MI		242,135	449,678	None	None	242,135	449,678	691,813	63,704		6/1/20
Brockway MI		248,856	462,160	None	None	248,856	462,160	711,016	65,473		6/1/20
Buckley MI		296,289	962,940	None	None	296,289	962,940	1,259,229	113,948		1/22/20
Clinton MI		326,088	1,059,786	None	None	326,088	1,059,786	1,385,874	125,408		1/22/20
Copemish MI		292,975	952,167	None	None	292,975	952,167	1,245,142	112,673		1/22/20
Croswell MI		387,461	719,571	None	None	387,461	719,571	1,107,032	101,939		6/1/20
Dearborn MI		522,650	970,637	None	None	522,650	970,637	1,493,287	137,507		6/1/20
Detroit MI		264,876	860,847	5,054	None	264,876	865,901	1,130,777	103,829		1/22/20
Farmington MI		325,172	1,279,228	None	None	325,172	1,279,228	1,604,400	121,527		8/22/20
Flat Rock MI		264,268	1,039,632	None	None	264,268	1,039,632	1,303,900	98,765		8/22/20
Flint MI		510,751	948,537	None	None	510,751	948,537	1,459,288	134,376		6/1/20
Gladwin MI		265,925	864,258	None	None	265,925	864,258	1,130,183	102,270		1/22/20
Grand Rapids MI		526,567	977,911	None	None	526,567	977,911	1,504,478	118,979		12/14/20
Grand Rapids MI		225,609	363,123	None	None	225,609	363,123	588,732	3,505		10/9/20
Jackson MI		473,329	879,039	None	None	473,329	879,039	1,352,368	124,531		6/1/20
Jackson MI		592,388	1,100,149	None	None	592,388	1,100,149	1,692,537	133,851		12/14/20
Litchfield MI		314,519	1,022,185	None	None	314,519	1,022,185	1,336,704	120,959		1/22/20

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Mancelona	MI	294,344	956,617	None	None	294,344	956,617	1,250,961	113,200	1/22/20
Marion	MI	354,869	659,042	None	None	354,869	659,042	1,013,911	80,183	12/14/20
Muskegon	MI	318,001	1,033,502	None	None	318,001	1,033,502	1,351,503	122,298	1/22/20
New										
Baltimore	MI	237,040	932,516	None	None	237,040	932,516	1,169,556	94,806	6/25/20
Onaway	MI	510,098	947,326	None	None	510,098	947,326	1,457,424	115,258	12/14/20
Pinckney	MI	305,815	993,898	None	None	305,815	993,898	1,299,713	117,611	1/22/20
Romulus	MI	578,474	1,074,310	None	None	578,474	1,074,310	1,652,784	152,194	6/1/20
Sheridan	MI	307,737	1,000,144	None	None	307,737	1,000,144	1,307,881	118,350	1/22/20
Spring Arbor	MI	325,553	1,058,048	None	None	325,553	1,058,048	1,383,601	125,202	1/22/20
St John s	MI	324,325	1,054,055	None	None	324,325	1,054,055	1,378,380	124,730	1/22/20
Tekonsha	MI	269,258	875,089	None	None	269,258	875,089	1,144,347	103,552	1/22/20
Wellston	MI	270,942	880,562	None	None	270,942	880,562	1,151,504	104,200	1/22/20
Advance	MO	327,985	1,065,951	None	None	327,985	1,065,951	1,393,936	126,138	1/22/20
Bonne Terre	MO	254,437	826,921	None	None	254,437	826,921	1,081,358	97,852	1/22/20
Buckner	MO	188,702	985,916	None	None	188,702	985,916	1,174,618	77,230	1/24/20
Cole Camp	MO	296,537	963,746	None	None	296,537	963,746	1,260,283	114,043	1/22/20
Crocker	MO	139,188	927,532	None	None	139,188	927,532	1,066,720	72,657	1/24/20
Garden City	MO	139,163	927,369	None	None	139,163	927,369	1,066,532	72,644	1/24/20
Jackson	MO	396,040	1,287,131	None	None	396,040	1,287,131	1,683,171	152,310	1/22/20
Jackson	MO	201,264	791,776	None	None	201,264	791,776	993,040	72,579	9/13/20
Kansas City	MO	443,895	824,377	None	None	443,895	824,377	1,268,272	116,787	6/1/20
Kansas City	MO	557,439	1,035,244	None	None	557,439	1,035,244	1,592,683	146,660	6/1/20
Kansas City	MO	414,347	641,204	None	None	414,347	641,204	1,055,551	82,288	10/31/20
Kansas City	MO	277,016	995,336	None	None	277,016	995,336	1,272,352	9,082	10/9/20
Louisiana	MO	186,741	734,640	None	None	186,741	734,640	921,381	74,688	6/28/20
Mansfield	MO	152,932	1,019,125	None	None	152,932	1,019,125	1,172,057	79,831	1/24/20
Oronogo	MO	327,756	1,065,207	None	None	327,756	1,065,207	1,392,963	126,049	1/22/20
Queen City	MO	309,915	1,007,222	None	None	309,915	1,007,222	1,317,137	119,188	1/22/20
Richland	MO	137,522	916,435	None	None	137,522	916,435	1,053,957	71,787	1/24/20
Rolla	MO	340,000	899,367	None	None	340,000	899,367	1,239,367	70,450	1/24/20
Russellville	MO	122,033	813,218	None	None	122,033	813,218	935,251	63,702	1/24/20
Sikeston	MO	409,114	2,005,416	None	2,579	409,114	2,007,995	2,417,109	1,120,231	1/24/20
St. Louis	MO	647,256	1,202,046	None	None	647,256	1,202,046	1,849,302	170,290	6/1/20
Unionville	MO	324,616	1,055,004	None	None	324,616	1,055,004	1,379,620	124,842	1/22/20
Amory	MS	191,439	1,000,215	None	None	191,439	1,000,215	1,191,654	78,350	1/24/20
Belzoni	MS	222,063	873,597	None	None	222,063	873,597	1,095,660	85,904	7/24/20
Brookhaven	MS	198,152	779,533	None	None	198,152	779,533	977,685	71,457	9/30/20
Brooksville	MS	114,899	765,676	None	None	114,899	765,676	880,575	59,978	1/24/20
Canton	MS	960,000	2,510,516	None	None	960,000	2,510,516	3,470,516	196,657	1/31/20
Coldwater	MS	169,202	884,035	None	None	169,202	884,035	1,053,237	69,249	1/24/20
Crenshaw	MS	129,543	863,263	None	None	129,543	863,263	992,806	67,622	1/24/20
Durant	MS	259,403	1,020,492	None	None	259,403	1,020,492	1,279,895	103,750	6/26/20
Fayette	MS	120,531	803,210	None	None	120,531	803,210	923,741	62,918	1/24/20
Fulton	MS	192,188	1,004,128	None	None	192,188	1,004,128	1,196,316	78,657	1/24/20
Hickory Flat	MS	132,720	884,431	None	None	132,720	884,431	1,017,151	69,280	1/24/20
Horn Lake	MS	369,539	914,893	None	None	369,539	914,893	1,284,432	71,667	1/24/20
Iuka	MS	161,047	841,427	None	None	161,047	841,427	1,002,474	65,912	1/24/20
Jackson	MS	465,674	864,824	None	None	465,674	864,824	1,330,498	122,517	6/1/20
Jackson	MS	668,518	1,241,534	None	None	668,518	1,241,534	1,910,052	175,884	6/1/20
Jackson	MS	219,884	865,026	None	None	219,884	865,026	1,084,910	87,944	6/6/20
Jackson	MS	234,313	921,789	None	None	234,313	921,789	1,156,102	93,715	6/26/20
Jackson	MS	218,911	861,196	None	None	218,911	861,196	1,080,107	81,814	8/22/20
Jackson	MS	220,000	807,338	None	None	220,000	807,338	1,027,338	63,241	1/24/20
Jackson	MS	288,120	713,319	None	None	288,120	713,319	1,001,439	55,877	1/24/20
Jackson	MS	273,913	678,145	None	None	273,913	678,145	952,058	53,121	1/24/20
Kossuth	MS	280,000	725,755	None	None	280,000	725,755	1,005,755	56,851	1/24/20
Lauderdale	MS	141,934	945,836	None	None	141,934	945,836	1,087,770	74,090	1/24/20
Liberty	MS	432,170	802,601	None	None	432,170	802,601	1,234,771	113,702	6/1/20
Lucedale	MS	185,603	730,164	None	None	185,603	730,164	915,767	74,233	6/26/20
Moselle	MS	119,405	795,703	None	None	119,405	795,703	915,108	62,330	1/24/20
Moss Point	MS	205,776	809,525	None	None	205,776	809,525	1,015,301	82,302	6/26/20
Myrtle	MS	112,646	750,663	None	None	112,646	750,663	863,309	58,802	1/24/20
Oakland	MS	143,737	957,846	None	None	143,737	957,846	1,101,583	75,031	1/24/20
Okolona	MS	170,244	1,134,490	None	None	170,244	1,134,490	1,304,734	88,868	1/24/20
Picayune	MS	203,708	801,388	None	None	203,708	801,388	1,005,096	81,474	6/26/20
Pope	MS	170,478	890,701	None	None	170,478	890,701	1,061,179	69,772	1/24/20
Shaw	MS	121,095	806,963	None	None	121,095	806,963	928,058	63,212	1/24/20
Southaven	MS	284,495	1,119,205	None	None	284,495	1,119,205	1,403,700	106,324	8/22/20
Starkville	MS	170,000	745,108	None	None	170,000	745,108	915,108	58,367	1/24/20

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Thaxton	MS	122,784	818,223	None	None	122,784	818,223	941,007	64,094	1/24/20
Tunica	MS	166,859	656,426	7,725	None	166,859	664,151	831,010	60,253	9/13/20
Tupelo	MS	350,960	868,896	None	None	350,960	868,896	1,219,856	68,064	1/24/20

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Buildings, Improvements and	to Acquisition	Carrying Costs	Land	Acquisition Fees	Total			
Vicksburg MS		577,491	1,072,483	None	None	577,491	1,072,483	1,649,974	151,935		6/1/20		
Waynesboro MS		126,164	840,743	None	None	126,164	840,743	966,907	65,858		1/24/20		
Benson NC		880,000	1,245,899	None	None	880,000	1,245,899	2,125,899	97,595		1/24/20		
Bridgeton NC		266,399	756,863	14,675	None	266,399	771,538	1,037,937	62,299		12/20/20		
Burgaw NC		239,304	1,250,293	None	None	239,304	1,250,293	1,489,597	97,940		1/24/20		
Candler NC		650,000	2,637,579	None	None	650,000	2,637,579	3,287,579	206,610		1/31/20		
Candor NC		203,498	800,561	None	None	203,498	800,561	1,004,059	73,385		9/6/20		
Charlotte NC		404,476	1,149,152	None	None	404,476	1,149,152	1,553,628	74,695		5/8/20		
Chocowinity NC		225,493	920,001	None	None	225,493	920,001	1,145,494	99,667		4/4/20		
Dublin NC		130,369	681,142	None	None	130,369	681,142	811,511	53,356		1/24/20		
Durham NC		442,367	821,540	None	None	442,367	821,540	1,263,907	99,954		12/14/20		
Engelhard NC		107,915	719,135	None	None	107,915	719,135	827,050	56,332		1/24/20		
Erwin NC		132,370	639,988	6,335	None	132,370	646,323	778,693	52,494		12/20/20		
Fairmont NC		163,886	856,258	None	None	163,886	856,258	1,020,144	67,074		1/24/20		
Gibonsville NC		196,942	774,770	None	None	196,942	774,770	971,712	71,021		9/10/20		
Greensboro NC		325,349	1,279,926	None	None	325,349	1,279,926	1,605,275	121,593		8/8/20		
Greensboro NC		282,204	801,768	None	None	282,204	801,768	1,083,972	57,460		3/27/20		
Greenville NC		516,944	1,279,833	None	None	516,944	1,279,833	1,796,777	100,254		1/24/20		
Henderson NC		428,455	1,060,754	None	None	428,455	1,060,754	1,489,209	83,092		1/24/20		
Hertford NC		213,160	1,030,599	None	None	213,160	1,030,599	1,243,759	80,730		1/31/20		
Hudson NC		222,436	875,064	None	None	222,436	875,064	1,097,500	83,131		8/22/20		
Kannapolis NC		351,788	870,946	None	None	351,788	870,946	1,222,734	68,224		1/24/20		
Kings Mountain NC		492,867	915,324	None	None	492,867	915,324	1,408,191	111,364		12/14/20		
Kinston NC		261,745	1,029,709	None	None	261,745	1,029,709	1,291,454	104,687		6/11/20		
Lexington NC		242,683	954,717	None	None	242,683	954,717	1,197,400	90,698		8/22/20		
Lincolnton NC		343,797	638,479	None	None	343,797	638,479	982,276	77,682		12/14/20		
Lumberton NC		459,702	853,731	None	None	459,702	853,731	1,313,433	103,871		12/14/20		
Marion NC		475,680	883,406	None	None	475,680	883,406	1,359,086	107,481		12/14/20		
Morganton NC		197,304	776,196	None	None	197,304	776,196	973,500	73,739		8/22/20		
Mount Airy NC		336,314	832,635	None	None	336,314	832,635	1,168,949	65,223		1/24/20		
North Wilkesboro NC		147,567	770,994	None	None	147,567	770,994	918,561	60,395		1/24/20		
Rocky Mount NC		218,842	860,925	None	None	218,842	860,925	1,079,767	78,918		9/19/20		
Snow Hill NC		224,094	914,294	None	None	224,094	914,294	1,138,388	99,049		4/4/20		
Spring Hope NC		226,533	1,183,568	None	None	226,533	1,183,568	1,410,101	92,713		1/24/20		
Stantonsburg NC		173,832	1,158,398	None	None	173,832	1,158,398	1,332,230	90,741		1/24/20		
Statesville NC		166,429	869,543	None	None	166,429	869,543	1,035,972	68,114		1/24/20		
Taylorsville NC		336,401	624,744	None	None	336,401	624,744	961,145	76,011		12/14/20		
Taylorsville NC		222,473	875,210	None	None	222,473	875,210	1,097,683	86,062		7/3/20		
Winterville NC		250,429	465,082	None	None	250,429	465,082	715,511	65,887		6/1/20		
Holdrege NE		216,987	1,049,100	None	None	216,987	1,049,100	1,266,087	89,174		11/15/20		
Lexington NE		370,620	688,294	None	None	370,620	688,294	1,058,914	83,742		12/14/20		
Loup City NE		110,000	1,011,762	None	None	110,000	1,011,762	1,121,762	1,686		12/15/20		
Minden NE		310,000	924,792	None	None	310,000	924,792	1,234,792	1,541		12/15/20		

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Nebraska City	NE	190,852	354,439	None	None	190,852	354,439	545,291	43,123	12/14/2
Norfolk	NE	222,044	873,523	None	None	222,044	873,523	1,095,567	80,073	9/25/2
Pierce	NE	160,000	1,038,132	None	None	160,000	1,038,132	1,198,132	1,730	12/15/2
Red Cloud	NE	160,000	961,006	None	None	160,000	961,006	1,121,006	1,602	12/15/2
South Sioux City	NE	290,379	539,274	None	None	290,379	539,274	829,653	76,397	6/1/20
Valentine	NE	146,625	1,068,632	None	None	146,625	1,068,632	1,215,257	90,834	11/15/2
Manchester	NH	457,288	849,249	None	None	457,288	849,249	1,306,537	103,325	12/14/2
Walpole	NH	477,671	887,103	None	None	477,671	887,103	1,364,774	107,931	12/14/2
Malaga	NJ	513,159	953,010	None	None	513,159	953,010	1,466,169	115,950	12/14/2
Penns Grove	NJ	416,842	1,639,858	None	None	416,842	1,639,858	2,056,700	155,787	8/22/2
Albuquerque	NM	281,887	523,504	None	None	281,887	523,504	805,391	74,163	6/1/20
Albuquerque	NM	395,457	1,123,530	None	None	395,457	1,123,530	1,518,987	80,520	3/14/23
Albuquerque	NM	470,559	1,343,072	None	None	470,559	1,343,072	1,813,631	64,915	10/6/20
Belen	NM	195,662	1,022,280	None	None	195,662	1,022,280	1,217,942	80,079	1/24/2
Bloomfield	NM	458,086	850,732	None	None	458,086	850,732	1,308,818	120,520	6/1/20
Chama	NM	392,836	729,552	None	None	392,836	729,552	1,122,388	88,762	12/14/2
Clovis	NM	194,637	765,705	None	None	194,637	765,705	960,342	77,847	6/21/2
Cuba	NM	543,339	1,009,059	None	None	543,339	1,009,059	1,552,398	142,950	6/1/20
Kirtland	NM	688,532	1,278,703	None	None	688,532	1,278,703	1,967,235	181,150	6/1/20
Las Cruces	NM	331,422	615,497	None	None	331,422	615,497	946,919	87,195	6/1/20
Los Lunas	NM	505,257	938,335	None	None	505,257	938,335	1,443,592	132,931	6/1/20
Roswell	NM	334,874	829,069	None	None	334,874	829,069	1,163,943	64,944	1/24/2
Tularosa	NM	233,037	432,782	None	None	233,037	432,782	665,819	52,655	12/14/2
Tularosa	NM	192,325	1,004,841	None	None	192,325	1,004,841	1,197,166	78,713	1/24/2
Vanderwagon	NM	667,383	1,239,426	None	None	667,383	1,239,426	1,906,809	175,585	6/1/20
Mesquite	NV	225,609	418,988	None	None	225,609	418,988	644,597	59,357	6/1/20
Mesquite	NV	231,028	1,116,987	None	None	231,028	1,116,987	1,348,015	91,221	12/10/2
Sun Valley	NV	364,207	1,432,793	None	None	364,207	1,432,793	1,797,000	136,115	8/22/2
Bath	NY	145,625	760,850	None	None	145,625	760,850	906,475	59,600	1/24/2
Binghamton	NY	256,309	728,197	None	None	256,309	728,197	984,506	44,905	6/30/2
Buffalo	NY	356,992	1,014,248	None	None	356,992	1,014,248	1,371,240	79,449	1/31/2
Chaumont	NY	137,438	915,872	None	None	137,438	915,872	1,053,310	71,743	1/24/2
Falconer	NY	541,451	1,340,506	None	None	541,451	1,340,506	1,881,957	105,006	1/24/2
Gouverneur	NY	485,614	901,855	None	None	485,614	901,855	1,387,469	109,726	12/14/2
Gowanda	NY	503,722	935,484	None	None	503,722	935,484	1,439,206	132,527	6/1/20
Malone	NY	119,467	577,603	1,863	None	119,467	579,466	698,933	47,307	12/20/2
Rochester	NY	307,714	890,061	9,145	None	307,714	899,206	1,206,920	8,753	10/9/20
Schenectady	NY	468,077	869,287	None	None	468,077	869,287	1,337,364	105,763	12/14/2
Schroon Lake	NY	106,612	777,013	None	None	106,612	777,013	883,625	63,456	12/20/2
Syracuse	NY	376,119	619,343	None	None	376,119	619,343	995,462	5,821	10/9/2
Andover	OH	469,209	871,388	None	None	469,209	871,388	1,340,597	106,019	12/14/2
Arcanum	OH	300,000	1,051,000	None	None	300,000	1,051,000	1,351,000	1,752	12/15/2
Bettsville	OH	60,000	1,088,013	None	None	60,000	1,088,013	1,148,013	1,813	12/15/2
Blanchester	OH	359,899	668,383	None	None	359,899	668,383	1,028,282	81,320	12/14/2
Bradford	OH	172,945	836,166	None	None	172,945	836,166	1,009,111	73,861	10/22/2
Bremen	OH	354,866	1,153,316	None	None	354,866	1,153,316	1,508,182	136,476	1/22/2
Cardington	OH	364,843	1,185,739	None	None	364,843	1,185,739	1,550,582	140,312	1/22/2
Chillicothe	OH	322,923	1,049,499	17,350	None	322,923	1,066,849	1,389,772	130,978	1/22/2
Cincinnati	OH	263,944	1,038,356	None	None	263,944	1,038,356	1,302,300	98,644	8/22/2
Columbus	OH	574,968	1,067,799	None	None	574,968	1,067,799	1,642,767	151,271	6/1/20
Columbus	OH	359,083	666,868	None	None	359,083	666,868	1,025,951	94,473	6/1/20
Columbus	OH	361,678	895,430	None	None	361,678	895,430	1,257,108	70,142	1/24/2
Conneaut	OH	166,644	805,700	None	None	166,644	805,700	972,344	71,170	10/22/2
Dayton	OH	315,477	1,025,302	None	None	315,477	1,025,302	1,340,779	121,327	1/22/2
Elyria	OH	251,256	988,444	None	None	251,256	988,444	1,239,700	93,902	8/22/2
Fairfield	OH	219,943	865,257	None	None	219,943	865,257	1,085,200	82,199	8/22/2
Fayette	OH	316,318	1,028,034	None	None	316,318	1,028,034	1,344,352	121,651	1/22/2
Findlay	OH	238,609	938,689	None	None	238,609	938,689	1,177,298	95,433	6/21/2
Fostoria	OH	262,910	1,034,290	None	None	262,910	1,034,290	1,297,200	98,258	8/22/2
Georgetown	OH	381,051	707,665	None	None	381,051	707,665	1,088,716	86,099	12/14/2
Grand Rapids	OH	80,000	1,072,480	None	None	80,000	1,072,480	1,152,480	1,787	12/15/2
Greenwich	OH	146,371	975,399	None	None	146,371	975,399	1,121,770	76,406	1/24/2
Howard	OH	169,394	885,037	None	None	169,394	885,037	1,054,431	69,328	1/24/2
Huber Heights	OH	230,867	908,233	None	None	230,867	908,233	1,139,100	86,282	8/22/2
Kenton	OH	400,787	744,320	None	None	400,787	744,320	1,145,107	105,445	6/1/20
Kingston	OH	373,121	1,212,643	None	None	373,121	1,212,643	1,585,764	143,496	1/22/2
Litchfield	OH	110,000	1,077,669	None	None	110,000	1,077,669	1,187,669	1,796	12/15/2
Lorain	OH	248,933	979,305	None	None	248,933	979,305	1,228,238	99,563	6/21/2





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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Manchester	OH	371,453	689,842	None	None	371,453	689,842	1,061,295	83,931		12/14/14		
Marengo	OH	213,500	839,910	None	None	213,500	839,910	1,053,410	76,992		9/26/14		
Mechanicsburg	OH	350,151	650,280	None	None	350,151	650,280	1,000,431	92,123		6/1/2014		
Nashport	OH	319,015	1,036,799	None	None	319,015	1,036,799	1,355,814	122,688		1/22/2014		
New Miami	OH	212,241	834,959	None	None	212,241	834,959	1,047,200	79,321		8/22/2014		
Niles	OH	143,213	1,290,585	None	None	143,213	1,290,585	1,433,798	2,151		12/15/14		
Oak Harbor	OH	373,483	1,213,820	None	None	373,483	1,213,820	1,587,303	143,635		1/22/2014		
Orwell	OH	293,628	545,309	None	None	293,628	545,309	838,937	77,252		6/1/2014		
Peebles	OH	436,054	809,815	None	None	436,054	809,815	1,245,869	98,527		12/14/14		
Perry	OH	70,000	1,126,327	None	None	70,000	1,126,327	1,196,327	1,877		12/15/14		
Racine	OH	183,196	957,149	None	None	183,196	957,149	1,140,345	74,977		1/24/2014		
Richwood	OH	157,044	1,046,524	None	None	157,044	1,046,524	1,203,568	81,978		1/24/2014		
Ripley	OH	359,515	667,671	None	None	359,515	667,671	1,027,186	94,587		6/1/2014		
Rockford	OH	117,012	852,812	None	None	117,012	852,812	969,824	72,489		11/15/14		
Seville	OH	335,945	1,091,822	None	None	335,945	1,091,822	1,427,767	129,199		1/22/2014		
Springfield	OH	246,216	968,616	None	None	246,216	968,616	1,214,832	98,476		6/21/2014		
Tarlton	OH	190,000	1,224,928	None	None	190,000	1,224,928	1,414,928	2,042		12/15/14		
Thornville	OH	285,644	928,344	17,943	None	285,644	946,287	1,231,931	115,282		1/22/2014		
Toronto	OH	356,055	1,011,585	None	None	356,055	1,011,585	1,367,640	82,613		12/17/14		
Trenton	OH	439,388	707,205	None	None	439,388	707,205	1,146,593	6,826		10/9/2014		
Warren	OH	505,805	939,353	None	None	505,805	939,353	1,445,158	133,075		6/1/2014		
West Carrollton	OH	152,451	1,373,835	None	None	152,451	1,373,835	1,526,286	2,290		12/15/14		
Withamsville	OH	276,510	1,087,790	None	None	276,510	1,087,790	1,364,300	103,340		8/22/2014		
Afton	OK	113,611	757,094	None	None	113,611	757,094	870,705	59,306		1/24/2014		
Antlers	OK	149,985	1,093,124	None	None	149,985	1,093,124	1,243,109	81,984		2/27/2014		
Ardmore	OK	347,932	646,160	None	None	347,932	646,160	994,092	91,539		6/1/2014		
Broken Arrow	OK	356,064	881,533	None	None	356,064	881,533	1,237,597	69,053		1/24/2014		
Claremore	OK	231,355	774,203	None	None	231,355	774,203	1,005,558	104,517		8/30/2014		
Clayton	OK	533,789	826,041	None	None	533,789	826,041	1,359,830	106,009		10/31/14		
Cleveland	OK	196,277	1,307,968	None	None	196,277	1,307,968	1,504,245	102,457		1/24/2014		
Collinsville	OK	289,014	715,532	None	None	289,014	715,532	1,004,546	56,050		1/24/2014		
Davis	OK	569,738	881,672	None	None	569,738	881,672	1,451,410	113,148		10/31/14		
Drumright	OK	169,840	315,418	None	None	169,840	315,418	485,258	38,376		12/14/14		
Duncan	OK	430,448	799,403	None	None	430,448	799,403	1,229,851	97,261		12/14/14		
Elgin	OK	194,959	942,597	None	None	194,959	942,597	1,137,556	80,121		11/15/14		
Eufaula	OK	195,573	769,386	None	None	195,573	769,386	964,959	75,656		7/9/2014		
Grove	OK	424,722	657,258	None	None	424,722	657,258	1,081,980	84,348		10/31/14		
Haskell	OK	228,333	424,047	None	None	228,333	424,047	652,380	60,073		6/1/2014		
Haskell	OK	270,000	829,885	None	None	270,000	829,885	1,099,885	65,008		1/24/2014		
Hollis	OK	61,713	880,041	None	None	61,713	880,041	941,754	118,806		8/30/2014		
Hulbert	OK	395,384	611,858	None	None	395,384	611,858	1,007,242	78,522		10/31/14		
Kansas	OK	398,387	616,506	None	None	398,387	616,506	1,014,893	79,118		10/31/14		
Kellyville	OK	422,292	653,499	None	None	422,292	653,499	1,075,791	83,866		10/31/14		
Konawa	OK	390,916	604,945	None	None	390,916	604,945	995,861	77,635		10/31/14		
Lawton	OK	445,994	690,178	None	None	445,994	690,178	1,136,172	88,573		10/31/14		

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Lexington	OK	128,927	673,606	None	None	128,927	673,606	802,533	52,766	1/24/20
Mooreland	OK	110,000	968,647	None	None	110,000	968,647	1,078,647	1,614	12/15/19
Newkirk	OK	100,999	673,045	None	None	100,999	673,045	774,044	52,722	1/24/20
Norman	OK	173,541	906,703	None	None	173,541	906,703	1,080,244	71,025	1/24/20
Oklahoma City	OK	400,000	678,788	None	None	400,000	678,788	1,078,788	87,111	10/31/19
Oklahoma City	OK	318,134	590,821	None	None	318,134	590,821	908,955	71,883	12/14/19
Shawnee	OK	288,016	534,887	None	None	288,016	534,887	822,903	75,776	6/1/20
Shawnee	OK	419,371	648,979	None	None	419,371	648,979	1,068,350	83,286	10/31/19
Shawnee	OK	246,641	610,625	None	None	246,641	610,625	857,266	47,832	1/24/20
Sperry	OK	157,888	824,918	None	None	157,888	824,918	982,806	64,619	1/24/20
Stratford	OK	392,814	607,881	None	None	392,814	607,881	1,000,695	78,011	10/31/19
Tulsa	OK	433,486	670,822	None	None	433,486	670,822	1,104,308	86,089	10/31/19
Tulsa	OK	312,846	774,535	None	None	312,846	774,535	1,087,381	60,672	1/24/20
Wilson	OK	89,538	814,202	None	None	89,538	814,202	903,740	109,917	8/30/19
Woodward	OK	221,150	802,563	None	None	221,150	802,563	1,023,713	108,346	8/30/19
Lemont										
Furnace	PA	298,795	848,903	None	None	298,795	848,903	1,147,698	63,668	2/27/20
Smithfield	PA	255,705	1,005,946	None	None	255,705	1,005,946	1,261,651	92,212	9/26/19
Somerset	PA	301,986	1,188,014	None	None	301,986	1,188,014	1,490,000	112,861	8/22/19
Cayce	SC	207,965	818,135	None	None	207,965	818,135	1,026,100	77,723	8/22/19
Denmark	SC	220,498	867,442	None	None	220,498	867,442	1,087,940	79,515	9/30/19
Florence	SC	190,573	777,528	None	None	190,573	777,528	968,101	84,232	4/23/20
Heath Springs	SC	158,107	826,065	None	None	158,107	826,065	984,172	64,708	1/24/20
Kingstree	SC	198,491	780,866	None	None	198,491	780,866	979,357	71,579	9/18/19
Longs	SC	239,632	1,252,008	None	None	239,632	1,252,008	1,491,640	98,074	1/24/20
Myrtle Beach	SC	268,056	497,817	None	None	268,056	497,817	765,873	60,568	12/14/19
N Myrtle Beach	SC	155,168	610,432	None	None	155,168	610,432	765,600	57,991	8/22/19
Newberry	SC	383,286	711,817	None	None	383,286	711,817	1,095,103	86,604	12/14/19
North										
Charleston	SC	254,479	1,001,121	None	None	254,479	1,001,121	1,255,600	95,107	8/22/19
Orangeburg	SC	60,000	691,079	None	None	60,000	691,079	751,079	54,135	1/24/20
Ridgeland	SC	375,699	1,349,908	None	None	375,699	1,349,908	1,725,607	12,317	10/9/19
Ridgeway	SC	126,727	844,496	None	None	126,727	844,496	971,223	66,152	1/24/20
Timmonsville	SC	209,841	856,141	None	None	209,841	856,141	1,065,982	92,749	4/23/20
Union	SC	225,174	885,835	None	None	225,174	885,835	1,111,009	81,202	9/30/19
Westminster	SC	350,000	987,266	None	None	350,000	987,266	1,337,266	77,336	1/24/20
Chamberlain	SD	588,809	969,571	None	None	588,809	969,571	1,558,380	9,113	10/9/19
Rapid City	SD	125,477	1,130,755	None	None	125,477	1,130,755	1,256,232	1,885	12/15/19
Adams	TN	121,868	812,117	None	None	121,868	812,117	933,985	63,616	1/24/20
Bethel Springs	TN	134,530	702,880	None	None	134,530	702,880	837,410	55,059	1/24/20
Bloomington										
Sprgs	TN	173,585	906,933	None	None	173,585	906,933	1,080,518	71,043	1/24/20
Caryville	TN	218,883	861,087	None	None	218,883	861,087	1,079,970	78,933	9/24/19
Celina	TN	157,341	1,048,501	None	None	157,341	1,048,501	1,205,842	82,133	1/24/20
Church Hill	TN	220,676	868,141	None	None	220,676	868,141	1,088,817	82,473	8/1/20
Cordova	TN	362,262	896,875	None	None	362,262	896,875	1,259,137	70,255	1/24/20
Covington	TN	192,392	1,005,191	None	None	192,392	1,005,191	1,197,583	78,740	1/24/20
Crossville	TN	224,273	882,294	None	None	224,273	882,294	1,106,567	80,877	9/24/19
Dresden	TN	169,202	884,035	None	None	169,202	884,035	1,053,237	69,249	1/24/20
Dyersburg	TN	138,691	724,619	None	None	138,691	724,619	863,310	56,762	1/24/20
Dyersburg	TN	134,528	702,868	None	None	134,528	702,868	837,396	55,058	1/24/20
Friendship	TN	129,543	863,263	None	None	129,543	863,263	992,806	67,622	1/24/20
Grand Junction	TN	119,405	795,703	None	None	119,405	795,703	915,108	62,330	1/24/20
Grimsley	TN	190,000	832,058	None	None	190,000	832,058	1,022,058	76,272	9/24/19
Halls	TN	224,485	1,172,868	None	None	224,485	1,172,868	1,397,353	91,875	1/24/20
Harriman	TN	260,000	975,515	None	None	260,000	975,515	1,235,515	73,164	2/5/20
Humboldt	TN	163,042	665,204	None	None	163,042	665,204	828,246	74,281	3/19/20
Madisonville	TN	185,976	731,631	None	None	185,976	731,631	917,607	69,505	8/30/19
Martin	TN	160,410	838,094	None	None	160,410	838,094	998,504	65,651	1/24/20
Mascot	TN	428,927	663,766	None	None	428,927	663,766	1,092,693	85,183	10/31/19
Memphis	TN	225,548	418,876	None	None	225,548	418,876	644,424	59,341	6/1/20
Memphis	TN	493,000	915,572	None	None	493,000	915,572	1,408,572	129,706	6/1/20
Memphis	TN	369,950	687,049	None	None	369,950	687,049	1,056,999	97,332	6/1/20
Memphis	TN	563,795	1,047,048	None	None	563,795	1,047,048	1,610,843	148,332	6/1/20
Memphis	TN	552,777	1,026,586	None	None	552,777	1,026,586	1,579,363	145,433	6/1/20
Memphis	TN	253,148	626,736	None	None	253,148	626,736	879,884	49,094	1/24/20
Memphis	TN	332,829	824,006	None	None	332,829	824,006	1,156,835	64,547	1/24/20
Memphis	TN	299,794	742,220	None	None	299,794	742,220	1,042,014	58,141	1/24/20
Memphis	TN	315,786	781,812	None	None	315,786	781,812	1,097,598	61,242	1/24/20



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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Memphis TN		312,958	774,812	None	None	312,958	774,812	1,087,770	60,694		1/24/2015		
Memphis TN		330,000	1,049,568	None	None	330,000	1,049,568	1,379,568	82,216		1/24/2015		
Memphis TN		327,861	811,707	None	None	327,861	811,707	1,139,568	63,584		1/24/2015		
Memphis TN		312,275	773,121	None	None	312,275	773,121	1,085,396	60,561		1/24/2015		
Memphis TN		390,000	772,302	None	None	390,000	772,302	1,162,302	60,497		1/24/2015		
Memphis TN		352,417	872,503	None	None	352,417	872,503	1,224,920	68,346		1/24/2015		
Memphis TN		409,578	1,014,019	None	None	409,578	1,014,019	1,423,597	79,432		1/24/2015		
Memphis TN		405,442	1,003,781	None	None	405,442	1,003,781	1,409,223	78,629		1/24/2015		
Michie TN		123,911	825,729	None	None	123,911	825,729	949,640	64,682		1/24/2015		
Milledgeville TN		270,000	731,439	None	None	270,000	731,439	1,001,439	57,296		1/24/2015		
Nashville TN		589,570	948,928	None	None	589,570	948,928	1,538,498	9,160		10/9/2015		
Niota TN		152,948	799,110	None	None	152,948	799,110	952,058	62,597		1/24/2015		
Rogerville TN		206,436	812,120	None	None	206,436	812,120	1,018,556	77,151		8/14/2015		
Sharon TN		130,332	868,517	None	None	130,332	868,517	998,849	68,034		1/24/2015		
Sunbright TN		355,282	1,154,668	None	None	355,282	1,154,668	1,509,950	136,636		1/22/2015		
Tennessee Ridge TN		120,926	805,837	None	None	120,926	805,837	926,763	63,124		1/24/2015		
Trezevant TN		170,247	805,149	None	None	170,247	805,149	975,396	63,070		1/24/2015		
Alpine TX		248,256	1,297,068	None	None	248,256	1,297,068	1,545,324	101,604		1/24/2015		
Alton TX		345,945	642,468	None	None	345,945	642,468	988,413	91,016		6/1/2015		
Amarillo TX		191,492	811,497	None	None	191,492	811,497	1,002,989	109,552		8/30/2015		
Amarillo TX		260,864	712,639	None	None	260,864	712,639	973,503	96,206		8/30/2015		
Anahuac TX		531,601	987,259	None	None	531,601	987,259	1,518,860	120,117		12/14/2015		
Anson TX	608,000	139,586	1,017,331	None	None	139,586	1,017,331	1,156,917	69,518		4/30/2015		
Arcola TX		309,969	961,069	None	None	309,969	961,069	1,271,038	129,744		8/30/2015		
Atlanta TX		427,591	661,699	None	None	427,591	661,699	1,089,290	84,918		10/31/2015		
Austin TX		590,000	812,479	None	None	590,000	812,479	1,402,479	104,268		10/31/2015		
Austin TX		333,480	947,447	None	None	333,480	947,447	1,280,927	83,691		10/24/2015		
Bacliff TX		557,574	1,035,495	None	None	557,574	1,035,495	1,593,069	146,695		6/1/2015		
Baytown TX		486,394	903,304	None	None	486,394	903,304	1,389,698	127,968		6/1/2015		
Baytown TX		447,005	830,152	None	None	447,005	830,152	1,277,157	117,605		6/1/2015		
Beaumont TX		526,746	978,243	None	None	526,746	978,243	1,504,989	138,584		6/1/2015		
Beaumont TX		186,877	1,007,961	None	None	186,877	1,007,961	1,194,838	136,075		8/30/2015		
Beeville TX		382,613	710,566	None	None	382,613	710,566	1,093,179	100,664		6/1/2015		
Bloomington TX		330,656	1,074,634	None	None	330,656	1,074,634	1,405,290	127,165		1/22/2015		
Blossom TX		82,320	825,297	None	None	82,320	825,297	907,617	111,415		8/30/2015		
Borger TX	589,000	166,456	804,791	None	None	166,456	804,791	971,247	54,994		4/30/2015		
Brookshire TX	863,000	281,120	1,359,173	None	None	281,120	1,359,173	1,640,293	92,877		4/30/2015		
Brownsville TX		287,319	533,592	None	None	287,319	533,592	820,911	75,592		6/1/2015		
Bullard TX	600,000	183,822	888,752	None	None	183,822	888,752	1,072,574	60,731		4/30/2015		
Canyon Lake TX		165,267	1,358,083	None	None	165,267	1,358,083	1,523,350	183,341		8/30/2015		
Canyon Lake TX		424,566	788,481	None	None	424,566	788,481	1,213,047	111,701		6/1/2015		
Canyon Lake TX		183,707	1,170,581	None	None	183,707	1,170,581	1,354,288	158,028		8/30/2015		

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Cedar Creek TX		183,296	933,294	None	None	183,296	933,294	1,116,590	125,995	8/30/2011
Cisco TX	531,000	139,059	1,013,495	None	None	139,059	1,013,495	1,152,554	69,255	4/30/2011
Corpus Christi TX		460,501	855,215	None	None	460,501	855,215	1,315,716	121,156	6/1/2011
Corpus Christi TX		577,037	1,071,640	None	None	577,037	1,071,640	1,648,677	151,816	6/1/2011
Corpus Christi TX		291,106	540,626	None	None	291,106	540,626	831,732	76,589	6/1/2011
Corpus Christi TX		408,524	1,327,703	None	None	408,524	1,327,703	1,736,227	157,112	1/22/2011
Corpus Christi TX		287,912	1,132,648	None	None	287,912	1,132,648	1,420,560	115,153	6/21/2011
Corpus Christi TX		363,669	900,360	None	None	363,669	900,360	1,264,029	70,528	1/24/2011
Corrigan TX		256,676	834,196	1,514	None	256,676	835,710	1,092,386	99,612	1/22/2011
Cotulla TX		919,863	1,708,316	None	None	919,863	1,708,316	2,628,179	207,845	12/14/2010
Creedmoor TX		490,979	759,793	None	None	490,979	759,793	1,250,772	97,507	10/31/2010
Crystal City TX		549,519	1,020,535	None	None	549,519	1,020,535	1,570,054	124,165	12/14/2010
Dallas TX		660,890	1,227,367	None	None	660,890	1,227,367	1,888,257	173,877	6/1/2011
Dallas TX		474,480	881,177	None	None	474,480	881,177	1,355,657	124,833	6/1/2011
Dallas TX		433,859	1,238,325	None	None	433,859	1,238,325	1,672,184	68,108	8/25/2011
Del Rio TX		507,216	784,918	None	None	507,216	784,918	1,292,134	100,731	10/31/2010
Desoto TX		510,567	790,105	None	None	510,567	790,105	1,300,672	101,397	10/31/2010
Dilley TX		141,101	940,281	None	None	141,101	940,281	1,081,382	73,655	1/24/2011
Eagle Pass TX		516,608	959,416	None	None	516,608	959,416	1,476,024	135,917	6/1/2011
Eagle Pass TX		433,864	671,406	None	None	433,864	671,406	1,105,270	86,164	10/31/2010
East Bernard TX	577,000	132,881	968,462	None	None	132,881	968,462	1,101,343	66,178	4/30/2011
Edinburg TX		380,000	716,403	None	None	380,000	716,403	1,096,403	56,118	1/24/2011
El Paso TX		154,129	1,388,962	None	None	154,129	1,388,962	1,543,091	2,315	12/15/2010
Elsa TX		379,998	1,234,994	None	None	379,998	1,234,994	1,614,992	146,141	1/22/2011
Fort Stockton TX		465,636	864,752	None	None	465,636	864,752	1,330,388	105,212	12/14/2010
Fort Worth TX		547,855	1,019,204	None	None	547,855	1,019,204	1,567,059	137,593	8/30/2011
Fort Worth TX		213,683	848,314	None	None	213,683	848,314	1,061,997	114,522	8/30/2011
Fort Worth TX		600,746	1,115,672	None	None	600,746	1,115,672	1,716,418	135,740	12/14/2010
Fort Worth TX		160,563	631,657	(7,839)	None	160,563	623,818	784,381	63,673	8/15/2011
Freer TX		269,137	499,827	None	None	269,137	499,827	768,964	60,812	12/14/2010
Garland TX		228,333	424,047	None	None	228,333	424,047	652,380	60,073	6/1/2011
Garland TX		298,055	737,916	None	None	298,055	737,916	1,035,971	57,803	1/24/2011
Glen Rose TX	903,000	269,359	1,302,309	None	None	269,359	1,302,309	1,571,668	88,991	4/30/2011
Glenn Heights TX		297,559	736,686	None	None	297,559	736,686	1,034,245	57,707	1/24/2011
Granite Shoals TX		371,795	1,208,334	None	None	371,795	1,208,334	1,580,129	142,986	1/22/2011
Grape Creek TX		232,999	710,940	None	None	232,999	710,940	943,939	95,977	8/30/2011
Hamilton TX	626,000	140,174	1,021,615	None	None	140,174	1,021,615	1,161,789	69,810	4/30/2011
Hardin TX		143,336	805,614	None	None	143,336	805,614	948,950	108,758	8/30/2011
Harker Heights TX		488,753	907,685	None	None	488,753	907,685	1,396,438	128,589	6/1/2011
Harker Heights TX		469,370	726,352	None	None	469,370	726,352	1,195,722	93,215	10/31/2010
Hebbronville TX		481,250	893,750	None	None	481,250	893,750	1,375,000	108,740	12/14/2010
Hebbronville TX		240,000	1,014,676	None	None	240,000	1,014,676	1,254,676	79,483	1/24/2011
Hewitt TX		493,299	763,382	None	None	493,299	763,382	1,256,681	97,967	10/31/2010
Hidalgo TX		450,411	1,115,114	None	None	450,411	1,115,114	1,565,525	87,351	1/24/2011
Houston TX		279,181	518,479	None	None	279,181	518,479	797,660	73,451	6/1/2011
Houston TX		434,980	807,819	None	None	434,980	807,819	1,242,799	114,441	6/1/2011
Houston TX		429,081	796,866	None	None	429,081	796,866	1,225,947	112,889	6/1/2011
Houston TX		490,377	910,700	None	None	490,377	910,700	1,401,077	129,016	6/1/2011
Houston TX		565,402	874,961	None	None	565,402	874,961	1,440,363	112,287	10/31/2010
Houston TX		650,000	866,899	None	None	650,000	866,899	1,516,899	111,252	10/31/2010
Houston TX		562,086	869,831	None	None	562,086	869,831	1,431,917	111,628	10/31/2010
Houston TX		467,805	868,780	None	None	467,805	868,780	1,336,585	105,702	12/14/2010
Houston TX		610,149	1,133,135	None	None	610,149	1,133,135	1,743,284	137,865	12/14/2010
Houston TX		474,480	881,178	None	None	474,480	881,178	1,355,658	107,210	12/14/2010
Houston TX		310,255	1,220,545	None	None	310,255	1,220,545	1,530,800	115,952	8/22/2011
Houston TX		283,623	1,115,777	None	None	283,623	1,115,777	1,399,400	105,999	8/22/2011
Houston TX		440,874	1,091,500	None	None	440,874	1,091,500	1,532,374	85,501	1/24/2011

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Houston	TX		347,071	986,059	None	None	347,071	986,059	1,333,130	70,668	3/28/201
Hubbard	TX		128,604	857,007	None	None	128,604	857,007	985,611	67,132	1/24/201
Itasca	TX	543,000	118,010	860,081	None	None	118,010	860,081	978,091	58,772	4/1/201
Jefferson	TX		339,075	1,333,925	None	None	339,075	1,333,925	1,673,000	126,723	8/22/201
Joaquin	TX	656,000	135,219	985,502	None	None	135,219	985,502	1,120,721	67,343	4/1/201
Katy	TX		554,109	857,486	None	None	554,109	857,486	1,411,595	110,044	10/31/20
Katy	TX		346,827	985,367	None	None	346,827	985,367	1,332,194	87,041	10/11/20
Kaufman	TX		488,687	907,561	None	None	488,687	907,561	1,396,248	128,571	6/1/201
Kermit	TX		234,478	922,439	None	None	234,478	922,439	1,156,917	93,781	6/21/201
Killeen	TX		480,758	892,837	None	None	480,758	892,837	1,373,595	126,485	6/1/201
Killeen	TX		471,572	729,760	None	None	471,572	729,760	1,201,332	93,653	10/31/20
Killeen	TX		138,881	1,251,552	None	None	138,881	1,251,552	1,390,433	2,086	12/15/20

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Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Killeen TX		140,928	1,269,997	None	None	140,928	1,269,997	1,410,925	2,117		12/15/20
Lacy Lakeview TX		429,768	798,141	None	None	429,768	798,141	1,227,909	113,070		6/1/20
Lakehills TX		183,968	795,341	None	None	183,968	795,341	979,309	107,371		8/30/20
Lamesa TX		450,012	835,736	None	None	450,012	835,736	1,285,748	118,396		6/1/20
Leonard TX		277,575	515,496	None	None	277,575	515,496	793,071	73,029		6/1/20
Llano TX	804,000	179,332	1,307,011	None	None	179,332	1,307,011	1,486,343	89,312		4/1/20
Longview TX		435,985	809,687	None	None	435,985	809,687	1,245,672	98,512		12/14/20
Longview TX		473,119	878,650	None	None	473,119	878,650	1,351,769	106,902		12/14/20
Longview TX		150,012	278,594	None	None	150,012	278,594	428,606	33,896		12/14/20
Los Fresnos TX		533,059	989,968	None	None	533,059	989,968	1,523,027	140,245		6/1/20
Lufkin TX		267,700	497,158	None	None	267,700	497,158	764,858	60,488		12/14/20
Marfa TX		310,000	1,325,712	None	None	310,000	1,325,712	1,635,712	103,847		1/24/20
Marshall TX		665,113	1,235,211	None	None	665,113	1,235,211	1,900,324	174,988		6/1/20
Memphis TX	461,000	102,312	745,672	None	None	102,312	745,672	847,984	50,954		4/1/20
Midland TX		544,075	1,322,431	None	None	544,075	1,322,431	1,866,506	945,425		2/3/19
Midland TX		194,594	790,843	None	None	194,594	790,843	985,437	106,764		8/30/20
Monahans TX		473,723	879,770	None	None	473,723	879,770	1,353,493	107,039		12/14/20
Monte Alto TX		370,770	1,205,004	None	None	370,770	1,205,004	1,575,774	142,592		1/22/20
Morton TX		190,918	751,074	None	None	190,918	751,074	941,992	76,359		6/21/20
Mount Enterprise TX		510,030	947,198	None	None	510,030	947,198	1,457,228	115,242		12/14/20
Mt Vernon TX	641,000	132,850	968,238	None	None	132,850	968,238	1,101,088	66,163		4/1/20
Nacogdoches TX		585,075	1,086,567	None	None	585,075	1,086,567	1,671,642	132,199		12/14/20
New Boston TX		226,547	420,730	None	None	226,547	420,730	647,277	59,603		6/1/20
Odessa TX		200,900	874,978	None	None	200,900	874,978	1,075,878	118,122		8/30/20
Odessa TX		393,275	795,622	None	None	393,275	795,622	1,188,897	107,409		8/30/20
Odessa TX		299,235	687,360	None	None	299,235	687,360	986,595	92,794		8/30/20
Onalaska TX		455,522	845,970	None	None	455,522	845,970	1,301,492	102,926		12/14/20
Orange TX		359,323	1,413,577	None	None	359,323	1,413,577	1,772,900	134,290		8/22/20
Orange TX		267,166	1,051,034	None	None	267,166	1,051,034	1,318,200	99,848		8/22/20
Paris TX		194,054	844,235	None	None	194,054	844,235	1,038,289	113,972		8/30/20
Pasadena TX		274,400	1,079,491	None	None	274,400	1,079,491	1,353,891	109,748		6/21/20
Pearsall TX		314,465	584,006	None	None	314,465	584,006	898,471	82,734		6/1/20
Pearsall TX		179,547	938,079	None	None	179,547	938,079	1,117,626	73,483		1/24/20
Perryton TX		534,489	992,623	None	None	534,489	992,623	1,527,112	120,769		12/14/20
Pharr TX		506,911	941,407	None	None	506,911	941,407	1,448,318	133,366		6/1/20
Pinehurst TX		556,823	861,686	None	None	556,823	861,686	1,418,509	110,583		10/31/20
Pineland TX	703,000	149,928	1,092,708	None	None	149,928	1,092,708	1,242,636	74,668		4/1/20
Pittsburg TX		469,724	872,344	None	None	469,724	872,344	1,342,068	123,582		6/1/20
Port Acres TX		268,899	499,384	None	None	268,899	499,384	768,283	70,746		6/1/20
Port Arthur TX		253,535	828,487	None	None	253,535	828,487	1,082,022	111,846		8/30/20
Port Neches TX		498,469	925,729	None	None	498,469	925,729	1,424,198	112,630		12/14/20
Porter TX		559,462	1,039,001	None	None	559,462	1,039,001	1,598,463	126,412		12/14/20
Progresso TX		200,597	372,537	None	None	200,597	372,537	573,134	45,325		12/14/20

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Rio Grande City	TX		171,514	896,112	None	None	171,514	896,112	1,067,626	70,195	1/24/20
Rio Vista	TX		61,254	829,871	None	None	61,254	829,871	891,125	112,033	8/30/20
Rockdale	TX	592,000	174,972	845,963	None	None	174,972	845,963	1,020,935	57,808	4/1/20
Rosenberg	TX		408,933	759,448	None	None	408,933	759,448	1,168,381	107,588	6/1/20
Rusk	TX		446,174	828,610	None	None	446,174	828,610	1,274,784	100,814	12/14/20
Saginaw	TX		485,162	901,016	None	None	485,162	901,016	1,386,178	127,644	6/1/20
San Angelo	TX		308,573	1,000,504	None	None	308,573	1,000,504	1,309,077	135,068	8/30/20
San Antonio	TX		663,903	1,232,962	None	None	663,903	1,232,962	1,896,865	174,670	6/1/20
San Antonio	TX		474,828	881,824	None	None	474,828	881,824	1,356,652	124,925	6/1/20
San Antonio	TX		357,827	664,536	None	None	357,827	664,536	1,022,363	94,143	6/1/20
San Antonio	TX		637,451	1,183,837	None	None	637,451	1,183,837	1,821,288	167,710	6/1/20
San Antonio	TX		265,044	818,313	None	None	265,044	818,313	1,083,357	110,472	8/30/20
San Antonio	TX		273,109	896,601	None	None	273,109	896,601	1,169,710	121,041	8/30/20
San Antonio	TX		408,997	1,329,239	None	None	408,997	1,329,239	1,738,236	157,293	1/22/20
San Antonio	TX		325,537	1,280,663	None	None	325,537	1,280,663	1,606,200	121,663	8/22/20
San Augustine	TX		468,018	869,176	None	None	468,018	869,176	1,337,194	105,750	12/14/20
San Benito	TX		149,582	781,526	None	None	149,582	781,526	931,108	61,220	1/24/20
Santa Fe	TX		450,685	1,115,790	None	None	450,685	1,115,790	1,566,475	87,404	1/24/20
Schertz	TX		300,878	558,773	None	None	300,878	558,773	859,651	79,159	6/1/20
Sealy	TX	723,000	213,880	1,034,081	None	None	213,880	1,034,081	1,247,961	70,662	4/1/20
Seminole	TX		103,470	899,122	None	None	103,470	899,122	1,002,592	121,381	8/30/20
Seminole	TX		364,491	1,433,909	None	None	364,491	1,433,909	1,798,400	136,221	8/22/20
Sherman	TX		242,135	449,678	None	None	242,135	449,678	691,813	63,704	6/1/20
Sullivan City	TX		496,544	922,154	None	None	496,544	922,154	1,418,698	112,195	12/14/20
Taft	TX		177,408	926,908	None	None	177,408	926,908	1,104,316	72,608	1/24/20
Temple	TX		248,015	805,588	None	None	248,015	805,588	1,053,603	108,754	8/30/20
Temple	TX		580,869	1,078,758	None	None	580,869	1,078,758	1,659,627	131,249	12/14/20
Texas City	TX		238,472	973,286	None	None	238,472	973,286	1,211,758	131,394	8/30/20
Three Rivers	TX		225,995	1,068,797	None	None	225,995	1,068,797	1,294,792	83,722	1/24/20
Valley View	TX		185,843	878,905	None	None	185,843	878,905	1,064,748	68,848	1/24/20
Van Horn	TX	707,000	147,318	1,073,686	None	None	147,318	1,073,686	1,221,004	73,369	4/1/20
Waco	TX		527,779	980,161	None	None	527,779	980,161	1,507,940	138,856	6/1/20
Wells	TX		141,780	840,639	None	None	141,780	840,639	982,419	113,486	8/30/20
Wichita Falls	TX		297,454	552,415	None	None	297,454	552,415	849,869	78,259	6/1/20
Willis	TX		664,432	1,233,946	None	None	664,432	1,233,946	1,898,378	174,809	6/1/20
Wills Point	TX		417,304	774,994	None	None	417,304	774,994	1,192,298	94,291	12/14/20
Wilmer	TX		489,576	909,212	None	None	489,576	909,212	1,398,788	110,621	12/14/20
Winnsboro	TX		446,940	830,031	None	None	446,940	830,031	1,276,971	100,987	12/14/20
Winters	TX		50,842	811,377	None	None	50,842	811,377	862,219	109,536	8/30/20
Zapata	TX		249,421	1,303,154	None	None	249,421	1,303,154	1,552,575	102,080	1/24/20
Kanab	UT		563,114	1,045,783	None	None	563,114	1,045,783	1,608,897	148,153	6/1/20
Mt Pleasant	UT		573,530	1,065,126	None	None	573,530	1,065,126	1,638,656	150,893	6/1/20
Charlotte Ct											
Hous	VA		154,295	1,028,208	None	None	154,295	1,028,208	1,182,503	80,543	1/24/20
Colonial Heights	VA		337,535	1,327,865	None	None	337,535	1,327,865	1,665,400	126,147	8/22/20
Colonial Heights	VA		283,623	1,115,777	None	None	283,623	1,115,777	1,399,400	105,999	8/22/20
Concord	VA		259,997	906,036	None	None	259,997	906,036	1,166,033	122,315	8/30/20
Craigsville	VA		141,713	944,359	None	None	141,713	944,359	1,086,072	73,975	1/24/20
Danville	VA		223,469	879,131	None	None	223,469	879,131	1,102,600	83,517	8/22/20
Fancy Gap	VA		153,509	1,022,966	None	None	153,509	1,022,966	1,176,475	80,132	1/24/20
Fork Union	VA		159,295	1,061,525	None	None	159,295	1,061,525	1,220,820	83,153	1/24/20
Goshen	VA		80,157	831,602	None	None	80,157	831,602	911,759	112,266	8/30/20
Madison Heights	VA		276,413	936,546	None	None	276,413	936,546	1,212,959	126,434	8/30/20
Mineral	VA		202,879	1,059,984	None	None	202,879	1,059,984	1,262,863	83,032	1/24/20
Onley	VA		313,433	582,089	None	None	313,433	582,089	895,522	70,821	12/14/20
Portsmouth	VA		524,294	973,688	None	None	524,294	973,688	1,497,982	137,939	6/1/20
Rich Creek	VA		194,447	940,122	None	None	194,447	940,122	1,134,569	67,375	3/25/20
Richmond	VA		709,379	1,317,417	None	None	709,379	1,317,417	2,026,796	186,634	6/1/20
Richmond	VA		344,912	1,356,888	None	None	344,912	1,356,888	1,701,800	128,904	8/22/20
Roanoke	VA		591,344	1,098,210	None	None	591,344	1,098,210	1,689,554	155,580	6/1/20
Roanoke	VA		655,795	1,217,906	None	None	655,795	1,217,906	1,873,701	148,179	12/14/20
Roanoke	VA		478,904	889,394	None	None	478,904	889,394	1,368,298	108,210	12/14/20
Shawsville	VA		334,624	1,066,596	None	None	334,624	1,066,596	1,401,220	143,990	8/30/20
Shenandoah	VA		192,613	1,006,351	None	None	192,613	1,006,351	1,198,964	78,831	1/24/20
Spotsylvania	VA		300,324	1,181,476	None	None	300,324	1,181,476	1,481,800	112,240	8/22/20



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Stanleytown	VA	359,846	668,286	None	None	359,846	668,286	1,028,132	81,308	12/14/20
Stony Creek	VA	237,764	935,366	None	None	237,764	935,366	1,173,130	95,096	6/21/20
Victoria	VA	194,099	914,642	None	None	194,099	914,642	1,108,741	123,477	8/30/20
Eagle River	WI	208,955	388,060	None	None	208,955	388,060	597,015	47,214	12/14/20

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Milwaukee	WI	538,419	999,922	None	None	538,419	999,922	1,538,341	141,656	6		
Milwaukee	WI	120,000	664,289	32,249	None	120,000	696,538	816,538	52,310	3		
Milwaukee	WI	359,110	591,334	None	None	359,110	591,334	950,444	5,558	10		
Spoooner	WI	564,022	1,047,470	None	None	564,022	1,047,470	1,611,492	148,392	6		
French Creek	WV	240,000	1,198,417	None	None	240,000	1,198,417	1,438,417	1,997	12		
Lewisburg	WV	290,000	1,063,577	None	None	290,000	1,063,577	1,353,577	1,773	12		
Mount Hope	WV	186,300	732,905	None	None	186,300	732,905	919,205	72,069	7		
Princeton	WV	280,344	911,119	8,500	None	280,344	919,619	1,199,963	111,052	1		
Rock	WV	332,222	1,079,721	None	None	332,222	1,079,721	1,411,943	127,767	1		
Shady Spring	WV	204,338	833,689	None	None	204,338	833,689	1,038,027	93,095	3		
Cheyenne	WY	521,603	968,690	None	None	521,603	968,690	1,490,293	137,231	6		
Cheyenne	WY	564,022	1,047,470	None	None	564,022	1,047,470	1,611,492	148,392	6		
<u>Drug stores</u>												
Atmore	AL	1,689,229	4,025,584	None	None	1,689,229	4,025,584	5,714,813	114,058	4		
Auburn	AL	1,696,833	3,901,754	None	None	1,696,833	3,901,754	5,598,587	461,708	1		
Bessemer	AL	913,349	2,269,571	None	None	913,349	2,269,571	3,182,920	117,261	9		
Chelsea	AL	1,157,579	3,575,632	None	None	1,157,579	3,575,632	4,733,211	423,116	1		
Montgomery	AL	1,150,000	1,479,627	None	None	1,150,000	1,479,627	2,629,627	643,646	2		
Northport	AL	1,650,000	4,829,538	None	None	1,650,000	4,829,538	6,479,538	136,837	4		
Tuscaloosa	AL	2,000,550	4,371,497	None	None	2,000,550	4,371,497	6,372,047	123,859	4		
Monticello	AR	1,990,000	3,710,723	None	None	1,990,000	3,710,723	5,700,723	105,137	4		
Van Buren	AR	1,328,049	3,008,245	None	None	1,328,049	3,008,245	4,336,294	275,756	9		
Chandler	AZ	-	3,540,215	None	None	-	3,540,215	3,540,215	418,925	1		
Chandler	AZ	1,086,262	2,460,559	None	None	1,086,262	2,460,559	3,546,821	225,551	9		
El Mirage	AZ	1,179,770	2,672,369	None	None	1,179,770	2,672,369	3,852,139	244,967	9		
Mesa	AZ	1,347,649	3,790,620	None	None	1,347,649	3,790,620	5,138,269	385,380	6		
Mesa	AZ	1,545,555	4,347,285	None	None	1,545,555	4,347,285	5,892,840	441,974	6		
Phoenix	AZ	-	3,381,632	None	None	-	3,381,632	3,381,632	400,160	1		
Phoenix	AZ	1,562,759	4,395,676	None	None	1,562,759	4,395,676	5,958,435	446,894	6		
Surprise	AZ	1,358,528	3,821,220	None	None	1,358,528	3,821,220	5,179,748	388,491	6		
Tucson	AZ	959,875	2,350,208	None	None	959,875	2,350,208	3,310,083	317,278	8		
Bakersfield	CA	-	3,501,678	None	None	-	3,501,678	3,501,678	1,103,028	2		
Blythe	CA	-	3,762,886	None	None	-	3,762,886	3,762,886	6,271	12		
Clearlake	CA	760,000	4,585,114	None	None	760,000	4,585,114	5,345,114	7,642	12		
Encinitas	CA	-	3,751,713	None	None	-	3,751,713	3,751,713	1,181,789	2		
Indio	CA	2,205,539	4,096,524	None	None	2,205,539	4,096,524	6,302,063	1,290,404	2		
Pico Rivera	CA	-	4,633,063	None	None	-	4,633,063	4,633,063	548,246	1		
Sacramento	CA	1,490,000	3,473,583	None	None	1,490,000	3,473,583	4,963,583	723,663	10		
Seal Beach	CA	-	4,447,685	None	None	-	4,447,685	4,447,685	7,413	12		
Tracy	CA	2,467,993	4,584,246	None	None	2,467,993	4,584,246	7,052,239	1,474,599	12		
Visalia	CA	-	4,333,023	None	None	-	4,333,023	4,333,023	512,741	1		
Colorado Springs	CO	1,025,000	1,645,371	36,980	79	1,025,000	1,682,430	2,707,430	737,329	2		
	CO	1,547,023	3,504,257	None	None	1,547,023	3,504,257	5,051,280	332,904	8		

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Colorado Springs										
Fort Collins	CO	1,100,000	1,385,014	None	79	1,100,000	1,385,093	2,485,093	602,533	2
Littleton	CO	1,498,300	3,393,892	18,868	None	1,498,300	3,412,760	4,911,060	322,577	8
Berlin	CT	1,532,460	3,786,614	None	None	1,532,460	3,786,614	5,319,074	271,374	3
Branford	CT	1,760,000	3,849,409	None	None	1,760,000	3,849,409	5,609,409	275,874	3
Millsboro	DE	900,000	4,039,490	None	None	900,000	4,039,490	4,939,490	6,732	12
Delray Beach	FL	4,893,115	3,541,070	None	None	4,893,115	3,541,070	8,434,185	419,027	1
Deltona	FL	849,162	2,388,495	36,175	140	849,162	2,424,810	3,273,972	243,203	6
Gainesville	FL	1,935,853	3,620,924	None	None	1,935,853	3,620,924	5,556,777	428,476	1
Jacksonville	FL	1,605,187	3,691,020	None	None	1,605,187	3,691,020	5,296,207	436,771	1
Milton	FL	500,000	1,774,311	None	None	500,000	1,774,311	2,274,311	369,648	10
Orlando	FL	960,194	2,372,580	14,576	None	960,194	2,387,156	3,347,350	194,854	12
Rockledge	FL	1,626,972	4,576,292	None	None	1,626,972	4,576,292	6,203,264	465,256	6
Saint Augustine	FL	1,442,096	4,056,278	None	None	1,442,096	4,056,278	5,498,374	412,388	6
Winter Park	FL	1,075,020	1,664,284	None	None	1,075,020	1,664,284	2,739,304	1,151,157	9
Acworth	GA	1,534,095	3,527,548	None	None	1,534,095	3,527,548	5,061,643	417,427	1
Adel	GA	500,000	1,056,116	48,524	None	500,000	1,104,640	1,604,640	458,969	4
Austell	GA	1,234,384	3,610,300	None	None	1,234,384	3,610,300	4,844,684	427,219	1
Blackshear	GA	430,000	1,005,393	46,950	None	430,000	1,052,343	1,482,343	431,302	4
Bowdon	GA	410,000	1,010,615	None	None	410,000	1,010,615	1,420,615	432,874	4
Cairo	GA	330,000	1,152,243	44,220	None	330,000	1,196,463	1,526,463	493,630	4
Columbus	GA	1,740,000	5,024,581	800	None	1,740,000	5,025,381	6,765,381	511,041	6
Decatur	GA	1,546,047	3,555,032	30,952	None	1,546,047	3,585,984	5,132,031	429,465	1
East Ellijay	GA	1,317,709	3,029,984	None	None	1,317,709	3,029,984	4,347,693	358,548	1
Lawrenceville	GA	1,109,742	3,121,445	71,737	None	1,109,742	3,193,182	4,302,924	321,548	6
Lithia Springs	GA	1,543,512	3,549,202	None	None	1,543,512	3,549,202	5,092,714	419,989	6
Quitman	GA	730,000	856,586	None	None	730,000	856,586	1,586,586	372,606	2
Rome	GA	-	3,389,465	None	None	-	3,389,465	3,389,465	401,087	1
Rome	GA	1,293,890	3,639,408	None	None	1,293,890	3,639,408	4,933,298	370,006	6
Ottumwa	IA	2,860,134	1,687,561	3,880,433	None	1,687,561	3,880,433	5,567,994	459,185	1
Waterloo	IA	1,760,000	4,023,600	None	None	1,760,000	4,023,600	5,783,600	114,002	4
Blackfoot	ID	560,000	1,932,186	None	None	560,000	1,932,186	2,492,186	840,492	2
Burley	ID	700,000	2,011,543	None	None	700,000	2,011,543	2,711,543	875,013	2
Chubbuck	ID	890,000	1,267,183	None	None	890,000	1,267,183	2,157,183	551,216	2
Chicago	IL	1,589,068	2,841,507	90,118	None	1,589,068	2,931,625	4,520,693	421,184	6
Chicago	IL	1,538,430	1,462,870	3,735,267	None	1,462,870	3,735,267	5,198,137	442,007	6
Chicago	IL	1,744,950	3,952,594	None	None	1,744,950	3,952,594	5,697,544	362,321	9
Chicago	IL	1,584,794	4,502,544	None	None	1,584,794	4,502,544	6,087,338	382,716	11
Chicago Heights	IL	1,272,921	3,580,429	None	None	1,272,921	3,580,429	4,853,350	364,010	6
Darien	IL	1,198,099	3,369,971	None	None	1,198,099	3,369,971	4,568,070	353,847	5
Deerfield	IL	4,092,687	11,511,770	None	None	4,092,687	11,511,770	15,604,457	781,156	8
Deerfield	IL	4,261,874	11,987,653	None	None	4,261,874	11,987,653	16,249,527	813,448	8
Deerfield	IL	4,082,432	11,482,923	None	None	4,082,432	11,482,923	15,565,355	779,198	8
Deerfield	IL	4,089,453	11,502,673	None	None	4,089,453	11,502,673	15,592,126	780,539	8
Deerfield	IL	2,586,157	7,274,253	None	None	2,586,157	7,274,253	9,860,410	493,610	8
Deerfield	IL	3,180,926	8,947,200	None	None	3,180,926	8,947,200	12,128,126	607,131	8
Maryville	IL	780,685	2,344,436	None	None	780,685	2,344,436	3,125,121	449,350	3
Moline	IL	1,104,813	3,748,707	None	None	1,104,813	3,748,707	4,853,520	443,597	1
Oak Forest	IL	1,562,490	4,394,918	None	None	1,562,490	4,394,918	5,957,408	446,817	6
Plainfield	IL	1,463,785	3,365,876	None	None	1,463,785	3,365,876	4,829,661	398,295	1
Springfield	IL	1,343,188	3,778,072	82,178	None	1,343,188	3,860,250	5,203,438	384,618	6
Springfield	IL	1,227,859	3,453,680	None	None	1,227,859	3,453,680	4,681,539	351,124	6
Troy	IL	768,515	1,991,358	None	None	768,515	1,991,358	2,759,873	381,677	3
Anderson	IN	937,591	2,123,795	None	None	937,591	2,123,795	3,061,386	194,681	9
Chesterton	IN	616,498	4,930,886	None	None	616,498	4,930,886	5,547,384	583,488	1
Elkhart	IN	1,772,161	4,074,966	None	None	1,772,161	4,074,966	5,847,127	482,204	1
Fort Wayne	IN	1,814,885	3,965,792	None	None	1,814,885	3,965,792	5,780,677	112,364	4
Hammond	IN	667,821	2,656,839	None	50	667,821	2,656,889	3,324,710	394,099	4
Indianapolis	IN	1,630,000	5,235,915	None	None	1,630,000	5,235,915	6,865,915	532,318	6
Indianapolis	IN	1,123,685	3,160,662	None	None	1,123,685	3,160,662	4,284,347	321,334	6
Kokomo	IN	978,592	2,216,668	122,047	None	978,592	2,338,715	3,317,307	205,533	9
La Porte	IN	1,765,195	3,959,682	None	None	1,765,195	3,959,682	5,724,877	112,191	4
Logansport	IN	903,696	2,245,585	76,549	None	903,696	2,322,134	3,225,830	96,460	12
Marion	IN	1,247,236	3,508,184	None	None	1,247,236	3,508,184	4,755,420	356,665	6
Monticello	IN	694,032	1,952,148	175,768	None	694,032	2,127,916	2,821,948	213,028	6
Monticello	IN	1,430,000	4,425,257	None	None	1,430,000	4,425,257	5,855,257	125,382	4
Princeton	IN	2,033,742	4,676,454	None	None	2,033,742	4,676,454	6,710,196	553,380	1

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Salem	IN	-	2,351,296	None	None	-	2,351,296	2,351,296	881,736	8/
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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Improvements	to Acquisition	Land	Acquisition Fees	Total			
South Bend IN		1,665,544	4,684,786	None	14	1,665,544	4,684,800	6,350,344	476,287		6/
Emporia KS		2,035,321	4,447,479	None	None	2,035,321	4,447,479	6,482,800	126,012		4/2
Hutchinson KS		1,456,992	3,620,465	None	None	1,456,992	3,620,465	5,077,457	150,853		12/2
Kansas City KS		1,290,000	5,192,800	None	None	1,290,000	5,192,800	6,482,800	147,129		4/2
Merriam KS		1,441,117	4,053,526	None	None	1,441,117	4,053,526	5,494,643	412,108		6/4
Newton KS		1,340,000	3,335,460	None	None	1,340,000	3,335,460	4,675,460	138,978		12/2
Parsons KS		2,090,000	4,248,446	None	None	2,090,000	4,248,446	6,338,446	120,373		4/2
Lebanon KY		1,718,716	4,095,853	None	None	1,718,716	4,095,853	5,814,569	116,049		4/2
Louisville KY		2,386,891	4,017,753	None	None	2,386,891	4,017,753	6,404,644	475,434		1/2
Louisville KY		1,785,691	4,106,077	None	None	1,785,691	4,106,077	5,891,768	485,886		1/2
Louisville KY		1,565,241	3,947,885	None	None	1,565,241	3,947,885	5,513,126	467,166		1/2
Louisville KY		2,540,000	3,918,593	None	None	2,540,000	3,918,593	6,458,593	111,027		4/2
Mayfield KY		1,782,381	4,098,467	None	None	1,782,381	4,098,467	5,880,848	484,985		1/2
Paducah KY		1,792,850	4,021,718	None	None	1,792,850	4,021,718	5,814,568	113,949		4/2
Radcliff KY		1,305,607	3,960,699	None	None	1,305,607	3,960,699	5,266,306	468,683		1/2
Amite LA	2,689,843	1,633,328	3,755,728	None	None	1,633,328	3,755,728	5,389,056	444,428		1/2
Gretna LA		3,570,000	5,037,780	None	None	3,570,000	5,037,780	8,607,780	260,285		9/3
Morgan City LA		1,378,894	3,170,675	None	None	1,378,894	3,170,675	4,549,569	375,197		1/2
Pineville LA		1,527,708	3,593,739	None	None	1,527,708	3,593,739	5,121,447	137,760		1/7
Brockton MA		1,420,000	5,586,439	None	None	1,420,000	5,586,439	7,006,439	400,361		3/3
Melrose MA		2,450,000	5,344,307	None	None	2,450,000	5,344,307	7,794,307	383,009		3/3
Baltimore MD		-	3,547,389	None	None	-	3,547,389	3,547,389	5,912		12/2
Elkton MD		1,751,013	3,252,546	None	None	1,751,013	3,252,546	5,003,559	1,024,550		2/2
Laurel MD		-	2,400,696	None	None	-	2,400,696	2,400,696	900,261		8/1
Biddeford ME		-	3,587,125	None	None	-	3,587,125	3,587,125	424,476		1/2
Brewer ME		2,030,000	4,935,503	None	None	2,030,000	4,935,503	6,965,503	501,776		6/6
Farmington ME		1,310,995	3,687,522	None	None	1,310,995	3,687,522	4,998,517	374,898		6/1
Lisbon ME		1,403,949	3,948,979	None	None	1,403,949	3,948,979	5,352,928	401,480		6/1
Machias ME		1,250,032	3,516,047	None	None	1,250,032	3,516,047	4,766,079	357,465		6/5
Portland ME		2,100,849	3,902,402	None	None	2,100,849	3,902,402	6,003,251	1,255,272		12/2
Charlotte MI	2,882,100	466,474	3,640,666	None	None	466,474	3,640,666	4,107,140	430,812		1/2
Dearborn MI		2,170,000	4,413,371	None	None	2,170,000	4,413,371	6,583,371	125,046		4/2
Gladwin MI		1,365,747	2,536,910	None	None	1,365,747	2,536,910	3,902,657	799,126		2/2
Jackson MI		2,140,000	4,436,052	None	None	2,140,000	4,436,052	6,576,052	89,777		4/2
Macomb MI		1,084,185	3,049,559	None	None	1,084,185	3,049,559	4,133,744	310,038		6/2
Metamora MI		859,139	2,291,557	None	None	859,139	2,291,557	3,150,696	859,334		8/1
Mount Pleasant MI	2,692,300	879,419	3,713,692	None	None	879,419	3,713,692	4,593,111	439,454		1/2
Northville MI		982,099	3,849,614	None	None	982,099	3,849,614	4,831,713	455,538		1/2
Norton Shores MI		2,046,387	4,471,658	None	None	2,046,387	4,471,658	6,518,045	126,697		4/2
Port Huron MI		1,908,747	4,281,697	None	None	1,908,747	4,281,697	6,190,444	121,315		4/2
Portage MI		1,640,000	4,489,124	None	None	1,640,000	4,489,124	6,129,124	127,192		4/2
Rockwood MI		972,962	2,736,715	57,268	None	972,962	2,793,983	3,766,945	278,591		6/2
Royal Oak MI		2,550,000	4,382,053	None	None	2,550,000	4,382,053	6,932,053	124,158		4/2

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Taylor	MI	2,092,605	4,572,653	None	None	2,092,605	4,572,653	6,665,258	129,559	4/2	
Troy	MI	3,184,828	-	9,976	None	3,184,828	9,976	3,194,804	1,728	6/2	
Washington											
Townsh	MI	1,028,277	2,892,301	None	None	1,028,277	2,892,301	3,920,578	294,051	6/2	
Brooklyn											
Park	MN	-	4,106,753	None	None	-	4,106,753	4,106,753	485,966	1/2	
Cloquet	MN	1,220,000	5,151,588	None	None	1,220,000	5,151,588	6,371,588	523,745	6/3	
Grand											
Rapids	MN	3,482,700	499,111	4,072,537	None	None	499,111	4,072,537	4,571,648	481,917	1/2
Dellwood	MO	766,461	2,438,272	None	None	766,461	2,438,272	3,204,733	467,335	3/1	
Farmington	MO	1,580,000	5,184,052	None	None	1,580,000	5,184,052	6,764,052	527,045	6/2	
Harrisonville	MO	1,473,335	3,387,834	None	None	1,473,335	3,387,834	4,861,169	400,894	1/2	
Kansas City	MO	1,875,478	4,207,068	None	None	1,875,478	4,207,068	6,082,546	119,200	4/2	
St. John	MO	2,300,000	3,824,235	None	None	2,300,000	3,824,235	6,124,235	108,353	4/2	
St. Joseph	MO	1,293,855	3,639,311	None	None	1,293,855	3,639,311	4,933,166	369,997	6/3	
St. Louis	MO	744,817	2,300,087	None	None	744,817	2,300,087	3,044,904	440,850	3/1	
St. Louis	MO	1,117,749	3,143,966	None	None	1,117,749	3,143,966	4,261,715	319,637	6/1	
St. Louis	MO	2,190,000	5,109,166	None	None	2,190,000	5,109,166	7,299,166	519,432	6/2	
Wildwood	MO	681,200	2,649,759	None	None	681,200	2,649,759	3,330,959	507,871	3/1	
Byram	MS	1,243,088	3,425,993	None	None	1,243,088	3,425,993	4,669,081	405,409	1/2	
Flowood	MS	1,828,528	3,995,605	None	None	1,828,528	3,995,605	5,824,133	113,209	4/2	
Forest	MS	-	2,991,069	None	None	-	2,991,069	2,991,069	353,943	1/2	
Jackson	MS	1,749,695	4,347,797	None	None	1,749,695	4,347,797	6,097,492	224,636	9/3	
Picayune	MS	1,721,543	4,102,591	None	None	1,721,543	4,102,591	5,824,134	116,240	4/2	
Kalispell	MT	1,890,000	3,629,051	None	None	1,890,000	3,629,051	5,519,051	102,823	4/2	
Asheville	NC	-	3,118,366	None	None	-	3,118,366	3,118,366	369,007	1/2	
Charlotte	NC	923,616	2,092,139	21,513	None	923,616	2,113,652	3,037,268	194,488	9/2	
Creedmoor	NC	1,280,821	2,945,163	None	None	1,280,821	2,945,163	4,225,984	348,511	1/2	
High Point	NC	1,573,851	4,426,874	None	None	1,573,851	4,426,874	6,000,725	450,066	6/1	
Holly											
Springs	NC	1,451,019	3,336,520	None	None	1,451,019	3,336,520	4,787,539	394,822	1/2	
Roanoke											
Rapids	NC	1,103,934	2,538,422	None	None	1,103,934	2,538,422	3,642,356	300,380	1/2	
Walkertown	NC	1,351,535	3,107,765	None	None	1,351,535	3,107,765	4,459,300	367,752	1/2	
Grand											
Island	NE	1,730,000	3,792,128	None	None	1,730,000	3,792,128	5,522,128	107,444	4/2	
Omaha	NE	1,782,721	3,895,510	None	None	1,782,721	3,895,510	5,678,231	110,373	4/2	
Derry	NH	1,210,000	4,443,660	None	None	1,210,000	4,443,660	5,653,660	318,462	3/3	
Dover	NH	1,844,188	4,556,875	None	None	1,844,188	4,556,875	6,401,063	326,576	3/3	
Plaistow	NH	940,000	4,421,512	None	None	940,000	4,421,512	5,361,512	449,520	6/1	
Carlstadt	NJ	2,630,000	4,733,522	None	None	2,630,000	4,733,522	7,363,522	244,565	9/3	
Jackson	NJ	1,060,000	3,040,000	None	None	1,060,000	3,040,000	4,100,000	5,067	12/3	
Ledgewood	NJ	2,060,000	5,490,100	None	None	2,060,000	5,490,100	7,550,100	393,457	3/3	
Mount											
Ephraim	NJ	2,410,000	5,039,976	None	None	2,410,000	5,039,976	7,449,976	361,198	3/3	
Sewell	NJ	1,510,000	4,969,996	None	None	1,510,000	4,969,996	6,479,996	356,183	3/3	
Farmington	NM	1,652,630	4,106,603	None	None	1,652,630	4,106,603	5,759,233	212,174	9/3	
Carson City	NV	800,000	2,770,950	None	None	800,000	2,770,950	3,570,950	1,205,355	2/3	
Reno	NV	1,100,000	2,602,911	None	175	1,100,000	2,603,086	3,703,086	1,132,386	2/3	
Reno	NV	850,000	2,306,647	None	None	850,000	2,306,647	3,156,647	1,003,383	2/3	
Reno	NV	-	3,951,105	None	None	-	3,951,105	3,951,105	467,547	1/2	
Sparks	NV	1,000,000	2,271,513	None	None	1,000,000	2,271,513	3,271,513	988,099	2/3	
Sun Valley	NV	550,000	2,678,380	None	None	550,000	2,678,380	3,228,380	1,165,086	2/3	
Angola	NY	1,644,457	3,781,320	None	None	1,644,457	3,781,320	5,425,777	447,456	1/2	
Auburn	NY	1,319,171	4,557,735	None	None	1,319,171	4,557,735	5,876,906	539,332	1/2	
Brooklyn	NY	-	3,169,829	None	None	-	3,169,829	3,169,829	375,096	1/2	
Brooklyn	NY	6,286,888	3,091,053	None	None	6,286,888	3,091,053	9,377,941	365,775	1/2	
Cohoes	NY	993,687	2,284,916	None	None	993,687	2,284,916	3,278,603	270,382	1/2	
Flushing	NY	-	2,844,843	None	None	-	2,844,843	2,844,843	336,640	1/2	
Greece	NY	1,530,625	4,305,290	None	None	1,530,625	4,305,290	5,835,915	437,704	6/1	
Jamaica	NY	-	3,265,890	None	None	-	3,265,890	3,265,890	386,464	1/2	
Le Roy	NY	664,571	4,160,651	None	None	664,571	4,160,651	4,825,222	492,344	1/2	
Macedon	NY	1,072,714	2,391,311	None	None	1,072,714	2,391,311	3,464,025	3,986	12/3	
Ontario	NY	650,000	4,641,592	None	None	650,000	4,641,592	5,291,592	7,736	12/3	
Orchard											
Park	NY	715,690	4,719,148	None	None	715,690	4,719,148	5,434,838	558,432	1/2	
Patchogue	NY	1,717,702	5,188,982	None	None	1,717,702	5,188,982	6,906,684	614,030	1/2	
Penn Yan	NY	843,439	3,784,664	None	None	843,439	3,784,664	4,628,103	447,852	1/2	
Plattsburgh	NY	2,122,505	4,610,552	None	None	2,122,505	4,610,552	6,733,057	545,582	1/2	
Ridgewood	NY	6,872,644	3,221,483	None	None	6,872,644	3,221,483	10,094,127	381,209	1/2	

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Rochester	NY		519,775	3,589,694	None	None	519,775	3,589,694	4,109,469	424,780	1/2
Rochester	NY		495,551	3,585,587	None	None	495,551	3,585,587	4,081,138	424,295	1/2
Rochester	NY		-	4,562,079	None	None	-	4,562,079	4,562,079	539,846	1/2
Saint Albans	NY		6,550,000	4,455,729	None	None	6,550,000	4,455,729	11,005,729	452,999	6/2
Stony Point	NY	3,089,020	2,340,671	4,770,714	None	None	2,340,671	4,770,714	7,111,385	564,534	1/2
Syracuse	NY		1,474,646	4,898,244	None	None	1,474,646	4,898,244	6,372,890	579,626	1/2

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company			Cost Capitalized Subsequent		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Buildings, Improvements and Acquisition Fees	Improvements	Carrying Costs	Land	Buildings, Improvements and Acquisition Fees	Total			
Wilton NY		1,763,372	4,054,756	None	None	1,763,372	4,054,756	5,818,128	479,813		
Cadiz OH	1,198,612	904,795	2,080,515	47,152	None	904,795	2,127,667	3,032,462	246,964		
Carrollton OH	1,672,857	1,001,306	2,302,436	None	None	1,001,306	2,302,436	3,303,742	272,455		
Centerville OH		1,971,631	4,308,306	None	None	1,971,631	4,308,306	6,279,937	122,069		
Columbus OH		1,153,997	3,245,924	None	None	1,153,997	3,245,924	4,399,921	330,002		
Columbus OH		2,580,000	4,383,667	None	None	2,580,000	4,383,667	6,963,667	124,204		
Cortland OH		1,440,000	1,364,725	1,250	None	1,440,000	1,365,975	2,805,975	594,558		
East Liverpool OH	1,576,274	958,357	2,203,679	55,383	None	958,357	2,259,062	3,217,419	261,897		
Franklin OH		1,320,000	4,322,403	None	None	1,320,000	4,322,403	5,642,403	122,468		
Lakewood OH		1,873,535	4,202,711	None	None	1,873,535	4,202,711	6,076,246	119,077		
Liberty Township OH		1,892,611	4,135,636	None	None	1,892,611	4,135,636	6,028,247	117,176		
Lisbon OH	1,053,739	706,599	1,624,777	45,482	None	706,599	1,670,259	2,376,858	193,179		
Madison OH		580,000	1,272,742	None	None	580,000	1,272,742	1,852,742	545,152		
Mansfield OH	3,120,466	1,653,932	3,803,106	None	None	1,653,932	3,803,106	5,457,038	450,034		
Marysville OH		1,654,400	3,804,182	None	None	1,654,400	3,804,182	5,458,582	450,162		
Mayfield Heights OH		-	2,703,730	None	None	-	2,703,730	2,703,730	851,674		
Reynoldsburg OH		1,286,721	3,619,244	99,570	None	1,286,721	3,718,814	5,005,535	368,579		
Sidney OH		1,359,676	3,198,465	None	None	1,359,676	3,198,465	4,558,141	122,608		
Upper Arlington OH		3,010,646	5,513,043	None	None	3,010,646	5,513,043	8,523,689	652,377		
Warren OH		960,000	1,326,083	None	None	960,000	1,326,083	2,286,083	576,837		
Warren OH		800,000	1,241,503	None	None	800,000	1,241,503	2,041,503	540,045		
Willowick OH		530,000	1,241,308	None	None	530,000	1,241,308	1,771,308	531,688		
El Reno OK		670,000	3,457,967	None	None	670,000	3,457,967	4,127,967	144,082		
Midwest City OK		1,560,000	4,215,560	None	None	1,560,000	4,215,560	5,775,560	119,441		
Ponca City OK		1,247,744	3,100,506	None	None	1,247,744	3,100,506	4,348,250	160,193		
Tulsa OK		813,500	5,707	1,500	None	813,500	7,207	820,707	972	10/31/2013	
Warr Acres OK		1,813,278	3,962,282	None	None	1,813,278	3,962,282	5,775,560	112,265		
Redmond OR		1,440,000	5,005,148	None	None	1,440,000	5,005,148	6,445,148	8,342		
Beaver PA		1,933,000	3,003,160	None	None	1,933,000	3,003,160	4,936,160	966,016		
Carlisle PA	2,907,378	1,687,948	3,881,323	None	None	1,687,948	3,881,323	5,569,271	459,290		
Delmont PA		720,000	1,246,023	10,475	None	720,000	1,256,498	1,976,498	550,130		
Emmaus PA		1,568,237	4,411,084	None	None	1,568,237	4,411,084	5,979,321	448,460		
Export PA		710,000	1,666,912	None	None	710,000	1,666,912	2,376,912	725,095		
Girard PA		-	1,352,590	179,859	None	-	1,532,449	1,532,449	1,274,780		
Harrisburg PA		1,920,000	3,580,000	None	None	1,920,000	3,580,000	5,500,000	5,967		
Imperial PA		1,255,750	2,995,001	None	None	1,255,750	2,995,001	4,250,751	1,123,125		
Johnstown PA		250,000	2,593,436	None	None	250,000	2,593,436	2,843,436	1,128,136		
Johnstown PA		600,000	2,010,255	None	None	600,000	2,010,255	2,610,255	874,452		
Norristown PA		-	3,603,611	None	None	-	3,603,611	3,603,611	1,135,136		
Philadelphia PA		-	3,803,732	None	None	-	3,803,732	3,803,732	1,198,174		
Phoenixville PA		3,510,000	5,123,285	None	None	3,510,000	5,123,285	8,633,285	520,867		
Pittsburgh PA	3,973,499	2,784,426	5,002,215	None	None	2,784,426	5,002,215	7,786,641	591,929		



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Reading	PA	1,400,000	3,304,996	None	None	1,400,000	3,304,996	4,704,996	1,041,072
Saint Marys	PA	1,663,632	3,090,403	None	None	1,663,632	3,090,403	4,754,035	994,079
Slippery Rock	PA	-	1,295,495	196,904	None	-	1,492,399	1,492,399	1,277,489
Uniontown	PA	1,617,507	4,549,669	None	None	1,617,507	4,549,669	6,167,176	462,550
Wexford	PA	2,300,000	2,606,080	None	None	2,300,000	2,606,080	4,906,080	820,914
Yeadon	PA	-	3,253,285	None	None	-	3,253,285	3,253,285	1,046,473
Woonsocket	RI	1,297,497	2,939,041	None	None	1,297,497	2,939,041	4,236,538	279,209
Columbia	SC	1,430,093	3,288,404	None	None	1,430,093	3,288,404	4,718,497	389,128
Conway	SC	1,795,692	-	None	None	-	3,451,662	3,451,662	408,447
Athens	TN	1,650,000	3,842,297	None	None	1,650,000	3,842,297	5,492,297	108,865
Bartlett	TN	1,563,355	3,677,593	None	None	1,563,355	3,677,593	5,240,948	140,974
Brownsville	TN	1,490,000	3,683,903	None	None	1,490,000	3,683,903	5,173,903	104,377
Chattanooga	TN	1,090,783	2,695,258	None	None	1,090,783	2,695,258	3,786,041	211,129
Colonial Heights	TN	1,837,294	4,014,760	None	None	1,837,294	4,014,760	5,852,054	113,752
Fayetteville	TN	1,490,000	4,127,381	None	None	1,490,000	4,127,381	5,617,381	116,942
Franklin	TN	754,510	2,122,261	58,911	None	754,510	2,181,172	2,935,682	216,131
Hixson	TN	973,733	2,406,034	None	None	973,733	2,406,034	3,379,767	188,473
Lawrenceburg	TN	1,633,403	3,892,546	None	None	1,633,403	3,892,546	5,525,949	110,289
Memphis	TN	350,000	2,783,909	27,134	None	350,000	2,811,043	3,161,043	219,688
White House	TN	1,649,422	3,930,720	None	None	1,649,422	3,930,720	5,580,142	111,370
Austin	TX	1,623,904	3,734,059	None	None	1,623,904	3,734,059	5,357,963	441,864
Coppell	TX	1,076,551	3,097,830	None	None	1,076,551	3,097,830	4,174,381	366,577
Houston	TX	1,268,978	3,569,338	None	None	1,268,978	3,569,338	4,838,316	362,883
Houston	TX	2,860,000	3,490,686	None	None	2,860,000	3,490,686	6,350,686	133,810
Lubbock	TX	973,713	2,738,827	3,293	None	973,713	2,742,120	3,715,833	278,457
Sealy	TX	1,514,567	3,482,644	None	None	1,514,567	3,482,644	4,997,211	412,113
Wichita Falls	TX	1,331,410	3,131,974	None	None	1,331,410	3,131,974	4,463,384	120,059
Fredericksburg	VA	-	2,901,815	None	None	-	2,901,815	2,901,815	914,070
King George	VA	2,942,157	1,772,216	None	None	1,772,216	4,075,092	5,847,308	482,219
Martinsville	VA	3,600,673	560,565	None	None	560,565	3,290,085	3,850,650	389,327
Richmond	VA	1,255,931	3,103,326	91,118	None	1,255,931	3,194,444	4,450,375	243,659
Richmond	VA	1,388,198	3,255,705	None	None	1,388,198	3,255,705	4,643,903	70,540
Burlington	VT	2,049,745	4,643,003	None	None	2,049,745	4,643,003	6,692,748	456,562
Graham	WA	1,396,502	3,928,032	None	None	1,396,502	3,928,032	5,324,534	399,350
Lynnwood	WA	1,410,480	3,967,350	None	None	1,410,480	3,967,350	5,377,830	403,347
Mount Vernon	WA	-	3,785,303	None	None	-	3,785,303	3,785,303	6,309
Puyallup	WA	1,835,489	4,535,379	None	None	1,835,489	4,535,379	6,370,868	370,389
Antigo	WI	1,540,000	4,754,008	None	None	1,540,000	4,754,008	6,294,008	134,697
Kaukauna	WI	1,893,714	4,138,045	None	None	1,893,714	4,138,045	6,031,759	117,245
Menomonee Falls	WI	2,180,000	4,235,106	None	None	2,180,000	4,235,106	6,415,106	119,995
Menomonee	WI	2,200,000	3,831,758	None	None	2,200,000	3,831,758	6,031,758	108,566
Milwaukee	WI	1,830,000	4,128,507	None	None	1,830,000	4,128,507	5,958,507	116,974
Monona	WI	1,135,636	2,806,085	None	None	1,135,636	2,806,085	3,941,721	229,164
Racine	WI	1,976,049	4,317,960	None	None	1,976,049	4,317,960	6,294,009	122,342
Two Rivers	WI	1,280,000	4,776,734	None	None	1,280,000	4,776,734	6,056,734	135,341
Wisconsin Rapids	WI	1,893,714	4,138,045	None	None	1,893,714	4,138,045	6,031,759	117,245
Buckhannon	WV	1,716,898	3,189,190	None	None	1,716,898	3,189,190	4,906,088	1,004,593
Huntington	WV	1,085,818	3,802,536	None	None	1,085,818	3,802,536	4,888,354	449,967
Rock Springs	WY	1,970,000	4,644,222	None	None	1,970,000	4,644,222	6,614,222	131,586

Education

Peoria	AZ	281,750	625,779	69,854	18,665	281,750	714,298	996,048	676,882
Corona	CA	144,856	671,584	None	26,846	144,856	698,430	843,286	693,290
Santee	CA	248,418	551,748	37,230	29,831	248,418	618,809	867,227	569,885
Coconut Creek	FL	310,111	1,243,682	None	None	310,111	1,243,682	1,553,793	814,898
Las Vegas	NV	1,080,444	3,346,772	None	73	1,080,444	3,346,845	4,427,289	2,381,757
Beaverton	OR	135,148	626,647	None	26,949	135,148	653,596	788,744	648,244
Memphis	TN	238,263	504,897	11,504	5,352	238,263	521,753	760,016	508,861
Arlington	TX	195,650	387,355	9,289	54	195,650	396,698	592,348	388,366
Austin	TX	238,000	528,604	90,133	22,315	238,000	641,052	879,052	583,194
Mesquite	TX	1,049,287	1,949,085	233,921	63,743	1,049,287	2,246,749	3,296,036	1,267,074
Missouri City	TX	221,025	437,593	265,395	128	221,025	703,116	924,141	523,378
Southlake	TX	228,279	511,750	None	25,283	228,279	537,033	765,312	499,559
Sugar Land	TX	1,600,000	6,300,995	None	None	1,600,000	6,300,995	7,900,995	2,404,876
Chantilly	VA	688,917	3,208,607	None	None	688,917	3,208,607	3,897,524	2,065,357
Kingstowne	VA	300,000	1,191,396	None	None	300,000	1,191,396	1,491,396	740,952

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Electric utilities

Fairfield	CA	1,450,000	9,207,989	2,000	None	1,450,000	9,209,989	10,659,989	625,295
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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company			Cost Capitalized Subsequent		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Buildings, Improvements and Acquisition Fees	Improvements	Carrying Costs	Land	Buildings, Improvements and Acquisition Fees	Total			
<u>Entertainment</u>											
Riverside	CA	7,800,000	130	(416,985)	None	7,383,015	130	7,383,145	68		
Vista	CA	2,300,000	22	None	None	2,300,000	22	2,300,022	14		
Marietta	GA	1,500,000	768	None	None	1,500,000	768	1,500,768	432		
Norcross	GA	1,600,000	768	None	None	1,600,000	768	1,600,768	432		
Greensboro	NC	4,000,000	463	None	None	4,000,000	463	4,000,463	241		
Omaha	NE	1,956,296	3,949,402	208,052	140,128	1,956,296	4,297,582	6,253,878	3,065,386		
Calverton	NY	6,200,000	744	None	None	6,200,000	744	6,200,744	490		
Medford	NY	1,500,000	745	None	None	1,500,000	745	1,500,745	490		
Arlington	TX	1,330,000	2,776,647	None	None	1,330,000	2,776,647	4,106,647	143,460		
San Antonio	TX	1,310,000	1,920,140	None	None	1,310,000	1,920,140	3,230,140	105,608		
<u>Equipment</u>											
<u>services</u>											
Lake Worth	FL	679,079	1,262,568	None	140	679,079	1,262,708	1,941,787	629,196		
Novi	MI	430,000	6,661,063	None	None	430,000	6,661,063	7,091,063	309,264		
Cameron	MO	16,851,823	940,000	18,280,024	449,040	940,000	18,729,064	19,669,064	1,402,908		
Sanford	NC	7,873,564	226,784	15,056,005	None	226,784	15,056,005	15,282,789	1,982,374		
Elko	NV	1,401,115	10,342,501	17,091	None	1,401,115	10,359,592	11,760,707	1,988,772		
Lewisville	TX	1,010,134	1,877,384	None	None	1,010,134	1,877,384	2,887,518	935,563		
<u>Financial</u>											
<u>services</u>											
Phoenix	AZ	245,137	456,324	None	None	245,137	456,324	701,461	143,742		
El Cajon	CA	1,620,871	-	None	None	1,620,871	-	1,620,871	-		
Turlock	CA	222,250	493,627	9,911	19,400	222,250	522,938	745,188	498,059		
Canon City	CO	66,500	147,699	35,838	111	66,500	183,648	250,148	148,185		
Colorado											
Springs	CO	313,250	695,730	40,500	79	313,250	736,309	1,049,559	736,291		
Clearwater	FL	476,179	725,023	10,154	270	476,179	735,447	1,211,626	500,267		
Fort Myers	FL	2,299,927	1,025,624	2,407,011	None	1,025,624	2,407,011	3,432,635	284,830		
Orlando	FL	532,556	940,177	None	None	532,556	940,177	1,472,733	355,668	6/9/2006	
Palm Coast	FL	713,370	2,421,133	None	None	713,370	2,421,133	3,134,503	286,501		
Plantation	FL	1,284,678	1,160,000	1,049,443	None	1,160,000	1,049,443	2,209,443	82,206		
Pompano											
Beach	FL	1,563,202	2,354,641	None	None	1,563,202	2,354,641	3,917,843	278,633		
Acworth	GA	1,033,457	650,000	992,950	None	650,000	992,950	1,642,950	77,781		
Alpharetta	GA	1,588,122	940,000	1,305,410	None	940,000	1,305,410	2,245,410	102,257		
Hinesville	GA	172,611	383,376	48,425	3,796	172,611	435,597	608,208	398,820		
Coeur D Alene	ID	165,900	368,468	None	None	165,900	368,468	534,368	368,468		
Carpentersville	IL	1,752,080	-	None	None	1,752,080	-	1,752,080	-		
Montgomery	IL	1,636,238	-	None	None	1,636,238	-	1,636,238	-		
Northlake	IL	1,461,799	-	None	None	1,461,799	-	1,461,799	-		
Oak Lawn	IL	2,052,944	2,383,995	6,000	None	2,052,944	2,389,995	4,442,939	282,169		
Schaumburg	IL	3,252,143	-	None	None	3,252,143	-	3,252,143	-		

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Stickney	IL		743,660	1,363,377	None	None	743,660	1,363,377	2,107,037	161,333
Brockton	MA		229,846	741,196	None	None	229,846	741,196	971,042	87,708
Centerville	MA		378,555	1,220,743	None	None	378,555	1,220,743	1,599,298	144,455
Chatham	MA		513,702	1,656,556	None	None	513,702	1,656,556	2,170,258	196,026
Duxbury	MA		411,113	1,325,735	None	None	411,113	1,325,735	1,736,848	156,879
Hanover	MA		434,396	1,400,817	None	None	434,396	1,400,817	1,835,213	165,763
Hull	MA		242,499	781,996	None	None	242,499	781,996	1,024,495	92,536
Hyannis	MA		830,700	2,678,796	None	None	830,700	2,678,796	3,509,496	316,991
Middleborough	MA		1,225,841	3,953,025	None	None	1,225,841	3,953,025	5,178,866	467,775
Middleborough	MA		625,848	724,941	None	None	625,848	724,941	1,350,789	85,785
Orleans	MA		496,997	1,602,690	None	None	496,997	1,602,690	2,099,687	189,652
Pembroke	MA		520,463	1,678,359	None	None	520,463	1,678,359	2,198,822	198,606
Plymouth	MA		555,446	7,109,710	None	None	555,446	7,109,710	7,665,156	841,316
Quincy	MA		289,121	539,719	50,595	15,595	289,121	605,909	895,030	202,803
Randolph	MA		530,316	1,710,132	None	None	530,316	1,710,132	2,240,448	202,366
Rockland	MA		1,341,048	6,112,682	None	None	1,341,048	6,112,682	7,453,730	723,334
Scituate	MA		403,299	1,300,535	None	None	403,299	1,300,535	1,703,834	153,897
South										
Yarmouth	MA		477,020	1,538,269	None	None	477,020	1,538,269	2,015,289	182,029
West Dennis	MA		1,065,353	898,827	None	None	1,065,353	898,827	1,964,180	106,361
Blue Springs	MO		222,569	494,333	None	None	222,569	494,333	716,902	494,333
Wilmington	NC	1,049,683	470,000	995,035	None	None	470,000	995,035	1,465,035	77,944
Bloomfield	NJ		392,983	1,267,269	None	None	392,983	1,267,269	1,660,252	149,960
Cedar Grove	NJ		409,890	1,321,792	None	None	409,890	1,321,792	1,731,682	156,412
Clementon	NJ		424,795	1,369,857	None	None	424,795	1,369,857	1,794,652	162,100
Dayton	NJ		376,731	1,214,861	None	None	376,731	1,214,861	1,591,592	143,759
Deptford	NJ		308,425	994,592	None	None	308,425	994,592	1,303,017	117,693
East										
Brunswick	NJ		445,430	1,436,398	None	None	445,430	1,436,398	1,881,828	169,974
Fairfield	NJ		612,188	1,974,149	None	None	612,188	1,974,149	2,586,337	233,608
Fanwood	NJ		376,731	1,214,861	None	None	376,731	1,214,861	1,591,592	143,759
Garfield	NJ		372,910	1,202,541	None	None	372,910	1,202,541	1,575,451	142,301
Green Brook	NJ		319,003	1,028,702	None	None	319,003	1,028,702	1,347,705	121,730
Haddonfield	NJ		312,763	1,008,581	None	None	312,763	1,008,581	1,321,344	119,349
Kearny	NJ		278,653	898,584	None	None	278,653	898,584	1,177,237	106,332
Mahwah	NJ		253,447	817,302	None	None	253,447	817,302	1,070,749	96,714
Martinsville	NJ		447,368	1,442,647	None	None	447,368	1,442,647	1,890,015	170,713
Millstone										
Townshi	NJ		270,310	871,681	None	None	270,310	871,681	1,141,991	103,149
Mountain										
Lakes	NJ		531,890	887,417	None	None	531,890	887,417	1,419,307	105,011
Northvale	NJ		259,002	835,217	None	None	259,002	835,217	1,094,219	98,834
Orange	NJ		450,522	1,452,819	None	None	450,522	1,452,819	1,903,341	171,917
Parlin	NJ		345,431	1,113,926	None	None	345,431	1,113,926	1,459,357	131,815
Paterson	NJ		122,722	395,747	None	None	122,722	395,747	518,469	46,830
Paterson	NJ		469,318	639,560	None	None	469,318	639,560	1,108,878	75,681
Pompton										
Plains	NJ		226,298	729,755	None	None	226,298	729,755	956,053	86,354
Raritan	NJ		370,127	1,193,564	None	None	370,127	1,193,564	1,563,691	141,238
Somerville	NJ		376,597	1,214,429	None	None	376,597	1,214,429	1,591,026	143,707
Tenafly	NJ		463,499	1,494,667	None	None	463,499	1,494,667	1,958,166	176,869
Trenton	NJ		459,146	1,480,629	None	None	459,146	1,480,629	1,939,775	175,208
Vineland	NJ		236,628	763,064	None	None	236,628	763,064	999,692	90,296
West Orange	NJ		174,486	562,673	None	None	174,486	562,673	737,159	66,583
West Orange	NJ		259,916	838,164	None	None	259,916	838,164	1,098,080	99,183
Westwood	NJ		205,094	661,375	None	None	205,094	661,375	866,469	78,263
Woodland										
Park	NJ		206,695	666,539	None	None	206,695	666,539	873,234	78,874
Albuquerque	NM		80,500	178,794	8,003	None	80,500	186,797	267,297	185,096
Santa Fe	NM		70,000	155,473	None	None	70,000	155,473	225,473	155,473
Stony Point	NY	1,404,100	950,455	2,963,243	None	None	950,455	2,963,243	3,913,698	350,650
Beachwood	OH	1,125,779	980,000	1,062,628	None	None	980,000	1,062,628	2,042,628	83,239
Columbus	OH		214,737	85,425	25,900	5,330	214,737	116,655	331,392	58,460
Dublin	OH		2,399,969	17,044,099	None	None	2,399,969	17,044,099	19,444,068	3,266,786
Euclid	OH	602,664	130,000	1,027,248	None	None	130,000	1,027,248	1,157,248	80,468
Groveport	OH		277,198	445,497	35,314	11,520	277,198	492,331	769,529	368,543
Mentor	OH	906,161	350,000	1,276,241	None	None	350,000	1,276,241	1,626,241	99,972
Milford	OH		353,324	269,997	(15,631)	8,576	314,484	301,782	616,266	204,156
Pepper Pike	OH	846,354	530,000	865,808	None	None	530,000	865,808	1,395,808	67,822
	OH	916,602	650,000	792,759	None	None	650,000	792,759	1,442,759	62,099

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Shaker Heights									
West Chester	OH	618,270	1,055,888	None	None	618,270	1,055,888	1,674,158	124,947
Ambler	PA	1,374,943	4,862,810	None	None	1,374,943	4,862,810	6,237,753	575,433
Blairsville	PA	297,140	958,202	None	None	297,140	958,202	1,255,342	113,387
Clarks Summit	PA	165,407	533,394	None	None	165,407	533,394	698,801	63,118
Dillsburg	PA	157,114	506,653	None	None	157,114	506,653	663,767	59,954

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent to Acquisition	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total		
Harleysville PA		1,486,141	16,590,526	None	None	1,486,141	16,590,526	18,076,667	1,963,212	
Lansdale PA		582,679	1,878,990	None	None	582,679	1,878,990	2,461,669	222,347	
Lansford PA		724,643	2,336,788	None	None	724,643	2,336,788	3,061,431	276,520	
Lehighton PA		353,743	1,140,729	None	None	353,743	1,140,729	1,494,472	134,986	
Limerick PA		1,198,208	1,141,397	None	None	1,198,208	1,141,397	2,339,605	135,065	
Media PA		93,870	302,705	None	None	93,870	302,705	396,575	35,820	
Media PA		312,084	1,006,391	None	None	312,084	1,006,391	1,318,475	119,090	
North Wales PA		658,040	2,122,012	None	None	658,040	2,122,012	2,780,052	251,105	
Palmerton PA		1,152,944	3,717,949	None	None	1,152,944	3,717,949	4,870,893	439,957	
Philadelphia PA		680,814	938,913	None	None	680,814	938,913	1,619,727	111,105	
Philadelphia PA		287,110	925,857	None	None	287,110	925,857	1,212,967	109,560	
Philadelphia PA		300,032	967,528	None	None	300,032	967,528	1,267,560	114,491	
Philadelphia PA		200,022	645,020	None	None	200,022	645,020	845,042	76,327	
Philadelphia PA		130,580	421,086	None	None	130,580	421,086	551,666	49,829	
Philadelphia PA		270,560	872,488	None	None	270,560	872,488	1,143,048	103,244	
Pittsburgh PA		203,808	657,230	None	None	203,808	657,230	861,038	77,772	
Sellersville PA		436,843	1,408,706	None	None	436,843	1,408,706	1,845,549	166,697	
Skippack PA		484,437	1,562,185	None	None	484,437	1,562,185	2,046,622	184,859	
Slatington PA		467,608	1,507,917	None	None	467,608	1,507,917	1,975,525	178,437	
Slatington PA		1,331,882	4,294,979	None	None	1,331,882	4,294,979	5,626,861	508,239	
Somerset PA		369,856	1,192,691	None	None	369,856	1,192,691	1,562,547	141,135	
Summit Hill PA		94,816	2,266,101	None	None	94,816	2,266,101	2,360,917	268,155	
Swarthmore PA		165,423	533,447	None	None	165,423	533,447	698,870	63,125	
Tannersville PA		277,284	894,170	None	None	277,284	894,170	1,171,454	105,810	
Walnutport PA		1,068,012	1,437,132	None	None	1,068,012	1,437,132	2,505,144	170,061	
Warren PA		253,725	818,198	None	None	253,725	818,198	1,071,923	96,820	
Wyomissing PA		553,724	1,785,618	None	None	553,724	1,785,618	2,339,342	211,298	
Mount Pleasant SC	13,800,000	10,803,051	25,511,279	None	None	10,803,051	25,511,279	36,314,330	2,156,310	
Lubbock TX		49,000	108,831	42,051	6,264	49,000	157,146	206,146	136,658	
Pasadena TX		385,199	716,468	None	None	385,199	716,468	1,101,667	225,687	
Milwaukee WI		265,985	495,071	None	None	265,985	495,071	761,056	155,948	
<u>Food processing</u>										
Cedar Rapids IA	29,307,500	1,784,980	36,815,951	None	None	1,784,980	36,815,951	38,600,931	4,847,433	
St. Louis MO		3,112,401	32,725,202	None	147	3,112,401	32,725,349	35,837,750	5,836,124	
Weldon Springs MO		3,675,034	13,827,581	None	None	3,675,034	13,827,581	17,502,615	2,604,194	
Omaha NE		2,022,114	24,664,964	None	None	2,022,114	24,664,964	26,687,078	2,084,777	
York NE		450,000	7,442,416	None	None	450,000	7,442,416	7,892,416	434,402	
Oklahoma City OK		201,507	1,828,803	None	None	201,507	1,828,803	2,030,310	154,577	
Memphis TN	6,556,190	1,568,476	13,510,652	41,581	None	1,568,476	13,552,233	15,120,709	1,144,445	
Weslaco TX		207,384	1,882,135	None	None	207,384	1,882,135	2,089,519	159,085	

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General

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Demopolis	AL	1,300,640	658,601	2,140,452	14,135	None	658,601	2,154,587	2,813,188	260,493
Batesville	AR		360,000	1,839,677	None	None	360,000	1,839,677	2,199,677	193,166
Blytheville	AR	5,809,800	772,319	15,370,177	None	None	772,319	15,370,177	16,142,496	1,818,804
Coolidge	AZ		380,000	1,865,375	None	None	380,000	1,865,375	2,245,375	77,724
Douglas	AZ		320,000	2,812,308	None	None	320,000	2,812,308	3,132,308	145,303
Sonora	CA	2,886,485	1,199,554	3,898,549	None	None	1,199,554	3,898,549	5,098,103	461,328
Tustin	CA		10,530,000	9,883,431	None	None	10,530,000	9,883,431	20,413,431	543,589
Monte Vista	CO		47,652	582,159	54,569	1,584	47,652	638,312	685,964	397,844
Pawcatuck	CT		1,090,816	3,545,153	13,565	None	1,090,816	3,558,718	4,649,534	427,281
North Ft Myers	FL		729,366	3,292,417	None	None	729,366	3,292,417	4,021,783	71,336
Orange Park	FL		478,314	618,348	163,348	27,979	478,314	809,675	1,287,989	528,556
Madison	GA		597,637	1,942,320	20,582	None	597,637	1,962,902	2,560,539	238,949
Clarinda	IA		439,267	816,010	26,503	12,938	439,267	855,451	1,294,718	314,435
Garnett	KS		59,690	628,516	90,686	38	59,690	719,240	778,930	356,498
Hillsboro	KS		335,292	622,914	None	38	335,292	622,952	958,244	239,828
Phillipsburg	KS		423,725	787,146	None	8,938	423,725	796,084	1,219,809	303,202
Lawrenceburg	KY		410,000	503,126	121,597	None	410,000	624,723	1,034,723	21,955
Maysville	KY		1,030,000	1,440,622	None	None	1,030,000	1,440,622	2,470,622	151,265
Mansura	LA	1,435,525	557,316	1,811,276	11,163	None	557,316	1,822,439	2,379,755	220,730
Oakland	MD		990,000	2,555,782	None	None	990,000	2,555,782	3,545,782	106,491
Calais	ME		440,000	2,236,794	None	None	440,000	2,236,794	2,676,794	115,568
Coldwater	MI		380,000	2,589,000	None	None	380,000	2,589,000	2,969,000	4,315
Kalamazoo	MI		-	2,547,854	42,796	None	-	2,590,650	2,590,650	308,118
St John s	MI		350,000	2,292,729	None	None	350,000	2,292,729	2,642,729	95,530
Stevensville	MI		404,904	2,547,727	900	None	404,904	2,548,627	2,953,531	131,661
Long Prairie	MN		88,892	553,997	None	87	88,892	554,084	642,976	377,672
Paynesville	MN		49,483	525,406	35,306	38	49,483	560,750	610,233	359,447
Spring Valley	MN		69,785	579,238	None	84	69,785	579,322	649,107	394,880
Warroad	MN		70,000	580,000	None	46	70,000	580,046	650,046	395,377
Independence	MO		210,643	467,844	None	127	210,643	467,971	678,614	467,905
Kansas City	MO		210,070	466,571	None	None	210,070	466,571	676,641	466,571
Kansas City	MO		168,350	373,910	None	None	168,350	373,910	542,260	373,910
Willow Springs	MO		416,494	773,718	None	None	416,494	773,718	1,190,212	297,882
Corinth	MS		387,489	1,749,157	None	None	387,489	1,749,157	2,136,646	142,848
Ridgeland	MS		281,867	769,890	6,265	19,476	281,867	795,631	1,077,498	585,124
Billings	MT		617,235	2,786,247	None	None	617,235	2,786,247	3,403,482	60,369
Glendive	MT		567,581	2,529,794	None	None	567,581	2,529,794	3,097,375	54,812
Greensboro	NC		676,201	3,052,428	None	None	676,201	3,052,428	3,728,629	137,359
Raleigh	NC		484,913	2,188,937	None	None	484,913	2,188,937	2,673,850	156,874
Mayville	ND		59,333	565,562	None	5,087	59,333	570,649	629,982	385,653
Ainsworth	NE		362,675	673,768	None	94	362,675	673,862	1,036,537	259,421
Imperial	NE		388,599	721,914	146,288	38	388,599	868,240	1,256,839	281,936
Bloomfield	NM		59,559	616,252	14,805	84	59,559	631,141	690,700	421,804
Clovis	NM		50,000	918,965	33,694	None	50,000	952,659	1,002,659	56,950
Pickerington	OH		317,010	1,431,011	None	None	317,010	1,431,011	1,748,021	88,246
Milwaukie	OR		180,250	400,336	49,088	58	180,250	449,482	629,732	433,325
Dubois	PA	1,407,900	682,202	2,217,155	10,440	None	682,202	2,227,595	2,909,797	264,843
Ebensburg	PA		581,699	16,421,564	None	None	581,699	16,421,564	17,003,263	1,943,218
Elizabethville	PA	1,309,100	691,197	2,246,390	5,000	None	691,197	2,251,390	2,942,587	268,792
Mansfield	PA	1,309,100	759,190	2,467,367	3,651	None	759,190	2,471,018	3,230,208	293,481
Milford	PA		438,715	1,955,421	None	None	438,715	1,955,421	2,394,136	42,367
Providence	RI	14,900,000	2,550,000	21,717,123	5,161	None	2,550,000	21,722,284	24,272,284	1,218,421
Florence	SC		712,114	2,314,371	13,000	None	712,114	2,327,371	3,039,485	280,993
Athens	TN		290,000	1,948,179	None	None	290,000	1,948,179	2,238,179	107,150
Carthage	TN		316,571	1,411,005	None	None	316,571	1,411,005	1,727,576	2,352
Memphis	TN		197,708	507,647	17,670	23,118	197,708	548,435	746,143	385,995
Coleman	TX		243,060	451,661	14,375	38	243,060	466,074	709,134	173,925
Colorado City	TX		92,535	505,276	63,690	84	92,535	569,050	661,585	344,592
Devine	TX		212,408	394,735	16,268	101	212,408	411,104	623,512	152,024
New Boston	TX	1,271,080	564,285	1,833,926	25,360	None	564,285	1,859,286	2,423,571	230,561
Orange	TX		492,842	2,224,730	None	None	492,842	2,224,730	2,717,572	181,686
Presidio	TX		407,657	757,362	None	7,650	407,657	765,012	1,172,669	291,709
Winnsboro	TX		79,280	1,299,056	19,997	153	79,280	1,319,206	1,398,486	474,400
Yoakum	TX		390,147	724,821	24,408	87	390,147	749,316	1,139,463	279,123
Salem	UT		439,889	1,985,696	None	None	439,889	1,985,696	2,425,585	49,642
Puyallup	WA		173,250	384,795	None	22,814	173,250	407,609	580,859	403,617

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Redmond	WA	196,000	435,317	42,356	29,168	196,000	506,841	702,841	471,286
Tacoma	WA	189,000	419,777	None	19,146	189,000	438,923	627,923	435,731

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Carrying Costs	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Cost Capitalized Subsequent to Acquisition Improvements	Buildings, Improvements and		Land	Acquisition Fees	Total		
Green Bay	WI	1,510,000	5,852,883	None	None	1,510,000	5,852,883	7,362,883	595,043	6/	
Sussex	WI	650,000	7,106,415	None	None	650,000	7,106,415	7,756,415	722,486	6/	
Ronceverte	WV	1,407,900	772,945	2,500	None	772,945	2,514,571	3,287,516	297,772	1/	
Douglas	WY	571,162	2,545,759	None	None	571,162	2,545,759	3,116,921	55,158	6/	
<u>Government services</u>											
Sierra Vista	AZ	368,655	9,028,151	260,984	None	368,655	9,289,135	9,657,790	806,414	1/	
El Centro	CA	520,000	2,185,899	None	None	520,000	2,185,899	2,705,899	550,118	9/	
Redding	CA	675,805	20,005,327	188,619	None	675,805	20,193,946	20,869,751	1,748,763	1/	
Colorado Springs	CO	672,578	9,520,731	332,235	None	672,578	9,852,966	10,525,544	873,145	1/	
New Port	FL	779,626	9,945,848	106,459	None	779,626	10,052,307	10,831,933	821,132	1/	
Sioux City	IA	77,340	4,538,558	24,583	None	77,340	4,563,141	4,640,481	388,996	1/	
Caldwell	ID	666,412	2,891,593	7,400	None	666,412	2,898,993	3,565,405	248,494	1/	
Minneapolis	MN	1,045,866	8,587,804	None	None	1,045,866	8,587,804	9,633,670	725,874	1/	
Malone	NY	823,630	9,270,887	4,432	None	823,630	9,275,319	10,098,949	783,620	1/	
Knoxville	TN	760,745	8,994,542	17,310	None	760,745	9,011,852	9,772,597	763,628	1/	
Brownsville	TX	320,661	6,564,200	None	None	320,661	6,564,200	6,884,861	554,831	1/	
Dallas	TX	399,222	9,540,572	4,139	None	399,222	9,544,711	9,943,933	807,632	1/	
Eagle Pass	TX	146,259	1,880,444	124,540	None	146,259	2,004,984	2,151,243	169,129	1/	
Eagle Pass	TX	68,097	708,427	56,419	None	68,097	764,846	832,943	62,106	1/	
Paris	TX	274,223	5,385,490	1,750	None	274,223	5,387,240	5,661,463	455,567	1/	
Parkersburg	WV	494,436	12,703,842	19,723	None	494,436	12,723,565	13,218,001	1,079,655	1/	
<u>Grocery stores</u>											
Mesa	AZ	807,252	1,499,183	None	None	807,252	1,499,183	2,306,435	242,368	12/	
Phoenix	AZ	664,796	1,234,621	None	None	664,796	1,234,621	1,899,417	199,597	12/	
Phoenix	AZ	546,083	1,014,153	None	None	546,083	1,014,153	1,560,236	163,955	12/	
Yuma	AZ	783,510	1,455,089	None	None	783,510	1,455,089	2,238,599	235,239	12/	
Buena Park	CA	2,136,844	3,968,425	None	None	2,136,844	3,968,425	6,105,269	641,562	12/	
Burbank	CA	2,193,827	4,074,250	None	None	2,193,827	4,074,250	6,268,077	658,670	12/	
Carson	CA	949,709	1,763,744	None	None	949,709	1,763,744	2,713,453	285,139	12/	
Chula Vista	CA	1,044,679	1,940,119	None	None	1,044,679	1,940,119	2,984,798	313,653	12/	
Cloverdale	CA	1,505,000	2,795,321	None	None	1,505,000	2,795,321	4,300,321	1,374,366	9/	
El Centro	CA	394,903	733,392	None	None	394,903	733,392	1,128,295	118,565	12/	
Fortuna	CA	1,190,000	2,210,308	None	None	1,190,000	2,210,308	3,400,308	1,086,735	9/	
Glendale	CA	3,270,797	6,074,336	None	None	3,270,797	6,074,336	9,345,133	982,018	12/	
Hanford	CA	1,234,621	2,292,868	None	None	1,234,621	2,292,868	3,527,489	370,680	12/	
Inglewood	CA	1,661,990	3,086,553	None	None	1,661,990	3,086,553	4,748,543	498,993	12/	
Los Angeles	CA	712,282	1,322,809	None	None	712,282	1,322,809	2,035,091	213,854	12/	
Los Angeles	CA	1,424,563	2,645,617	None	None	1,424,563	2,645,617	4,070,180	427,708	12/	
Los Angeles	CA	1,576,516	2,927,816	None	None	1,576,516	2,927,816	4,504,332	473,330	12/	

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Los Angeles	CA	1,638,247	3,042,460	None	None	1,638,247	3,042,460	4,680,707	491,864	12/
Los Angeles	CA	1,994,388	3,703,864	None	None	1,994,388	3,703,864	5,698,252	598,791	12/
Los Angeles	CA	3,111,111	5,777,778	None	None	3,111,111	5,777,778	8,888,889	934,074	12/
Monrovia	CA	1,139,650	2,116,494	None	None	1,139,650	2,116,494	3,256,144	342,166	12/
North										
Hollywood	CA	4,036,263	7,495,917	None	None	4,036,263	7,495,917	11,532,180	1,211,840	12/
Oakland	CA	2,374,272	4,409,361	None	None	2,374,272	4,409,361	6,783,633	712,847	12/
Pacoima	CA	949,709	1,763,744	None	None	949,709	1,763,744	2,713,453	285,139	12/
Pasadena	CA	2,113,102	3,924,331	None	None	2,113,102	3,924,331	6,037,433	634,434	12/
Redlands	CA	1,187,136	2,204,680	None	None	1,187,136	2,204,680	3,391,816	356,423	12/
Redondo Beach	CA	1,306,667	2,426,666	None	None	1,306,667	2,426,666	3,733,333	392,311	12/
Redwood City	CA	1,638,247	3,042,460	None	None	1,638,247	3,042,460	4,680,707	491,864	12/
Riverside	CA	1,068,422	1,984,213	None	None	1,068,422	1,984,213	3,052,635	320,781	12/
Sacramento	CA	759,767	1,410,995	None	None	759,767	1,410,995	2,170,762	228,111	12/
Sacramento	CA	1,139,650	2,116,494	None	None	1,139,650	2,116,494	3,256,144	342,166	12/
Salinas	CA	1,044,679	1,940,119	None	None	1,044,679	1,940,119	2,984,798	313,653	12/
San Diego	CA	1,633,333	3,033,334	None	None	1,633,333	3,033,334	4,666,667	490,389	12/
Stockton	CA	1,424,563	2,645,617	None	None	1,424,563	2,645,617	4,070,180	427,708	12/
Thousand										
Oaks	CA	2,018,131	3,747,957	None	None	2,018,131	3,747,957	5,766,088	605,920	12/
Boulder	CO	426,675	1,199,508	None	306	426,675	1,199,814	1,626,489	1,082,146	1/
Wilmington	DE	4,825,479	1,020,000	5,192,590	None	1,020,000	5,192,590	6,212,590	337,518	5/
Brandon	FL	2,570,000	676,996	93,536	294	2,570,000	770,826	3,340,826	148,905	10/
Tampa	FL	2,610,000	5,769,576	141,628	None	2,610,000	5,911,204	8,521,204	1,227,945	10/
Warsaw	IN	2,140,000	4,689,646	None	None	2,140,000	4,689,646	6,829,646	1,664,813	2/
Lawrence	KS	3,315,335	706,512	5,338,974	140	None	706,512	5,339,114	6,045,626	1/
Wichita	KS	1,672,828	7,617,013	1,539	None	1,672,828	7,618,552	9,291,380	901,796	1/
Portland	ME	-	6,357,617	6,712	None	-	6,364,329	6,364,329	752,532	1/
Aurora	MO	440,000	3,398,717	None	None	440,000	3,398,717	3,838,717	152,942	11/
Festus	MO	1,120,000	5,163,355	1,000	None	1,120,000	5,164,355	6,284,355	404,654	1/
Republic	MO	930,000	3,036,180	None	None	930,000	3,036,180	3,966,180	136,628	11/
Springfield	MO	1,167,312	3,207,718	None	None	1,167,312	3,207,718	4,375,030	144,347	11/
Springfield	MO	1,635,901	4,495,381	None	None	1,635,901	4,495,381	6,131,282	202,292	11/
St. Louis	MO	1,150,000	4,580,300	None	None	1,150,000	4,580,300	5,730,300	358,790	1/
St. Louis	MO	890,000	5,765,303	None	None	890,000	5,765,303	6,655,303	451,615	1/
Reno	NV	456,000	562,344	19,733	175	456,000	582,252	1,038,252	576,860	5/
Reno	NV	721,365	1,339,679	None	None	721,365	1,339,679	2,061,044	216,581	12/
Canandaigua	NY	757,160	13,354,409	None	None	757,160	13,354,409	14,111,569	1,580,272	1/
Nanuet	NY	3,149,527	20,960,357	None	None	3,149,527	20,960,357	24,109,884	2,480,309	1/
Seaford	NY	13,806,243	6,180,000	6,058,740	None	6,180,000	6,058,740	12,238,740	393,818	5/
Bartlesville	OK	1,650,000	1,573,823	1,000	None	1,650,000	1,574,823	3,224,823	328,356	10/
Norman	OK	1,580,000	1,900,618	1,000	None	1,580,000	1,901,618	3,481,618	396,439	10/
Norman	OK	3,000,000	2,474,669	1,000	None	3,000,000	2,475,669	5,475,669	515,689	10/
Stillwater	OK	2,590,000	2,472,123	1,000	None	2,590,000	2,473,123	5,063,123	515,502	10/
Tulsa	OK	1,550,000	203,990	None	None	1,550,000	203,990	1,753,990	42,498	10/
Tulsa	OK	2,000,000	753,609	None	None	2,000,000	753,609	2,753,609	157,002	10/
Tulsa	OK	3,000,000	3,485,618	1,000	None	3,000,000	3,486,618	6,486,618	726,647	10/
Central Point	OR	840,000	1,560,308	None	None	840,000	1,560,308	2,400,308	767,151	9/
Pendleton	OR	546,083	1,014,153	None	None	546,083	1,014,153	1,560,236	163,955	12/
Phoenix	OR	840,000	1,560,308	None	None	840,000	1,560,308	2,400,308	767,151	9/
Upper Darby	PA	8,836,277	3,300,000	7,383,261	None	3,300,000	7,383,261	10,683,261	479,912	5/
Rapid City	SD	2,140,000	1,465,451	None	None	2,140,000	1,465,451	3,605,451	305,302	10/
Colchester	VT	983,640	13,718,577	None	None	983,640	13,718,577	14,702,217	1,623,365	1/
Richland	WA	1,756,961	3,262,927	None	None	1,756,961	3,262,927	5,019,888	527,507	12/
Burlington	WI	4,490,000	840,000	6,515,145	None	840,000	6,515,145	7,355,145	445,202	4/
Neenah	WI	3,480,000	1,070,000	4,648,820	None	1,070,000	4,648,820	5,718,820	317,669	4/

Health and fitness

Goodyear	AZ	2,010,000	20,928,681	None	None	2,010,000	20,928,681	22,938,681	453,455	6/
Phoenix	AZ	2,608,389	3,418,783	None	None	2,608,389	3,418,783	6,027,172	1,897,391	6/6/2002
Phoenix	AZ	2,100,000	6,556,549	None	None	2,100,000	6,556,549	8,656,549	876,358	3/20/2012
Antioch	CA	5,375,000	9,982,143	None	None	5,375,000	9,982,143	15,357,143	1,713,601	9/
Bakersfield	CA	2,259,649	4,698,845	None	None	2,259,649	4,698,845	6,958,494	806,635	9/
Bakersfield	CA	3,260,933	6,056,019	None	None	3,260,933	6,056,019	9,316,952	1,039,617	9/
Carmichael	CA	812,570	3,467,558	None	None	812,570	3,467,558	4,280,128	329,418	8/
Carmichael	CA	755,676	3,224,770	None	None	755,676	3,224,770	3,980,446	306,353	8/
Ceres	CA	2,145,750	3,984,963	None	None	2,145,750	3,984,963	6,130,713	684,085	9/

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Chula Vista	CA	4,226,250	7,848,750	None	None	4,226,250	7,848,750	12,075,000	1,818,294		3/
Diamond Bar	CA	3,038,879	5,494,141	None	777	3,038,879	5,494,918	8,533,797	3,004,267	3/21/2000	9/
Elk Grove	CA	2,570,000	10,206,994	None	3,223	2,570,000	10,210,217	12,780,217	936,166		9/
Fairfield	CA	836,500	2,053,894	None	None	836,500	2,053,894	2,890,394	215,213		10
Folsom	CA	1,290,000	13,537,029	None	None	1,290,000	13,537,029	14,827,029	1,286,018		8/

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and				Cost Capitalized Subsequent to Acquisition	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Los Banos CA		1,378,343	2,559,779	None	None	1,378,343	2,559,779	3,938,122	439,429		
McClellan CA		396,459	1,691,850	None	None	396,459	1,691,850	2,088,309	160,726		
Merced CA		910,000	2,440,523	None	None	910,000	2,440,523	3,350,523	240,653		
Norco CA		1,247,243	4,907,430	None	27	1,247,243	4,907,457	6,154,700	2,585,134	12/13/2000	
Rancho Cordova CA		1,040,000	6,791,316	None	None	1,040,000	6,791,316	7,831,316	645,175		
Rocklin CA		1,165,243	4,972,558	None	None	1,165,243	4,972,558	6,137,801	472,393		
Roseville CA		1,970,000	7,743,081	138,677	None	1,970,000	7,881,758	9,851,758	728,789		
Sacramento CA		449,230	1,917,043	None	None	449,230	1,917,043	2,366,273	182,119		
Sacramento CA		2,400,000	14,079,539	None	None	2,400,000	14,079,539	16,479,539	1,290,624		
Shingle Springs CA		1,575,000	3,675,307	None	None	1,575,000	3,675,307	5,250,307	399,137		
Stockton CA		2,320,442	4,309,392	None	None	2,320,442	4,309,392	6,629,834	739,779		
Stockton CA		1,602,459	2,975,994	None	None	1,602,459	2,975,994	4,578,453	510,879		
Stockton CA		509,091	945,454	None	None	509,091	945,454	1,454,545	124,485		
Tracy CA		556,906	1,034,254	None	None	556,906	1,034,254	1,591,160	177,547		
Tracy CA		3,228,902	5,996,532	None	None	3,228,902	5,996,532	9,225,434	1,029,405		
Vacaville CA		1,575,000	3,675,429	None	None	1,575,000	3,675,429	5,250,429	399,141		
Vallejo CA		756,000	3,404,487	None	None	756,000	3,404,487	4,160,487	243,531		
South Windsor CT	5,567,814	1,410,000	8,239,228	None	None	1,410,000	8,239,228	9,649,228	508,086		
Casselberry FL		1,979,598	8,256,394	40,863	167,804	1,979,598	8,465,061	10,444,659	5,066,270	12/30/2003	
Hialeah FL		2,104,393	3,910,500	None	None	2,104,393	3,910,500	6,014,893	1,375,176		
Miami FL		3,115,101	5,670,715	None	106	3,115,101	5,670,821	8,785,922	2,950,621	5/19/2000	
Oakland Park FL		2,800,000	2,196,480	None	None	2,800,000	2,196,480	4,996,480	1,178,969	7/6/2001	
Orlando FL		2,144,778	3,755,905	None	None	2,144,778	3,755,905	5,900,683	1,824,849	8/7/2003	
Pembroke Pines FL		1,714,388	4,387,824	None	None	1,714,388	4,387,824	6,102,212	2,648,591	12/11/2000	
Stuart FL		1,150,000	8,258,878	None	None	1,150,000	8,258,878	9,408,878	839,653		
Sunrise FL		2,850,000	3,601,884	None	None	2,850,000	3,601,884	6,451,884	750,392		
Conyers GA		1,200,000	7,835,546	None	None	1,200,000	7,835,546	9,035,546	587,666		
Morrow GA		1,680,000	5,108,661	29,750	None	1,680,000	5,138,411	6,818,411	254,085		
Urbandale IA		4,720,000	27,389,120	None	None	4,720,000	27,389,120	32,109,120	593,431		
Alsip IL		2,944,221	5,467,839	None	None	2,944,221	5,467,839	8,412,060	1,321,394		
Bolingbrook IL		3,010,512	8,161,186	None	None	3,010,512	8,161,186	11,171,698	2,633,860	10/26/2007	
Glendale Heights IL		1,963,770	10,038,516	None	None	1,963,770	10,038,516	12,002,286	1,298,648		
Lansing IL		460,000	6,648,839	None	None	460,000	6,648,839	7,108,839	542,989		
Waukegan IL		2,961,951	5,500,766	None	None	2,961,951	5,500,766	8,462,717	1,329,352		
Carmel IN		3,675,000	6,825,000	None	None	3,675,000	6,825,000	10,500,000	1,581,125		
Indianapolis IN		3,008,186	6,999,881	None	None	3,008,186	6,999,881	10,008,067	2,417,575	3/20/2007	
Southport IN		2,121,873	7,522,735	None	None	2,121,873	7,522,735	9,644,608	2,379,653	12/20/2007	
Lenexa KS		1,410,000	25,283,643	None	None	1,410,000	25,283,643	26,693,643	547,812		
Florence KY		2,560,000	8,523,096	None	None	2,560,000	8,523,096	11,083,096	1,065,387		
Louisville KY	9,452,507	1,480,000	13,081,657	41,009	None	1,480,000	13,122,666	14,602,666	1,510,748		

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Woburn	MA		3,930,000	6,125,110	None	None	3,930,000	6,125,110	10,055,110	643,137	
Nottingham	MD		3,055,453	5,675,230	None	None	3,055,453	5,675,230	8,730,683	1,995,788	
Rochester Hills	MI		1,980,000	31,441,153	None	None	1,980,000	31,441,153	33,421,153	681,225	
Roseville	MN		3,611,925	8,804,654	None	None	3,611,925	8,804,654	12,416,579	2,789,082	6/5/2008
St. Louis Park	MN		1,160,000	36,979,042	None	None	1,160,000	36,979,042	38,139,042	801,213	
Charlotte	NC		2,420,000	7,649,004	None	None	2,420,000	7,649,004	10,069,004	599,172	
Raleigh	NC		4,890,000	21,252,496	None	None	4,890,000	21,252,496	26,142,496	460,471	
Omaha	NE		1,130,000	10,814,154	None	None	1,130,000	10,814,154	11,944,154	847,109	
Brunswick	NJ		1,654,529	3,073,912	None	None	1,654,529	3,073,912	4,728,441	1,091,238	
Montvale	NJ		7,980,000	35,070,170	None	None	7,980,000	35,070,170	43,050,170	759,854	
Harrison	NY		16,710,000	50,611,800	None	None	16,710,000	50,611,800	67,321,800	1,096,589	
Yonkers	NY		1,488,894	2,765,894	None	None	1,488,894	2,765,894	4,254,788	972,672	
Beachwood	OH		1,504,354	2,794,305	(511,270)	396	1,504,354	2,283,431	3,787,785	942,175	
Columbus	OH		-	6,891,202	None	None	-	6,891,202	6,891,202	798,850	
Columbus	OH	7,252,290	-	11,662,219	31,701	22	-	11,693,942	11,693,942	1,346,824	
Columbus	OH		-	7,517,501	None	None	-	7,517,501	7,517,501	764,279	
Hilliard	OH	8,072,416	1,010,000	10,307,569	None	None	1,010,000	10,307,569	11,317,569	1,185,370	
Maumee	OH		1,390,000	10,042,422	None	None	1,390,000	10,042,422	11,432,422	786,656	
Toledo	OH		620,000	10,933,936	None	None	620,000	10,933,936	11,553,936	856,492	
Chester	OH	6,354,341	1,670,000	7,738,611	None	None	1,670,000	7,738,611	9,408,611	889,940	
Philadelphia	PA		2,254,830	4,188,725	None	None	2,254,830	4,188,725	6,443,555	1,486,997	
Pittsburgh	PA		4,420,799	5,543,009	None	None	4,420,799	5,543,009	9,963,808	895,020	9/1/2011
Cypress	TX		1,417,377	5,696,789	None	None	1,417,377	5,696,789	7,114,166	2,174,193	5/15/2006
Dallas	TX		5,293,733	6,555,637	None	None	5,293,733	6,555,637	11,849,370	2,439,938	8/4/2006
Fort Worth	TX		1,445,901	5,277,886	None	None	1,445,901	5,277,886	6,723,787	3,286,979	6/2/2000
Keller	TX		1,478,222	5,679,604	None	None	1,478,222	5,679,604	7,157,826	2,314,816	9/8/2005
McKinney	TX		1,805,460	5,972,111	None	None	1,805,460	5,972,111	7,777,571	2,379,860	12/7/2005
Plano	TX		3,178,115	5,832,224	None	None	3,178,115	5,832,224	9,010,339	2,324,313	12/6/2005
San Antonio	TX		1,120,000	2,075,196	None	None	1,120,000	2,075,196	3,195,196	536,092	
San Antonio	TX		1,200,000	2,489,568	None	None	1,200,000	2,489,568	3,689,568	643,139	
Jordan	UT		6,260,000	19,565,376	None	None	6,260,000	19,565,376	25,825,376	423,916	
Way	WA		2,650,000	8,480,517	None	None	2,650,000	8,480,517	11,130,517	70,671	
Kent	WA		4,086,250	7,588,750	None	None	4,086,250	7,588,750	11,675,000	1,833,948	
<u>Health care</u>											
Enterprise	AL		697,210	2,265,932	None	None	697,210	2,265,932	2,963,142	268,135	
Hot Springs	AR	889,200	210,979	2,003,689	None	None	210,979	2,003,689	2,214,668	169,359	
Hot Springs	AR	988,000	235,299	2,234,659	None	None	235,299	2,234,659	2,469,958	188,882	
Hot Springs	AR	2,494,700	904,597	5,821,180	None	None	904,597	5,821,180	6,725,777	492,028	
Apple Valley	CA		486,371	15,383,518	None	None	486,371	15,383,518	15,869,889	1,154,138	
Shasta Lake	CA		390,906	9,754,092	None	None	390,906	9,754,092	10,144,998	824,453	
Augusta	GA		526,247	1,710,304	None	None	526,247	1,710,304	2,236,551	202,386	
Brunswick	GA		290,369	788,880	83,729	31,059	290,369	903,668	1,194,037	602,360	
Valdosta	GA		432,035	1,404,115	None	None	432,035	1,404,115	1,836,150	166,154	
Valdosta	GA		413,489	1,343,840	None	None	413,489	1,343,840	1,757,329	159,021	
Blackfoot	ID		494,854	1,608,277	None	None	494,854	1,608,277	2,103,131	190,313	
New Castle	IN		564,055	1,833,180	None	None	564,055	1,833,180	2,397,235	216,926	
Kansas City	KS		521,988	1,696,460	None	None	521,988	1,696,460	2,218,448	200,748	
Shreveport	LA	974,965	423,234	1,375,511	None	None	423,234	1,375,511	1,798,745	162,769	
Billerica	MA		398,292	740,107	21,044	15,024	398,292	776,175	1,174,467	258,655	
Kansas City	MO		340,000	1,523,155	None	None	340,000	1,523,155	1,863,155	124,391	
St. Louis	MO	17,208,774	2,852,903	38,694,147	18,301	None	2,852,903	38,712,448	41,565,351	3,258,663	
St. Louis	MO	11,501,226	4,278,685	19,900,592	None	None	4,278,685	19,900,592	24,179,277	1,682,074	
Gulfport	MS		299,464	502,326	224,556	46,809	299,464	773,691	1,073,155	436,170	
Wilmington	NC	3,704,640	811,533	5,498,659	None	None	811,533	5,498,659	6,310,192	650,675	
Lincoln	NE	1,733,949	707,636	2,299,818	None	None	707,636	2,299,818	3,007,454	272,145	
Vernon	OH		726,626	1,351,151	None	22,995	726,626	1,374,146	2,100,772	499,786	
Okmulgee	OK	679,865	397,605	1,292,216	None	None	397,605	1,292,216	1,689,821	152,912	
Sellersville	PA		763,355	2,480,903	None	None	763,355	2,480,903	3,244,258	293,574	
Abbeville	SC	814,930	446,204	1,450,164	None	None	446,204	1,450,164	1,896,368	171,603	
Augusta	SC		498,284	1,619,423	None	None	498,284	1,619,423	2,117,707	191,632	
Dickson	TN		531,717	1,728,079	None	None	531,717	1,728,079	2,259,796	204,489	

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Memphis	TN	602,208	1,957,176	None	None	602,208	1,957,176	2,559,384	231,599	
Memphis	TN	822,791	2,674,071	None	None	822,791	2,674,071	3,496,862	316,432	
Bedford	TX	1,607,524	56,219,108	None	None	1,607,524	56,219,108	57,826,632	4,751,853	
Hampton	VA	373,499	836,071	7,601	33,022	373,499	876,694	1,250,193	635,280	
Muskego	WI	1,528,232	26,297,695	None	None	1,528,232	26,297,695	27,825,927	2,222,781	
<u>Home</u>										
<u>furnishings</u>										
Little Rock	AR	1,079,232	2,594,956	132,816	116	1,079,232	2,727,888	3,807,120	1,886,449	
Osceola	AR	88,759	520,047	4,083	None	88,759	524,130	612,889	368,981	

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition			Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Buildings, Improvements and	Acquisition	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
Wynne	AR	70,000	547,576	58,039	2,024	70,000	607,639	677,639	408,855	11/10/1998	2/		
Jackson	CA	300,000	390,849	6,775	57	300,000	397,681	697,681	397,644		5/		
Pueblo	CO	371,645	1,207,845	None	None	371,645	1,207,845	1,579,490	142,928		1/		
Danbury	CT	643,736	3,621,163	254,336	243,250	643,736	4,118,749	4,762,485	2,817,824		9/		
Brandon	FL	430,000	1,020,608	None	None	430,000	1,020,608	1,450,608	716,125		6/		
Hudson	FL	397,101	1,290,578	None	None	397,101	1,290,578	1,687,679	152,718		1/		
Ocala	FL	339,690	543,504	None	None	339,690	543,504	883,194	415,780		11		
Palm Harbor	FL	364,939	1,186,052	None	None	364,939	1,186,052	1,550,991	140,350		1/		
Pensacola	FL	370,809	1,205,128	None	None	370,809	1,205,128	1,575,937	142,607		1/		
Spring Hill	FL	370,810	1,205,131	None	None	370,810	1,205,131	1,575,941	142,607		1/		
Tampa	FL	685,000	885,624	None	None	685,000	885,624	1,570,624	621,411		6/		
Tampa	FL	494,763	767,737	71,880	373	494,763	839,990	1,334,753	595,449		12		
West Palm Beach	FL	347,651	706,081	69,111	373	347,651	775,565	1,123,216	522,200		12		
Rome	GA	254,902	486,812	32,783	84	254,902	519,679	774,581	384,504		11		
Davenport	IA	270,000	930,689	54,520	787	270,000	985,996	1,255,996	653,307		6/		
Joliet	IL	440,000	910,689	None	94	440,000	910,783	1,350,783	639,067		6/		
Anderson	IN	180,628	653,162	108,685	179	180,628	762,026	942,654	569,172		11		
Mishawaka	IN	1,070,000	4,321,944	None	None	1,070,000	4,321,944	5,391,944	208,894		10		
Kansas City	KS	185,955	413,014	31,870	8,583	185,955	453,467	639,422	444,192		5/		
Wichita	KS	430,000	740,725	58,610	59	430,000	799,394	1,229,394	520,050		6/		
Alexandria	LA	400,000	810,608	None	168	400,000	810,776	1,210,776	568,932		6/		
Monroe	LA	450,000	835,608	None	None	450,000	835,608	1,285,608	586,316		6/		
Battle Creek	MI	485,000	895,689	None	266	485,000	895,955	1,380,955	628,556		6/		
Bay City	MI	397,531	1,291,976	None	None	397,531	1,291,976	1,689,507	152,884		1/		
Eden Prairie	MN	500,502	1,055,244	None	None	500,502	1,055,244	1,555,746	712,253		3/		
Hattiesburg	MS	300,000	660,608	None	168	300,000	660,776	960,776	463,682		6/		
Ridgeland	MS	306,460	995,995	None	None	306,460	995,995	1,302,455	117,859		1/		
Asheboro	NC	373,128	1,212,666	None	None	373,128	1,212,666	1,585,794	143,499		1/		
Matthews	NC	768,222	843,401	46,414	37,821	768,222	927,636	1,695,858	646,091		12		
Grand Island	NE	455,921	1,481,742	None	None	455,921	1,481,742	1,937,663	175,340		1/		
Cortland	NY	448,156	1,456,507	None	None	448,156	1,456,507	1,904,663	172,353		1/		
Green Island	NY	1,181,947	20,808,780	39,468	None	1,181,947	20,848,248	22,030,195	1,761,624		1/		
Oneonta	NY	354,283	1,151,419	None	None	354,283	1,151,419	1,505,702	136,251		1/		
Rotterdam	NY	390,926	1,270,510	None	None	390,926	1,270,510	1,661,436	150,344		1/		
Ashtabula	OH	359,857	1,169,537	None	None	359,857	1,169,537	1,529,394	138,395		1/		
Dayton	OH	401,723	698,872	48,970	206	401,723	748,048	1,149,771	504,097		6/		
Kettering	OH	316,341	1,028,109	None	None	316,341	1,028,109	1,344,450	121,660		1/		
Lancaster	OH	250,000	830,689	None	None	250,000	830,689	1,080,689	582,865		6/		
Piqua	OH	375,833	1,221,457	None	None	375,833	1,221,457	1,597,290	144,539		1/		
Altoona	PA	455,000	745,694	None	None	455,000	745,694	1,200,694	523,226		6/		
Cranberry	PA	369,761	1,201,723	None	None	369,761	1,201,723	1,571,484	142,204		1/		
Erie	PA	510,000	900,689	None	None	510,000	900,689	1,410,689	631,981		6/		
Pennsdale	PA	315,000	835,648	None	None	315,000	835,648	1,150,648	586,344		6/		
Whitehall	PA	515,525	1,146,868	None	None	515,525	1,146,868	1,662,393	804,717		6/		

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Columbia	SC	600,000	900,725	None	296	600,000	901,021	1,501,021	632,229	6/
Murrells Inlet	SC	296,236	962,766	None	None	296,236	962,766	1,259,002	113,927	1/
Jackson	TN	381,076	857,261	49,140	469	381,076	906,870	1,287,946	652,780	9/
Jackson	TN	380,000	750,608	2,057	12	380,000	752,677	1,132,677	527,080	6/
Memphis	TN	804,262	1,432,520	59,873	78	804,262	1,492,471	2,296,733	1,089,716	6/
Abilene	TX	400,000	680,616	None	None	400,000	680,616	1,080,616	477,563	6/
Amarillo	TX	140,000	419,734	None	None	140,000	419,734	559,734	420,438	9/
Plainview	TX	125,000	734,558	40,000	49	125,000	774,607	899,607	556,594	1/
San Antonio	TX	323,451	637,991	47,914	None	323,451	685,905	1,009,356	482,796	12/
Victoria	TX	291,380	946,984	None	None	291,380	946,984	1,238,364	112,060	1/
Webster	TX	283,604	538,002	2,470	186	283,604	540,658	824,262	401,497	6/
Pasco	WA	161,700	359,142	56,707	None	161,700	415,849	577,549	402,419	8/
Eau Claire	WI	260,000	820,689	None	211	260,000	820,900	1,080,900	575,996	6/
La Crosse	WI	372,883	877,812	None	250	372,883	878,062	1,250,945	616,105	6/

Home improvement

Kenai	AK	2,350,000	5,400,025	None	None	2,350,000	5,400,025	7,750,025	297,001	8/	
Birmingham	AL	717,675	1,774,814	None	None	717,675	1,774,814	2,492,489	56,202	3/	
Tucson	AZ	4,170,000	14,213,818	None	None	4,170,000	14,213,818	18,383,818	876,519	6/	
Tucson	AZ	6,858,989	4,280,000	15,094,661	None	None	4,280,000	15,094,661	19,374,661	830,206	8/
Lawndale	CA	667,007	1,238,841	None	49	667,007	1,238,890	1,905,897	844,499	12/	
Los Angeles	CA	163,668	304,097	None	49	163,668	304,146	467,814	207,314	12/	
Morgan Hill	CA	5,100,000	7,219,244	None	None	5,100,000	7,219,244	12,319,244	445,187	6/	
Van Nuys	CA	750,293	1,393,545	None	49	750,293	1,393,594	2,143,887	949,954	12/	
Greenwood											
Village	CO	9,700,000	13,352,870	None	None	9,700,000	13,352,870	23,052,870	823,427	6/	
Augusta	GA	2,701,584	18,072,555	167,558	None	2,701,584	18,240,113	20,941,697	2,194,112	1/	
Austell	GA	9,161,124	-	None	None	9,161,124	-	9,161,124	-	1/	
Conley	GA	727,106	904,138	29,754	None	727,106	933,892	1,660,998	53,075	8/	
Valdosta	GA	2,550,000	11,989,018	None	None	2,550,000	11,989,018	14,539,018	699,359	7/	
Cedar Rapids	IA	294,195	732,929	None	None	294,195	732,929	1,027,124	8,551	9/	
Kansas City	KS	854,158	1,810,915	None	None	854,158	1,810,915	2,665,073	75,455	12/	
Lenexa	KS	1,051,077	1,952,233	None	None	1,051,077	1,952,233	3,003,310	777,640	1/	
Topeka	KS	12,094,431	2,189,122	35,657,677	None	None	2,189,122	35,657,677	37,846,799	3,043,102	1/
Jefferson	LA	610,004	1,293,280	None	None	610,004	1,293,280	1,903,284	53,887	12/	
Baltimore	MD	171,320	318,882	None	None	171,320	318,882	490,202	217,382	12/	
Chillicothe	MO	804,948	1,495,138	None	None	804,948	1,495,138	2,300,086	595,563	12/	
Columbia	MO	2,039,436	3,787,757	None	None	2,039,436	3,787,757	5,827,193	1,508,790	1/	
Columbia	MO	1,080,521	2,006,915	None	None	1,080,521	2,006,915	3,087,436	799,421	1/	
Fulton	MO	791,603	1,470,353	None	None	791,603	1,470,353	2,261,956	585,691	1/	
Jefferson City	MO	1,481,299	2,751,217	None	None	1,481,299	2,751,217	4,232,516	1,095,902	1/	
Kirksville	MO	1,421,788	2,640,696	None	None	1,421,788	2,640,696	4,062,484	1,051,877	1/	
Macon	MO	493,394	916,537	None	None	493,394	916,537	1,409,931	365,087	1/	
Moberly	MO	1,293,387	2,402,283	None	None	1,293,387	2,402,283	3,695,670	956,908	1/	
Matthews	NC	610,177	1,394,743	86,087	34,263	610,177	1,515,093	2,125,270	998,550	7/	
Omaha	NE	1,515,773	2,816,678	None	32	1,515,773	2,816,710	4,332,483	1,122,000	1/	
Haddon Heights	NJ	80,000	534,400	35,458	None	80,000	569,858	649,858	13,582	5/	
Rochester	NY	158,168	294,456	None	None	158,168	294,456	452,624	200,732	12/	
Akron	OH	359,775	762,765	None	None	359,775	762,765	1,122,540	31,782	12/	
Canton	OH	70,000	908,666	None	None	70,000	908,666	978,666	37,861	12/	
Columbus	OH	230,000	538,088	None	None	230,000	538,088	768,088	22,420	12/	
Edmond	OK	1,030,000	1,317,842	None	None	1,030,000	1,317,842	2,347,842	41,732	3/	
Columbia	TN	610,000	985,954	None	None	610,000	985,954	1,595,954	50,941	9/	
Johnson City	TN	467,167	580,911	None	None	467,167	580,911	1,048,078	31,950	8/	
Knoxville	TN	5,989,071	6,486,801	-	None	None	6,486,801	-	6,486,801	-	1/
Amarillo	TX	1,140,000	1,082,966	None	None	1,140,000	1,082,966	2,222,966	55,438	3/	
Carrollton	TX	201,569	374,342	None	102	201,569	374,444	576,013	180,372	12/	
Cedar Park	TX	253,591	827,237	108,402	41,396	253,591	977,035	1,230,626	682,031	3/	
Longview	TX	300,000	980,898	None	None	300,000	980,898	1,280,898	24,522	5/	
Midland	TX	1,590,052	2,953,473	None	None	1,590,052	2,953,473	4,543,525	1,176,467	1/	
Odessa	TX	1,346,834	2,501,783	None	None	1,346,834	2,501,783	3,848,617	996,544	1/	
San Antonio	TX	367,890	683,750	None	None	367,890	683,750	1,051,640	466,092	12/	
Stafford	TX	1,025,959	1,275,756	None	None	1,025,959	1,275,756	2,301,715	70,167	8/	
Webster	TX	770,000	976,851	None	None	770,000	976,851	1,746,851	50,005	3/	
Wichita Falls	TX	120,000	464,338	None	None	120,000	464,338	584,338	23,770	3/	
Chesapeake	VA	144,014	649,869	None	11,754	144,014	661,623	805,637	660,253	12/	
Richmond	VA	713,319	886,996	None	None	713,319	886,996	1,600,315	48,785	8/	
Bellingham	WA	4,140,000	16,417,981	None	None	4,140,000	16,417,981	20,557,981	355,723	6/	





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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Buildings, Improvements and Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Spokane	WA	4,930,000	15,428,206	None	None	4,930,000	15,428,206	20,358,206	334,278			
Baraboo	WI	110,000	719,613	None	None	110,000	719,613	829,613	36,837			
Mukwonago	WI	180,000	957,033	25,712	None	180,000	982,745	1,162,745	4,839			
Neenah	WI	200,000	1,343,343	None	None	200,000	1,343,343	1,543,343	55,973			
<u>Insurance</u>												
Tomah	WI	1,630,917	12,938,430	None	None	1,630,917	12,938,430	14,569,347	1,789,816			
<u>Jewelry</u>												
Plymouth	MA	-	1,809,315	None	None	-	1,809,315	1,809,315	214,102			
Watchung	NJ	-	2,446,115	None	None	-	2,446,115	2,446,115	289,457			
Amherst	NY	-	1,841,863	None	None	-	1,841,863	1,841,863	217,954			
Lake Grove	NY	-	2,171,696	None	None	-	2,171,696	2,171,696	256,984			
<u>Machinery</u>												
Cedar Falls	IA	634,343	6,331,030	None	None	634,343	6,331,030	6,965,373	854,689			
<u>Motor vehicle dealerships</u>												
Robertsdale	AL	3,026,015	6,117,490	None	None	3,026,015	6,117,490	9,143,505	2,205,158	1/29/2007		
West Covina	CA	311,040	577,733	252,854	45,714	311,040	876,301	1,187,341	419,961			
Longmont	CO	2,502,092	6,906,609	None	115	2,502,092	6,906,724	9,408,816	3,142,621			
Gulf Breeze	FL	3,518,413	905,480	None	None	3,518,413	905,480	4,423,893	351,628			
Pensacola	FL	308,067	573,708	23,430	2,775	308,067	599,913	907,980	231,251			
Stockbridge	GA	2,470,000	8,693,515	None	None	2,470,000	8,693,515	11,163,515	854,862			
Woodstock	GA	2,509,102	2,509,993	None	None	2,509,102	2,509,993	5,019,095	1,024,914			
Island Lake	IL	2,107,134	6,383,412	None	None	2,107,134	6,383,412	8,490,546	2,700,543			
Louisville	KY	4,070,000	11,863,002	500	None	4,070,000	11,863,502	15,933,502	138,414			
Charlotte	NC	3,560,000	5,847,436	None	None	3,560,000	5,847,436	9,407,436	497,032			
Colfax	NC	1,125,979	2,196,033	None	None	1,125,979	2,196,033	3,322,012	967,500			
Statesville	NC	2,353,825	4,159,653	None	None	2,353,825	4,159,653	6,513,478	1,808,930			
Chichester	NH	578,314	4,546,307	None	None	578,314	4,546,307	5,124,621	1,990,988			
Churchville	NY	1,000,000	5,755,166	None	None	1,000,000	5,755,166	6,755,166	2,202,329	6/6/2006		
Akron	OH	715,953	554,589	None	None	715,953	554,589	1,270,542	228,738	2/13/2006		
Hillsboro	OR	1,611,084	1,936,755	None	58	1,611,084	1,936,813	3,547,897	719,855			
Wood Village	OR	3,822,277	5,687,110	None	58	3,822,277	5,687,168	9,509,445	2,049,182			
Myrtle Beach	SC	4,099,824	2,081,997	(1,800,804)	None	2,299,020	2,081,997	4,381,017	898,613	7/28/2000		
Garland	TX	3,233,329	12,064,417	500	None	3,233,329	12,064,917	15,298,246	1,508,206			
Houston	TX	3,630,000	9,733,649	500	None	3,630,000	9,734,149	13,364,149	113,565			
Katy	TX	1,347,454	8,564,135	None	None	1,347,454	8,564,135	9,911,589	3,475,515	10/28/2005		
San Antonio	TX	4,337,454	7,312,625	500	None	4,337,454	7,313,125	11,650,579	889,857			
<u>Office supplies</u>												
Lakewood	CA	1,398,387	3,098,607	None	10,284	1,398,387	3,108,891	4,507,278	2,356,775			
Riverside	CA	1,410,177	1,659,850	None	80	1,410,177	1,659,930	3,070,107	1,214,396			

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Casselberry	FL	-	1,277,112	106,868	268	-	1,384,248	1,384,248	538,561	7/14/2005
Hutchinson	KS	269,964	1,704,013	81,476	None	269,964	1,785,489	2,055,453	1,309,192	
Salina	KS	240,423	1,829,837	92,454	None	240,423	1,922,291	2,162,714	1,420,031	
Asheboro	NC	465,557	2,176,416	21,418	153	465,557	2,197,987	2,663,544	1,570,317	
Westbury	NY	3,808,076	2,377,932	145,738	338,968	3,808,076	2,862,638	6,670,714	1,911,552	
New Philadelphia	OH	726,636	1,650,672	29,340	114	726,636	1,680,126	2,406,762	1,249,526	
Edmond	OK	1,390,000	3,009,650	208,809	None	1,390,000	3,218,459	4,608,459	660,077	
<u>Other</u>										
<u>manufacturing</u>										
Prescott	AR	593,604	11,944,641	None	None	593,604	11,944,641	12,538,245	1,009,607	
Tucson	AZ	15,000,000	3,799,899	32,101,539	158,312	None	3,799,899	32,259,851	36,059,750	2,755,680
East Windsor	NJ	9,625,000	240,000	13,307,041	None	None	240,000	13,307,041	13,547,041	649,510
Maryville	OH	480,000	15,758,777	None	None	480,000	15,758,777	16,238,777	26,265	
Duncan	SC	490,000	2,292,068	2,900	None	490,000	2,294,968	2,784,968	156,004	
El Paso	TX	1,769,633	17,892,956	316,800	132,237	1,769,633	18,341,993	20,111,626	1,630,973	
<u>Packaging</u>										
Lewisburg	OH	3,362,698	641,174	11,787,510	None	None	641,174	11,787,510	12,428,684	1,512,730
Chester	VA	1,770,000	14,922,913	None	None	1,770,000	14,922,913	16,692,913	444,134	
Raphine	VA	2,679,884	21,236,904	None	None	2,679,884	21,236,904	23,916,788	3,858,038	
Wytheville	VA	28,125,734	2,175,524	33,138,859	2,182,984	None	2,175,524	35,321,843	37,497,367	4,158,562
<u>Paper</u>										
Marianna	FL	1,473,182	6,930,359	None	None	1,473,182	6,930,359	8,403,541	1,282,116	
Columbia	SC	989,232	5,004,326	None	None	989,232	5,004,326	5,993,558	434,900	
<u>Pet supplies and services</u>										
Los Angeles	CA	902,494	2,213,122	43,415	182,667	902,494	2,439,204	3,341,698	1,164,014	
Duluth	GA	361,058	1,591,629	None	None	361,058	1,591,629	1,952,687	1,020,413	1/27/1999
Marietta	GA	292,250	649,095	88,141	19,277	292,250	756,513	1,048,763	679,776	
Marietta	GA	495,412	1,526,370	None	None	495,412	1,526,370	2,021,782	961,920	5/28/1999
Ottawa	IL	2,351,842	52,407,677	237,848	None	2,351,842	52,645,525	54,997,367	4,506,332	
Indianapolis	IN	427,000	1,296,901	None	None	427,000	1,296,901	1,723,901	811,370	3/10/2000
Sudbury	MA	543,038	2,477,213	None	None	543,038	2,477,213	3,020,251	1,530,811	11/12/1999
Tyngsboro	MA	312,204	1,222,522	None	None	312,204	1,222,522	1,534,726	857,796	
Warren	MI	356,348	903,351	155,408	31,687	356,348	1,090,446	1,446,794	754,326	
North Plainfield	NJ	985,430	1,590,447	None	None	985,430	1,590,447	2,575,877	1,032,051	
Albuquerque	NM	684,036	874,914	308,265	None	684,036	1,183,179	1,867,215	799,720	
Maineville	OH	173,105	384,468	174,659	330	173,105	559,457	732,562	397,240	
Middletown	OH	337,572	777,943	41,328	22,683	337,572	841,954	1,179,526	606,790	
Mount Pleasant	SC	40,700	180,400	111,572	6,545	40,700	298,517	339,217	213,338	
<u>Restaurants - casual dining</u>										
Boaz	AL	829,001	1,541,245	480	14,413	829,001	1,556,138	2,385,139	570,905	
Enterprise	AL	840,946	1,563,474	None	None	840,946	1,563,474	2,404,420	570,667	
Fort Payne	AL	814,113	1,513,596	None	None	814,113	1,513,596	2,327,709	552,461	
Gadsden	AL	851,124	1,582,332	75,340	25,239	851,124	1,682,911	2,534,035	603,331	
Huntsville	AL	826,840	1,537,233	(1,149,285)	48	826,840	387,996	1,214,836	613,317	
Huntsville	AL	811,599	1,508,927	None	None	811,599	1,508,927	2,320,526	550,757	
Sylacauga	AL	801,413	1,490,012	21,716	19,034	801,413	1,530,762	2,332,175	563,172	
El Dorado	AR	907,534	1,687,608	112,711	20,759	907,534	1,821,078	2,728,612	639,994	
Russellville	AR	864,497	-	None	24,800	864,497	24,800	889,297	1,306	
Glendale	AZ	624,761	895,976	89,537	50,833	624,761	1,036,346	1,661,107	760,362	
Goodyear	AZ	794,360	1,274,445	None	None	794,360	1,274,445	2,068,805	472,733	2/23/2006
Surprise	AZ	681,288	1,008,310	None	None	681,288	1,008,310	1,689,598	437,382	9/29/2004
La Verne	CA	-	1,477,413	None	None	-	1,477,413	1,477,413	174,827	
San Dimas	CA	240,562	445,521	91,821	2,690	240,562	540,032	780,594	513,239	
Denver	CO	540,250	1,132,450	None	None	540,250	1,132,450	1,672,700	497,713	7/29/2004
Lakewood	CO	1,606,511	5,865	None	None	1,606,511	5,865	1,612,376	2,670	7/26/2006
Parker	CO	778,054	1,148,443	None	38	778,054	1,148,481	1,926,535	481,747	6/10/2005
Parker	CO	-	1,789,040	None	None	-	1,789,040	1,789,040	211,703	
Cromwell	CT	531,861	989,638	None	None	531,861	989,638	1,521,499	318,328	
East Windsor	CT	-	1,235,134	None	None	-	1,235,134	1,235,134	413,747	
Manchester	CT	-	1,353,727	None	None	-	1,353,727	1,353,727	453,476	

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New Milford	CT	-	705,127	24,437	26,125	-	755,689	755,689	254,367
Plainville	CT	-	1,452,933	None	None	-	1,452,933	1,452,933	486,710
Tewksbury	CT	392,079	730,927	19,598	14,701	392,079	765,226	1,157,305	246,407

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Gross Amount at Which Carried			Accumulated Depreciation (Note 5)	Date of Construction
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total		
Torrington CT		504,167	939,051	75,434	10,000	504,167	1,024,485	1,528,652	341,908	8/2006
West Haven CT		540,663	1,006,829	79,286	25,100	540,663	1,111,215	1,651,878	356,992	8/2006
Windsor Locks CT		844,967	1,571,965	None	None	844,967	1,571,965	2,416,932	526,591	8/2006
Jacksonville FL		1,451,180	658,461	59,396	13	1,451,180	717,870	2,169,050	266,560	8/4/2006
Lakeland FL		1,018,551	1,273,189	None	None	1,018,551	1,273,189	2,291,740	150,661	5/2006
Land O Lakes FL		770,136	1,190,937	None	None	770,136	1,190,937	1,961,073	471,109	10/21/2005
Melbourne FL		-	790,083	500	285	-	790,868	790,868	308,220	8/2006
New Port Richey FL		929,402	1,459,392	56,969	32,400	929,402	1,548,761	2,478,163	586,950	11/13/2006
Orange City FL		1,290,082	1,612,603	None	None	1,290,082	1,612,603	2,902,685	190,825	1/2006
Orlando FL		230,000	1,066,339	None	None	230,000	1,066,339	1,296,339	1,066,339	1/2006
Orlando FL		1,135,310	1,306,940	None	18,309	1,135,310	1,325,249	2,460,559	475,969	1/10/2007
Orlando FL		735,000	1,367,891	None	None	735,000	1,367,891	2,102,891	458,226	8/2006
Orlando FL		-	790,583	24,415	38,527	-	853,525	853,525	293,106	8/2006
Sebring FL		737,465	921,832	None	None	737,465	921,832	1,659,297	109,083	1/2006
Vero Beach FL		1,381,247	1,726,559	None	None	1,381,247	1,726,559	3,107,806	204,309	1/2006
Americus GA		709,624	1,319,578	139,320	6,036	709,624	1,464,934	2,174,558	515,817	1/2006
Augusta GA		827,895	1,539,237	None	240	827,895	1,539,477	2,367,372	562,008	1/2006
Buford GA	1,394,363	1,229,933	1,537,417	None	None	1,229,933	1,537,417	2,767,350	181,928	1/2006
Garden City GA		197,225	438,043	141,866	3,257	197,225	583,166	780,391	476,443	4/2006
Lithonia GA		89,220	-	None	246	89,220	246	89,466	70	1/2006
Norcross GA		827,707	1,538,875	115,596	16,522	827,707	1,670,993	2,498,700	614,720	1/2006
Savannah GA		719,188	1,337,352	93,855	23,190	719,188	1,454,397	2,173,585	514,722	1/2006
Snellville GA		710,600	1,321,389	(995,794)	532	710,600	326,127	1,036,727	515,097	1/2006
Statesboro GA		926,462	1,722,290	None	240	926,462	1,722,530	2,648,992	628,822	1/2006
Thomasville GA		894,504	1,662,939	87,387	26,155	894,504	1,776,481	2,670,985	650,733	1/2006
Valdosta GA		901,658	1,676,225	4,820	30,696	901,658	1,711,741	2,613,399	633,686	1/2006
Warner Robins GA		896,841	1,667,267	(1,259,913)	349	896,841	407,703	1,304,544	641,446	1/2006
Waycross GA		956,765	1,778,566	None	536	956,765	1,779,102	2,735,867	649,585	1/2006
Ankeny IA		100,000	349,218	25,075	None	100,000	374,293	474,293	374,293	7/2006
Burlington IA		653,057	1,214,571	54,777	757	653,057	1,270,105	1,923,162	443,829	1/2006
Cedar Rapids IA		822,331	1,528,939	None	None	822,331	1,528,939	2,351,270	558,061	1/2006
Clive IA		840,697	1,563,046	None	None	840,697	1,563,046	2,403,743	570,511	1/2006
Nampa ID		74,156	343,820	28,206	None	74,156	372,026	446,182	353,453	12/2006
Rexburg ID		90,760	420,787	59,798	None	90,760	480,585	571,345	440,605	11/2006
Alton IL		225,785	419,315	50,027	12,117	225,785	481,459	707,244	420,376	10/2006
Champaign IL		805,888	1,498,402	None	18	805,888	1,498,420	2,304,308	546,925	1/2006
Effingham IL		783,528	1,456,874	None	None	783,528	1,456,874	2,240,402	531,758	1/2006
Marion IL		831,323	1,545,566	(324,000)	107	831,323	1,221,673	2,052,996	564,136	1/2006
Moline IL		781,044	1,452,262	None	None	781,044	1,452,262	2,233,306	530,075	1/2006
Mount Vernon IL		883,110	1,641,741	None	None	883,110	1,641,741	2,524,851	599,234	1/2006
Oswego IL		953,394	1,208,677	1,988	32,405	953,394	1,243,070	2,196,464	507,309	6/15/2005
Peoria IL		662,460	1,060,577	14,651	12,085	662,460	1,087,313	1,749,773	485,084	10/13/2004

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Springfield	IL	846,830	1,574,436	28,742	426	846,830	1,603,604	2,450,434	578,103	1
Swansea	IL	890,625	1,655,743	288,559	21,851	890,625	1,966,153	2,856,778	727,948	1
Waukegan	IL	1,330,000	2,470,909	None	None	1,330,000	2,470,909	3,800,909	794,809	12
Anderson	IN	831,077	1,545,131	16,655	30,694	831,077	1,592,480	2,423,557	587,276	1
Elkhart	IN	835,890	1,554,487	None	94	835,890	1,554,581	2,390,471	567,441	1
Marion	IN	685,194	1,274,206	45,372	19,275	685,194	1,338,853	2,024,047	492,958	1
Michigan City	IN	840,998	1,563,545	None	285	840,998	1,563,830	2,404,828	570,790	1
Terre Haute	IN	767,189	1,426,532	35,534	107	767,189	1,462,173	2,229,362	520,836	1
Derby	KS	96,060	445,359	9,565	5,730	96,060	460,654	556,714	451,430	10
El Dorado	KS	87,400	405,206	50,518	4,338	87,400	460,062	547,462	420,658	4
Salina	KS	683,265	1,647,429	None	None	683,265	1,647,429	2,330,694	28,335	7/27/2015 12
Shawnee	KS	953,916	1,773,245	None	None	953,916	1,773,245	2,727,161	647,233	1
Shawnee	KS	-	1,573,049	None	None	-	1,573,049	1,573,049	186,144	1
Topeka	KS	1,005,484	1,256,855	None	None	1,005,484	1,256,855	2,262,339	148,728	1
Louisville	KY	821,990	1,528,282	None	None	821,990	1,528,282	2,350,272	557,822	1
Middlesboro	KY	859,709	1,598,332	None	None	859,709	1,598,332	2,458,041	583,390	1
Murray	KY	831,246	1,545,422	111,189	26,343	831,246	1,682,954	2,514,200	598,580	1
Richmond	KY	913,770	1,698,726	None	None	913,770	1,698,726	2,612,496	620,034	1
Alexandria	LA	-	1,118,270	None	None	-	1,118,270	1,118,270	132,329	1
Baton Rouge	LA	-	1,748,499	None	None	-	1,748,499	1,748,499	206,906	1
Hammond	LA	1,011,084	1,879,972	None	None	1,011,084	1,879,972	2,891,056	686,189	1
Houma	LA	1,061,671	1,973,864	12,063	48,086	1,061,671	2,034,013	3,095,684	737,869	1
Jennings	LA	107,120	496,636	17,656	1,742	107,120	516,034	623,154	498,689	10
Morgan City	LA	832,895	1,548,993	26,151	28,054	832,895	1,603,198	2,436,093	591,107	1
New Iberia	LA	917,582	1,706,269	80,944	30,339	917,582	1,817,552	2,735,134	666,008	1
Opelousas	LA	949,157	1,764,908	70,255	225	949,157	1,835,388	2,784,545	666,918	1
Pineville	LA	1,136,612	2,113,040	None	None	1,136,612	2,113,040	3,249,652	771,258	1
Ruston	LA	982,427	1,826,696	None	None	982,427	1,826,696	2,809,123	666,743	1
Zachary	LA	898,306	1,670,527	11,717	28,442	898,306	1,710,686	2,608,992	618,222	1
Amesbury	MA	-	790,494	None	None	-	790,494	790,494	441,034	8
Attleboro	MA	369,815	693,655	None	None	369,815	693,655	1,063,470	389,601	12
Auburn	MA	418,250	779,623	500	None	418,250	780,123	1,198,373	261,573	8
Chicopee	MA	761,606	1,417,624	None	None	761,606	1,417,624	2,179,230	474,887	8
Chicopee	MA	302,982	565,894	65,789	7,544	302,982	639,227	942,209	208,758	8
East										
Longmeadow	MA	614,319	1,144,128	None	None	614,319	1,144,128	1,758,447	383,266	8
Gardner	MA	625,000	828,564	None	None	625,000	828,564	1,453,564	422,434	8
Great										
Barrington	MA	422,625	788,089	69,608	10,225	422,625	867,922	1,290,547	291,101	8
Greenfield	MA	761,417	1,417,273	None	None	761,417	1,417,273	2,178,690	474,769	8
Haverhill	MA	568,635	1,058,815	None	None	568,635	1,058,815	1,627,450	354,686	8
Holyoke	MA	577,667	1,076,023	None	None	577,667	1,076,023	1,653,690	360,451	8
Lee	MA	540,506	1,007,010	None	None	540,506	1,007,010	1,547,516	337,331	8
North Adams	MA	377,300	703,914	26,657	351	377,300	730,922	1,108,222	236,071	8
Norwood	MA	840,616	1,563,923	None	None	840,616	1,563,923	2,404,539	523,897	8
Palmer	MA	141,524	598,480	None	None	141,524	598,480	740,004	336,144	12
Peabody	MA	529,555	222,590	None	None	529,555	222,590	752,145	125,020	12
Pittsfield	MA	286,241	950,022	None	None	286,241	950,022	1,236,263	533,594	12
Raynham	MA	761,417	1,417,287	None	None	761,417	1,417,287	2,178,704	474,773	8
Sagamore										
Beach	MA	620,188	1,155,007	None	None	620,188	1,155,007	1,775,195	386,910	8
Saugus	MA	-	737,971	None	None	-	737,971	737,971	346,366	8
Seekonk	MA	614,417	1,144,267	None	None	614,417	1,144,267	1,758,684	383,312	8
South										
Dartmouth	MA	379,217	707,492	14,487	79	379,217	722,058	1,101,275	237,485	8
Springfield	MA	230,030	865,572	None	None	230,030	865,572	1,095,602	486,161	12
Springfield	MA	227,207	958,444	None	None	227,207	958,444	1,185,651	538,324	12
Stoneham	MA	397,544	191,717	None	None	397,544	191,717	589,261	107,679	12
Sudbury	MA	-	633,843	None	None	-	633,843	633,843	284,229	8
Swansea	MA	173,853	488,699	None	None	173,853	488,699	662,552	274,484	12
Ware	MA	220,457	412,133	21,889	585	220,457	434,607	655,064	144,140	8
West										
Springfield	MA	243,556	455,532	104,424	9,894	243,556	569,850	813,406	175,768	8
West										
Springfield	MA	761,417	1,417,273	None	None	761,417	1,417,273	2,178,690	474,769	8
Wilbraham	MA	9,626,112	19,964,016	2,500	None	9,626,112	19,966,516	29,592,628	6,063,201	8
Wollaston	MA	411,366	766,745	None	None	411,366	766,745	1,178,111	256,842	8
Worcester	MA	578,336	1,077,426	None	None	578,336	1,077,426	1,655,762	360,920	8
Waterville	ME	-	717,653	None	105	-	717,758	717,758	240,418	8

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Windham	ME	-	831,301	1,000	None	-	832,301	832,301	279,297	8
Comstock										
Park	MI	810,477	1,506,864	70,386	228	810,477	1,577,478	2,387,955	566,271	1
Flint	MI	827,853	-	5,631	94	827,853	5,725	833,578	185	4
Flint	MI	885,144	1,645,531	70,987	32,018	885,144	1,748,536	2,633,680	641,900	1
Lansing	MI	873,536	1,623,973	None	94	873,536	1,624,067	2,497,603	592,818	1
Saginaw	MI	766,531	1,425,263	14,030	23,051	766,531	1,462,344	2,228,875	538,248	1

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Buildings, Improvements and	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Westland	MI	869,530	1,616,568	None	438	869,530	1,617,006	2,486,536	590,292	11/			
Champlin	MN	583,515	729,394	None	None	583,515	729,394	1,312,909	86,312	1/2/			
Roseville	MN	281,600	1,305,560	None	288	281,600	1,305,848	1,587,448	1,305,621	12/			
Bridgeton	MO	743,559	1,585,207	158,517	21,240	743,559	1,764,964	2,508,523	637,792	11/			
Cape Girardeau	MO	745,915	1,386,950	None	None	745,915	1,386,950	2,132,865	506,236	11/			
Farmington	MO	780,812	1,451,767	180,971	25,259	780,812	1,657,997	2,438,809	572,652	11/			
Festus	MO	808,595	1,503,364	17,390	2,875	808,595	1,523,629	2,332,224	553,364	11/			
Fulton	MO	210,199	466,861	60,573	127	210,199	527,561	737,760	480,537	7/3/			
Hazelwood	MO	157,117	725,327	(104,329)	None	157,117	620,998	778,115	620,998	8/2/			
Jefferson City	MO	713,088	1,325,993	93,129	22,035	713,088	1,441,157	2,154,245	500,066	11/			
Kansas City	MO	715,640	894,550	None	None	715,640	894,550	1,610,190	105,855	1/2/			
Kansas City	MO	872,364	1,090,455	None	None	872,364	1,090,455	1,962,819	129,037	1/2/			
Ozark	MO	140,000	292,482	None	None	140,000	292,482	432,482	212,039	11/			
Poplar Bluff	MO	774,256	1,439,603	None	None	774,256	1,439,603	2,213,859	525,454	11/			
Raymore	MO	726,583	1,351,055	None	None	726,583	1,351,055	2,077,638	493,134	11/			
Sedalia	MO	269,798	599,231	11,556	None	269,798	610,787	880,585	610,787	7/3/			
Sedalia	MO	696,604	1,295,380	39,992	808	696,604	1,336,180	2,032,784	481,606	11/			
Springfield	MO	-	1,390,167	None	None	-	1,390,167	1,390,167	164,503	1/2/			
St. Charles	MO	175,413	809,791	None	81	175,413	809,872	985,285	809,807	8/2/			
St. Charles	MO	695,121	1,001,878	None	1,149	695,121	1,003,027	1,698,148	803,550	12/22/1995			
St. Joseph	MO	775,660	1,785,308	None	None	775,660	1,785,308	2,560,968	651,636	11/			
St. Robert	MO	744,158	1,383,694	None	31,455	744,158	1,415,149	2,159,307	516,003	11/			
Sullivan	MO	85,500	396,400	(40,743)	13,500	85,500	369,157	454,657	365,286	12/			
Columbus	MS	720,310	1,339,963	None	None	720,310	1,339,963	2,060,273	489,085	11/			
Corinth	MS	867,086	1,612,029	None	81	867,086	1,612,110	2,479,196	588,406	11/			
Hattiesburg	MS	856,070	1,592,088	None	None	856,070	1,592,088	2,448,158	581,111	11/			
Laurel	MS	778,938	1,448,844	72,424	17,306	778,938	1,538,574	2,317,512	548,044	11/			
Meridian	MS	-	2,481,172	None	None	-	2,481,172	2,481,172	898,396	11/			
Vicksburg	MS	698,189	1,298,881	(736,106)	349	698,189	563,124	1,261,313	516,063	11/			
Albemarle	NC	721,392	1,341,825	480	860	721,392	1,343,165	2,064,557	490,607	11/			
Forest City	NC	872,424	1,621,940	None	131	872,424	1,622,071	2,494,495	592,108	11/			
Goldsboro	NC	811,502	1,509,029	72,109	35,050	811,502	1,616,188	2,427,690	597,552	11/			
Kernersville	NC	836,896	1,556,334	None	13,017	836,896	1,569,351	2,406,247	578,149	11/			
Salisbury	NC	777,412	1,445,863	None	131	777,412	1,445,994	2,223,406	527,840	11/			
Sylva	NC	919,724	1,709,783	None	131	919,724	1,709,914	2,629,638	624,170	11/			
Bellevue	NE	656,061	1,004,384	None	None	656,061	1,004,384	1,660,445	408,002	9/20/2005	2/2/		
Omaha	NE	592,716	1,009,253	None	32	592,716	1,009,285	1,602,001	421,551	5/5/2005	12/		
Papillion	NE	654,788	908,685	None	None	654,788	908,685	1,563,473	383,866	3/9/2005	1/1/		
Concord	NH	577,667	1,075,628	None	None	577,667	1,075,628	1,653,295	360,318	8/3/			
Concord	NH	849,884	1,581,175	None	None	849,884	1,581,175	2,431,059	529,677	8/3/			
Dover	NH	687,917	1,280,378	None	None	687,917	1,280,378	1,968,295	428,910	8/3/			
Laconia	NH	330,520	467,594	None	None	330,520	467,594	798,114	262,630	12/			
Manchester	NH	266,337	486,676	None	None	266,337	486,676	753,013	273,348	12/			
Portsmouth	NH	391,650	730,167	37,475	18,167	391,650	785,809	1,177,459	266,175	8/3/			



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Rochester	NH	262,059	695,771	None	None	262,059	695,771	957,830	390,790	12/
Clark	NJ	541,792	1,009,085	None	None	541,792	1,009,085	1,550,877	338,026	8/3/
Hackettstown	NJ	307,186	525,142	None	None	307,186	525,142	832,328	294,953	12/
Middletown	NJ	-	640,403	15,522	7	-	655,932	655,932	347,683	8/3/
Mount Holly	NJ	-	1,092,178	None	None	-	1,092,178	1,092,178	351,314	12/
Pompton										
Plains	NJ	455,700	849,125	88,127	8,724	455,700	945,976	1,401,676	285,306	8/3/
Toms River	NJ	826,449	1,537,659	None	None	826,449	1,537,659	2,364,108	515,098	8/3/
Albuquerque	NM	-	1,307,933	None	None	-	1,307,933	1,307,933	154,772	1/2/
Albany	NY	457,538	852,510	42,302	13,692	457,538	908,504	1,366,042	307,548	8/3/
Clifton Park	NY	1,040,997	1,936,100	None	None	1,040,997	1,936,100	2,977,097	648,576	8/3/
Delmar	NY	316,382	590,387	24,178	14,789	316,382	629,354	945,736	220,251	8/3/
East										
Greenbush	NY	623,313	1,160,389	None	None	623,313	1,160,389	1,783,702	388,713	8/3/
New Hartford	NY	226,041	422,563	None	None	226,041	422,563	648,604	141,541	8/3/
Plattsburgh	NY	977,012	1,817,269	None	None	977,012	1,817,269	2,794,281	608,768	8/3/
Rochester	NY	-	1,911,958	None	None	-	1,911,958	1,911,958	226,248	1/2/
Akron	OH	723,347	17	248,731	12,017	723,347	260,765	984,112	22,122	12/
Akron	OH	318,182	593,654	None	None	318,182	593,654	911,836	198,857	8/3/
Akron	OH	318,182	593,654	None	None	318,182	593,654	911,836	198,857	8/3/
Defiance	OH	71,273	135,109	None	None	71,273	135,109	206,382	45,244	8/3/
Elyria	OH	79,545	150,491	None	None	79,545	150,491	230,036	50,397	8/3/
Marion	OH	739,651	1,375,358	None	None	739,651	1,375,358	2,115,009	502,004	11/
Maumee	OH	296,970	555,134	None	None	296,970	555,134	852,104	185,950	8/3/
Mount										
Vernon	OH	147,212	276,407	None	None	147,212	276,407	423,619	92,578	8/3/
Parma										
Heights	OH	275,758	514,866	None	None	275,758	514,866	790,624	172,463	8/3/
Sandusky	OH	824,270	1,532,494	None	None	824,270	1,532,494	2,356,764	559,359	11/
Sandusky	OH	128,158	240,761	None	None	128,158	240,761	368,919	80,637	8/3/
Springdale	OH	1,895,200	2,369,000	None	None	1,895,200	2,369,000	4,264,200	280,332	1/2/
Stow	OH	317,546	712,455	None	114	317,546	712,569	1,030,115	712,561	12/
Vandalia	OH	145,833	273,579	None	None	145,833	273,579	419,412	91,632	8/3/
Wooster	OH	763,642	1,419,901	None	116	763,642	1,420,017	2,183,659	518,379	11/
Broken Arrow	OK	245,000	369,002	30,742	10,278	245,000	410,022	655,022	285,126	12/
Norman	OK	734,335	335,097	None	78,164	734,335	413,261	1,147,596	174,471	9/29/1995
Oklahoma										
City	OK	759,826	-	221,365	17,524	759,826	238,889	998,715	2,617	7/6/
Oklahoma										
City	OK	1,165,405	2,165,989	None	45,131	1,165,405	2,211,120	3,376,525	802,641	11/
Ponca City	OK	625,000	1,454,068	None	None	625,000	1,454,068	2,079,068	11,629	In-progress
Tulsa	OK	490,000	910,004	None	None	490,000	910,004	1,400,004	362,485	1/2/
Tulsa	OK	360,500	669,605	14,520	None	360,500	684,125	1,044,625	259,210	5/1/
Tulsa	OK	1,021,904	1,899,486	2,440	21,989	1,021,904	1,923,915	2,945,819	703,960	11/
Beaverton	OR	-	1,689,352	None	None	-	1,689,352	1,689,352	199,907	1/2/
Hermiston	OR	85,560	396,675	36,837	10,433	85,560	443,945	529,505	417,684	12/
Lake Oswego	OR	175,899	815,508	181,383	41,962	175,899	1,038,853	1,214,752	846,626	5/1/
Salem	OR	-	865,668	None	None	-	865,668	865,668	102,437	1/2/
Feasterville										
Trev	PA	236,303	441,673	None	None	236,303	441,673	677,976	147,943	8/3/
Gap	PA	-	1,012,812	1,000	None	-	1,013,812	1,013,812	340,103	8/3/
Gettysburg	PA	289,040	809,676	None	None	289,040	809,676	1,098,716	454,766	12/
Harrisburg	PA	577,667	1,075,635	None	22,033	577,667	1,097,668	1,675,335	362,770	8/3/
Horsham	PA	554,361	1,032,352	None	None	554,361	1,032,352	1,586,713	345,821	8/3/
Indiana	PA	828,653	1,540,630	61,487	17,739	828,653	1,619,856	2,448,509	593,424	11/
Lancaster	PA	170,304	413,960	None	None	170,304	413,960	584,264	232,506	12/
Lebanon	PA	-	1,292,172	None	None	-	1,292,172	1,292,172	503,250	8/3/
Philadelphia	PA	503,556	937,999	None	None	503,556	937,999	1,441,555	314,213	8/3/
North										
Providence	RI	-	790,921	None	None	-	790,921	790,921	381,928	8/3/
Pawtucket	RI	-	457,462	None	None	-	457,462	457,462	199,730	8/3/
Gaffney	SC	727,738	1,353,238	57,635	30,305	727,738	1,441,178	2,168,916	531,398	11/
Hilton Head	SC	1,481,832	1,218,232	None	None	1,218,232	1,522,790	2,741,022	180,197	1/2/
Lancaster	SC	778,616	1,448,099	(1,056,134)	493	778,616	392,458	1,171,074	532,258	11/
Rock Hill	SC	826,216	1,536,499	480	46,661	826,216	1,583,640	2,409,856	571,112	11/
Bartlett	TN	420,000	674,437	76,972	10,145	420,000	761,554	1,181,554	468,064	5/12/1999
Chattanooga	TN	827,594	1,538,633	186,235	535	827,594	1,725,403	2,552,997	612,751	11/
Chattanooga	TN	933,003	1,734,392	231,756	10,410	933,003	1,976,558	2,909,561	705,811	11/
Dyersburg	TN	695,135	1,292,644	90,256	None	695,135	1,382,900	2,078,035	531,934	11/
Greeneville	TN	936,669	1,741,253	None	131	936,669	1,741,384	2,678,053	635,657	11/

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Johnson City	TN	881,225	1,638,285	83,254	16,066	881,225	1,737,605	2,618,830	634,857	11/
Kingsport	TN	786,332	1,462,055	(1,002,020)	476	786,332	460,511	1,246,843	605,745	11/
Memphis	TN	871,951	1,621,017	74,039	10	871,951	1,695,066	2,567,017	633,610	11/
Memphis	TN	1,217,412	1,521,765	None	None	1,217,412	1,521,765	2,739,177	180,076	1/2
Memphis	TN	-	1,336,687	None	None	-	1,336,687	1,336,687	158,175	1/2

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Gross Amount at Which Carried			Accumulated Depreciation (Note 5)	Date of Construction	Ac
		Land	Acquisition Fees	Cost Capitalized Subsequent to Acquisition Improvements	Carrying Costs	at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and	Land	Fees			
Newport	TN	640,841	1,191,858	71,563	9,856	640,841	1,273,277	1,914,118	466,129		11
Amarillo	TX	763,283	1,995,460	None	None	763,283	1,995,460	2,758,743	566,979	9/12/2008	3/
Amarillo	TX	609,000	1,486,302	None	None	609,000	1,486,302	2,095,302	26,394	7/13/2015	10
Austin	TX	699,395	1,167,223	None	144	699,395	1,167,367	1,866,762	452,392	2/15/2006	9/
Austin	TX	976,803	1,361,281	36,880	30,504	976,803	1,428,665	2,405,468	537,620	10/23/2006	6/
Austin	TX	1,049,946	1,952,028	13,898	30,875	1,049,946	1,996,801	3,046,747	655,265		11
Bedford	TX	919,303	98,231	23,966	91	919,303	122,288	1,041,591	108,091		12/
Cedar Park	TX	634,489	1,472,504	None	266	634,489	1,472,770	2,107,259	555,278	6/19/2006	1/
El Campo	TX	98,060	454,631	None	None	98,060	454,631	552,691	454,631		11/
El Paso	TX	-	1,399,487	None	None	-	1,399,487	1,399,487	165,606		1/2
El Paso	TX	-	1,591,758	None	None	-	1,591,758	1,591,758	188,358		1/2
Georgetown	TX	870,981	1,177,824	168,185	33,974	870,981	1,379,983	2,250,964	567,885	6/2/2006	1/
Greenville	TX	909,311	1,690,848	34,606	27,914	909,311	1,753,368	2,662,679	667,113		11
Harker											
Heights	TX	943,812	1,897,644	None	None	943,812	1,897,644	2,841,456	545,561	8/28/2008	3/2
Hillsboro	TX	75,992	352,316	158,254	9,364	75,992	519,934	595,926	409,116		8/
Houston	TX	1,096,376	2,300,690	235,500	102,443	1,096,376	2,638,633	3,735,009	1,952,644		9/
Houston	TX	989,152	1,838,713	None	25,823	989,152	1,864,536	2,853,688	685,130		11
Irving	TX	1,500,411	2,156	None	None	1,500,411	2,156	1,502,567	1,110		2/
Killeen	TX	1,327,348	2,467,204	17,494	28,703	1,327,348	2,513,401	3,840,749	914,282		11
Live Oak	TX	727,956	1,214,835	181,920	32,746	727,956	1,429,501	2,157,457	623,722	9/27/2005	6/
Longview	TX	1,231,857	2,289,864	None	None	1,231,857	2,289,864	3,521,721	835,799		11
Lufkin	TX	105,904	490,998	None	None	105,904	490,998	596,902	490,998		10
Mesquite	TX	134,940	625,612	None	None	134,940	625,612	760,552	625,612		3/2
Mesquite	TX	729,596	120,820	None	91	729,596	120,911	850,507	120,858		12/
Mesquite	TX	984,909	1,831,268	(1,338,505)	198	984,909	492,961	1,477,870	678,780		11
Mexia	TX	93,620	434,046	50,273	11,861	93,620	496,180	589,800	464,074		12/
New											
Braunfels	TX	860,262	1,169,016	250,000	56,399	860,262	1,475,415	2,335,677	661,798	2/14/2006	10/
Palestine	TX	825,066	1,534,394	31,586	26,449	825,066	1,592,429	2,417,495	577,675		11
Plano	TX	2,420,222	769	None	None	2,420,222	769	2,420,991	415	3/12/2003	6/2
San Antonio	TX	835,431	1,185,257	None	49,500	835,431	1,234,757	2,070,188	506,915	12/2/2005	6/2
San Antonio	TX	690,443	1,109,136	None	40,500	690,443	1,149,636	1,840,079	472,815	10/24/2005	6/2
San Antonio	TX	835,586	1,227,220	None	45,000	835,586	1,272,220	2,107,806	484,046	9/14/2006	5/
Sugar Land	TX	1,376,186	1,720,233	None	None	1,376,186	1,720,233	3,096,419	203,561		1/2
Temple	TX	797,574	1,193,813	1,350	144	797,574	1,195,307	1,992,881	446,661	9/14/2006	4/
Waxahachie	TX	326,935	726,137	41,232	20,790	326,935	788,159	1,115,094	749,179		12/
Waxahachie	TX	1,035,794	1,925,746	None	165	1,035,794	1,925,911	2,961,705	703,028		11
Centerville	UT	1,056,314	1,320,393	None	None	1,056,314	1,320,393	2,376,707	156,246		1/2
Sandy	UT	635,945	884,792	None	None	635,945	884,792	1,520,737	709,309		12/
Bluefield	VA	845,277	1,571,754	None	302	845,277	1,572,056	2,417,333	573,921		11
Charlottesville	VA	-	1,283,010	None	None	-	1,283,010	1,283,010	151,823		1/2
Chester	VA	541,628	1,008,771	None	None	541,628	1,008,771	1,550,399	337,921		8/3
Danville	VA	751,055	1,396,772	66,062	18,130	751,055	1,480,964	2,232,019	555,613		11
Martinsville	VA	833,114	1,549,167	71,660	13,084	833,114	1,633,911	2,467,025	572,782		11

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Midlothian	VA	421,479	785,639	248,110	27,205	421,479	1,060,954	1,482,433	351,444	8/3
Richmond	VA	385,000	717,891	(62,150)	145	385,000	655,886	1,040,886	242,023	8/3
Roanoke	VA	-	1,660,095	None	None	-	1,660,095	1,660,095	196,445	1/2
Staunton	VA	867,684	1,613,368	39,262	None	867,684	1,652,630	2,520,314	608,335	11/
Williamsburg	VA	651,167	1,212,201	7,930	105	651,167	1,220,236	1,871,403	406,163	8/3
Bennington	VT	118,823	673,551	None	None	118,823	673,551	792,374	378,309	12/
Rutland	VT	812,197	1,511,184	None	None	812,197	1,511,184	2,323,381	506,230	8/3
Williston	VT	-	1,197,659	None	None	-	1,197,659	1,197,659	499,305	8/3
Tacoma	WA	198,857	921,947	129,058	13,579	198,857	1,064,584	1,263,441	988,597	5/2
Parkersburg	WV	722,732	1,343,920	63,217	33,305	722,732	1,440,442	2,163,174	553,333	11/

Restaurants - quick service

Alabaster	AL	335,197	622,697	None	None	335,197	622,697	957,894	231,436	9/2
Alabaster	AL	570,000	1,568,482	None	None	570,000	1,568,482	2,138,482	2,614	12/
Aliceville	AL	860,000	1,305,379	None	None	860,000	1,305,379	2,165,379	2,176	12/
Andalusia	AL	252,403	468,949	None	None	252,403	468,949	721,352	174,293	9/2
Atmore	AL	272,044	505,636	None	None	272,044	505,636	777,680	290,735	8/3
Attalla	AL	148,993	276,890	None	None	148,993	276,890	425,883	102,911	9/2
Bessemer	AL	172,438	320,429	None	None	172,438	320,429	492,867	119,093	9/2
Birmingham	AL	251,434	467,185	None	None	251,434	467,185	718,619	268,628	8/3
Brent	AL	134,432	249,846	None	None	134,432	249,846	384,278	92,859	9/2
Chelsea	AL	490,000	1,347,268	None	None	490,000	1,347,268	1,837,268	29,191	6/2
Clanton	AL	230,036	427,391	None	None	230,036	427,391	657,427	245,748	8/3
Clanton	AL	490,000	1,388,215	None	None	490,000	1,388,215	1,878,215	2,314	12/
Demopolis	AL	251,349	466,972	None	None	251,349	466,972	718,321	268,507	8/3
Evergreen	AL	148,982	276,881	None	None	148,982	276,881	425,863	102,907	9/2
Fort Payne	AL	303,056	563,001	None	None	303,056	563,001	866,057	323,723	8/3
Gadsden	AL	242,194	449,977	None	None	242,194	449,977	692,171	167,241	9/2
Gardendale	AL	398,669	740,568	None	None	398,669	740,568	1,139,237	425,824	8/3
Greenville	AL	226,108	420,117	None	None	226,108	420,117	646,225	156,143	9/2
Haleyville	AL	262,500	488,357	None	None	262,500	488,357	750,857	157,087	12/
Hamilton	AL	214,198	397,991	None	None	214,198	397,991	612,189	147,920	9/2
Hanceville	AL	260,000	1,456,914	None	None	260,000	1,456,914	1,716,914	2,428	12/
Hartselle	AL	730,000	1,322,323	None	None	730,000	1,322,323	2,052,323	2,204	12/
Hokes Bluff	AL	820,000	1,648,671	None	None	820,000	1,648,671	2,468,671	2,748	12/
Hueytown	AL	281,422	522,828	None	None	281,422	522,828	804,250	194,318	9/2
Jacksonville	AL	680,000	1,270,736	None	None	680,000	1,270,736	1,950,736	27,533	6/2
Jasper	AL	850,000	1,215,389	None	None	850,000	1,215,389	2,065,389	2,026	12/
Leeds	AL	171,145	318,028	None	None	171,145	318,028	489,173	118,200	9/2
Lineville	AL	720,000	1,431,388	None	None	720,000	1,431,388	2,151,388	2,386	12/
McCalla	AL	610,000	1,303,425	None	None	610,000	1,303,425	1,913,425	28,241	6/2
Millbrook	AL	783,786	1,558,198	None	None	783,786	1,558,198	2,341,984	2,597	12/
Mobile	AL	286,333	531,950	None	None	286,333	531,950	818,283	197,708	9/2
Montgomery	AL	143,693	267,060	None	None	143,693	267,060	410,753	99,257	9/2
Montgomery	AL	145,206	269,870	None	None	145,206	269,870	415,076	100,302	9/2
Montgomery	AL	380,468	706,777	None	None	380,468	706,777	1,087,245	260,330	10/
Northport	AL	832,541	1,040,676	None	None	832,541	1,040,676	1,873,217	123,147	1/2
Oneonta	AL	950,000	1,391,263	None	None	950,000	1,391,263	2,341,263	2,319	12/
Opp	AL	160,778	298,782	None	None	160,778	298,782	459,560	110,051	10/
Pell City	AL	490,000	1,288,925	None	None	490,000	1,288,925	1,778,925	27,927	6/2
Prattville	AL	254,278	472,432	None	None	254,278	472,432	726,710	175,587	9/2
Southside	AL	698,221	1,388,090	None	None	698,221	1,388,090	2,086,311	2,313	12/
Thomasville	AL	190,000	440,319	None	None	190,000	440,319	630,319	734	12/
Trussville	AL	256,485	476,510	None	None	256,485	476,510	732,995	175,515	10/
Vernon	AL	580,000	1,225,994	None	None	580,000	1,225,994	1,805,994	2,043	12/
Warrior	AL	159,109	295,676	None	None	159,109	295,676	454,785	109,893	9/2
Arkadelphia	AR	248,868	462,744	None	None	248,868	462,744	711,612	170,444	10/
Bentonville	AR	377,086	700,582	None	None	377,086	700,582	1,077,668	402,831	8/3
Hope	AR	288,643	536,715	None	None	288,643	536,715	825,358	308,602	8/3
Jacksonville	AR	267,376	497,124	None	None	267,376	497,124	764,500	184,764	9/2
Jonesboro	AR	173,984	323,371	92,465	11,807	173,984	427,643	601,627	110,917	11/
Malvern	AR	219,703	408,588	None	None	219,703	408,588	628,291	151,859	9/2
North Little Rock	AR	317,000	589,377	None	None	317,000	589,377	906,377	338,883	8/3
Pocahontas	AR	241,128	447,988	None	None	241,128	447,988	689,116	165,009	10/
Siloam Springs	AR	190,000	352,808	None	None	190,000	352,808	542,808	255,775	11/
Phoenix	AZ	704,014	1,307,998	(145,542)	None	558,472	1,307,998	1,866,470	438,177	8/2
Tucson	AZ	107,393	500,154	None	None	107,393	500,154	607,547	498,702	1/2

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Tucson	AZ	463,231	860,982	None	None	463,231	860,982	1,324,213	288,427	8/2
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SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and				Cost Capitalized Subsequent to Acquisition	Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date of Acquisition
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total				
Yuma	AZ	236,121	541,651	None	None	236,121	541,651	777,772	381,860		5/2/1999	
Barstow	CA	689,842	690,204	None	None	689,842	690,204	1,380,046	477,394		9/2/1999	
Fresno	CA	561,502	1,043,688	None	None	561,502	1,043,688	1,605,190	349,632		8/2/1999	
Livermore	CA	662,161	823,242	None	None	662,161	823,242	1,485,403	569,412		9/2/1999	
Rancho Cucamonga	CA	95,192	441,334	None	None	95,192	441,334	536,526	441,334		12/2/1999	
Riverside	CA	90,000	170,394	135,301	None	90,000	305,695	395,695	246,190		12/2/1999	
Sacramento	CA	386,793	417,290	None	None	386,793	417,290	804,083	291,407		7/3/1999	
San Ramon	CA	406,000	1,126,930	None	None	406,000	1,126,930	1,532,930	1,126,930		12/2/1999	
Aurora	CO	288,558	537,322	None	None	288,558	537,322	825,880	179,999		8/2/1999	
Aurora	CO	210,000	540,346	None	None	210,000	540,346	750,346	94,561		8/2/1999	
Broomfield	CO	444,277	-	None	None	444,277	-	444,277	-		8/2/1999	
Brush	CO	90,000	220,976	None	None	90,000	220,976	310,976	38,671		8/2/1999	
Castle Rock	CO	670,000	744,760	None	None	670,000	744,760	1,414,760	13,654		7/2/1999	
Colorado Springs	CO	152,000	704,736	None	None	152,000	704,736	856,736	704,736		9/3/1999	
Fort Morgan	CO	80,000	350,452	None	None	80,000	350,452	430,452	61,329		8/2/1999	
Greenwood Village	CO	1,681,038	-	None	None	1,681,038	-	1,681,038	-		6/1/1999	
Lafayette	CO	450,000	59,281	None	None	450,000	59,281	509,281	10,374		8/2/1999	
Lakewood	CO	510,000	124,971	None	None	510,000	124,971	634,971	21,870		8/2/1999	
Littleton	CO	260,000	508,347	None	None	260,000	508,347	768,347	88,961		8/2/1999	
Littleton	CO	470,000	207,744	None	None	470,000	207,744	677,744	36,355		8/2/1999	
Westminster	CO	261,466	487,102	None	None	261,466	487,102	748,568	163,177		8/2/1999	
Meriden	CT	369,482	687,116	None	None	369,482	687,116	1,056,598	230,182		8/2/1999	
Bartow	FL	480,000	500,603	None	None	480,000	500,603	980,603	9,178		7/2/1999	
Chipley	FL	270,439	502,655	None	None	270,439	502,655	773,094	289,021		8/3/1999	
Clearwater	FL	484,090	899,658	None	None	484,090	899,658	1,383,748	301,384		8/2/1999	
Clearwater	FL	370,000	512,393	None	None	370,000	512,393	882,393	89,669		8/2/1999	
Dade City	FL	140,000	387,991	None	None	140,000	387,991	527,991	67,899		8/2/1999	
Defuniak Springs	FL	269,554	501,010	None	None	269,554	501,010	770,564	288,075		8/3/1999	
Dunedin	FL	440,000	100,727	None	None	440,000	100,727	540,727	17,627		8/2/1999	
Jacksonville	FL	150,210	693,445	None	None	150,210	693,445	843,655	693,445		9/1/1999	
Lake Placid	FL	220,000	206,076	None	None	220,000	206,076	426,076	36,063		8/2/1999	
Lakeland	FL	310,000	519,387	None	None	310,000	519,387	829,387	90,893		8/2/1999	
Lakeland	FL	530,000	556,704	None	None	530,000	556,704	1,086,704	97,423		8/2/1999	
Lakeland	FL	170,000	288,777	None	None	170,000	288,777	458,777	50,536		8/2/1999	
New Port Richey	FL	260,000	579,385	None	None	260,000	579,385	839,385	101,392		8/2/1999	
Orlando	FL	600,000	949,489	None	None	600,000	949,489	1,549,489	631,631	5/27/1999	12/2/1999	
Oviedo	FL	204,200	911,338	None	None	204,200	911,338	1,115,538	575,816	3/27/2000	8/2/1999	
Oviedo	FL	456,108	847,515	None	None	456,108	847,515	1,303,623	343,243		11/2/1999	
Oviedo	FL	465,993	866,048	None	None	465,993	866,048	1,332,041	290,124		8/2/1999	
Palm Bay	FL	330,000	556,668	None	None	330,000	556,668	886,668	374,017	2/17/1999	12/2/1999	

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Panama City	FL	202,047	375,424	None	None	202,047	375,424	577,471	138,281	10/1
Pensacola	FL	767,303	1,424,991	None	None	767,303	1,424,991	2,192,294	182,874	10/1
Port Richey	FL	848,210	1,575,247	None	None	848,210	1,575,247	2,423,457	202,157	10/1
Saint Petersburg	FL	379,455	705,487	None	None	379,455	705,487	1,084,942	236,336	8/2
Petersburg	FL	370,000	675,403	None	None	370,000	675,403	1,045,403	118,196	8/2
Seffner	FL	200,000	209,679	None	None	200,000	209,679	409,679	36,694	8/2
Tallahassee	FL	385,000	715,857	None	None	385,000	715,857	1,100,857	230,266	12/2
Tallahassee	FL	175,000	325,857	None	None	175,000	325,857	500,857	104,816	12/2
Tampa	FL	545,211	1,013,321	None	None	545,211	1,013,321	1,558,532	339,460	8/2
Tampa	FL	470,000	208,666	None	None	470,000	208,666	678,666	36,517	8/2
Tampa	FL	430,000	589,949	None	None	430,000	589,949	1,019,949	103,241	8/2
Temple Terrace	FL	962,500	1,788,133	None	None	962,500	1,788,133	2,750,633	599,023	8/2
Venice	FL	340,000	28,239	None	None	340,000	28,239	368,239	4,942	8/2
Wauchula	FL	260,000	324,525	None	None	260,000	324,525	584,525	56,792	8/2
Zephyrhills	FL	220,000	662,046	None	None	220,000	662,046	882,046	115,858	8/2
Albany	GA	326,690	607,247	None	None	326,690	607,247	933,937	243,911	12/2
Augusta	GA	410,000	722,093	None	None	410,000	722,093	1,132,093	13,238	7/2
Bowdon	GA	670,000	1,478,891	None	None	670,000	1,478,891	2,148,891	2,465	12/1
Buford	GA	400,000	361,957	None	None	400,000	361,957	761,957	63,342	8/2
Buford	GA	1,085,401	1,356,752	None	None	1,085,401	1,356,752	2,442,153	160,549	1/2
Cairo	GA	210,000	390,566	None	None	210,000	390,566	600,566	125,632	12/2
Cumming	GA	520,000	248,510	None	None	520,000	248,510	768,510	43,489	8/2
Duluth	GA	536,205	996,521	None	None	536,205	996,521	1,532,726	333,833	8/2
Evans	GA	416,474	849,080	None	None	416,474	849,080	1,265,554	15,566	7/2
Grovetown	GA	540,000	1,223,410	None	None	540,000	1,223,410	1,763,410	22,429	7/2
Hartwell	GA	869,716	1,087,145	None	None	869,716	1,087,145	1,956,861	128,645	1/2
Lawrenceville	GA	220,000	384,908	None	None	220,000	384,908	604,908	67,359	8/2
Lilburn	GA	237,822	442,409	None	None	237,822	442,409	680,231	148,205	8/2
Lilburn	GA	380,000	338,634	None	None	380,000	338,634	718,634	59,261	8/2
Loganville	GA	340,000	422,840	None	None	340,000	422,840	762,840	73,997	8/2
Marietta	GA	423,132	786,530	None	None	423,132	786,530	1,209,662	263,486	8/2
Martinez	GA	517,290	1,054,618	None	None	517,290	1,054,618	1,571,908	19,335	7/2
Norcross	GA	310,000	286,762	None	None	310,000	286,762	596,762	50,183	8/2
Oakwood	GA	440,000	100,481	None	None	440,000	100,481	540,481	17,584	8/2
Roswell	GA	310,767	578,088	None	None	310,767	578,088	888,855	193,656	8/2
Tallapoosa	GA	920,000	1,490,294	None	None	920,000	1,490,294	2,410,294	2,484	12/1
Thomasville	GA	300,211	558,074	None	None	300,211	558,074	858,285	224,159	12/2
Washington	GA	292,628	543,862	None	None	292,628	543,862	836,490	312,715	8/3
Waycross	GA	223,475	415,563	None	None	223,475	415,563	639,038	166,917	12/2
Winder	GA	230,000	429,116	None	None	230,000	429,116	659,116	75,095	12/2
Altoona	IA	426,834	792,693	None	None	426,834	792,693	1,219,527	117,583	4/1
Cedar Falls	IA	208,411	387,971	None	None	208,411	387,971	596,382	155,834	12/2
Cedar Falls	IA	187,250	349,057	None	278	187,250	349,335	536,585	112,339	12/2
Cedar Rapids	IA	125,076	233,206	None	278	125,076	233,484	358,560	93,733	12/2
Fort Dodge	IA	388,815	722,573	None	None	388,815	722,573	1,111,388	268,556	9/1
Oelwein	IA	84,244	157,375	None	278	84,244	157,653	241,897	63,275	12/2
Ottumwa	IA	393,010	729,875	None	None	393,010	729,875	1,122,885	105,832	5/2
Urbandale	IA	395,896	735,724	None	None	395,896	735,724	1,131,620	273,444	9/1
Waterloo	IA	263,555	490,374	None	278	263,555	490,652	754,207	193,761	2/2
Boise	ID	190,894	824,305	None	None	190,894	824,305	1,015,199	495,899	5/1
Boise	ID	161,352	735,104	None	None	161,352	735,104	896,456	406,059	10/1
Bethalto	IL	180,000	166,596	None	None	180,000	166,596	346,596	29,154	8/2
Buffalo Grove	IL	306,250	569,693	None	None	306,250	569,693	875,943	190,845	8/2
Cahokia	IL	70,000	613,995	None	None	70,000	613,995	683,995	107,449	8/2
Carlyle	IL	80,000	428,860	None	None	80,000	428,860	508,860	75,051	8/2
Centralia	IL	225,966	420,573	None	None	225,966	420,573	646,539	168,929	12/2
Countryside	IL	301,000	559,824	None	None	301,000	559,824	860,824	187,537	8/2
Edwardsville	IL	360,000	328,978	None	None	360,000	328,978	688,978	57,571	8/2
Elgin	IL	700,000	1,300,943	None	None	700,000	1,300,943	2,000,943	435,813	8/2
Fairview Heights	IL	660,652	1,227,321	None	None	660,652	1,227,321	1,887,973	497,065	11/2
Godfrey	IL	200,000	282,701	None	None	200,000	282,701	482,701	49,473	8/2
Gurnee	IL	735,000	1,365,747	None	None	735,000	1,365,747	2,100,747	457,523	8/2
Harrisburg	IL	401,819	1,303,225	None	None	401,819	1,303,225	1,705,044	132,495	6/1
Highland	IL	130,000	454,866	None	None	130,000	454,866	584,866	79,602	8/2
Jerseyville	IL	150,000	420,481	None	None	150,000	420,481	570,481	73,584	8/2
Joliet	IL	280,903	522,424	None	None	280,903	522,424	803,327	175,010	8/2

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Lincoln	IL	206,532	383,970	None	None	206,532	383,970	590,502	220,777	8/3
Litchfield	IL	130,000	363,760	None	None	130,000	363,760	493,760	63,658	8/2
Marion	IL	423,340	1,373,026	None	None	423,340	1,373,026	1,796,366	139,591	6/1
Mascoutah	IL	80,000	435,792	None	None	80,000	435,792	515,792	76,264	8/2
Mount										
Vernon	IL	385,304	1,249,662	None	None	385,304	1,249,662	1,634,966	127,049	6/1

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AS OF DECEMBER 31, 2015

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		Land	Acquisition Fees	Cost Capitalized Subsequent to Acquisition Improvements	Carrying Costs	at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and	Land	Acquisition Fees			
Red Bud IL		180,000	251,200	None	None	180,000	251,200	431,200	43,960	8/2	
Rock Island IL		138,463	258,066	None	None	138,463	258,066	396,529	103,656	12/	
Sparta IL		240,000	236,571	None	None	240,000	236,571	476,571	41,400	8/2	
Sparta IL		228,687	741,703	None	None	228,687	741,703	970,390	75,406	6/1	
Troy IL		230,000	281,230	None	None	230,000	281,230	511,230	49,215	8/2	
Waukegan IL		496,908	923,576	None	None	496,908	923,576	1,420,484	309,396	8/2	
Westmont IL		475,300	883,468	None	None	475,300	883,468	1,358,768	295,960	8/2	
Wood River IL		180,000	369,377	None	None	180,000	369,377	549,377	64,641	8/2	
Angola IN		510,000	1,120,000	None	None	510,000	1,120,000	1,630,000	46,667	12/	
Angola IN		390,000	1,170,039	None	None	390,000	1,170,039	1,560,039	44,852	1/2	
Auburn IN		394,008	1,383,992	None	None	394,008	1,383,992	1,778,000	57,666	12/	
Bluffton IN		377,609	1,326,391	None	None	377,609	1,326,391	1,704,000	55,266	12/	
Bluffton IN		240,910	689,892	None	None	240,910	689,892	930,802	26,446	1/2	
Columbia City IN		520,000	1,480,000	None	None	520,000	1,480,000	2,000,000	61,667	12/	
Crawfordsville IN		300,000	1,552,000	None	None	300,000	1,552,000	1,852,000	64,667	12/	
Decatur IN		361,211	1,268,789	None	None	361,211	1,268,789	1,630,000	52,866	12/	
Decatur IN		270,000	876,597	None	None	270,000	876,597	1,146,597	33,603	1/2	
Elkhart IN		496,306	922,168	None	None	496,306	922,168	1,418,474	373,478	11/	
Evansville IN		136,738	258,964	None	286	136,738	259,250	395,988	102,398	12/	
Fort Wayne IN		270,000	1,211,000	None	None	270,000	1,211,000	1,481,000	50,458	12/	
Fort Wayne IN		390,000	973,000	None	None	390,000	973,000	1,363,000	40,542	12/	
Fort Wayne IN		377,668	1,326,332	None	None	377,668	1,326,332	1,704,000	55,264	12/	
Fort Wayne IN		476,075	1,671,925	None	None	476,075	1,671,925	2,148,000	69,664	12/	
Fort Wayne IN		328,243	1,152,757	None	None	328,243	1,152,757	1,481,000	48,032	12/	
Fort Wayne IN		860,000	1,436,000	None	None	860,000	1,436,000	2,296,000	59,833	12/	
Fort Wayne IN		328,243	1,152,757	None	None	328,243	1,152,757	1,481,000	48,032	12/	
Fort Wayne IN		330,000	1,579,222	None	None	330,000	1,579,222	1,909,222	60,537	1/2	
Frankfort IN		140,000	897,000	None	None	140,000	897,000	1,037,000	37,375	12/	
Huntington IN		377,609	1,326,391	None	None	377,609	1,326,391	1,704,000	55,266	12/	
Indianapolis IN		437,500	813,225	None	None	437,500	813,225	1,250,725	272,429	8/2	
Jasper IN		129,919	242,199	None	None	129,919	242,199	372,118	97,282	12/	
Kendallville IN		630,000	1,889,000	None	None	630,000	1,889,000	2,519,000	78,708	12/	
Kokomo IN		417,330	775,555	None	None	417,330	775,555	1,192,885	303,759	3/2	
Lafayette IN		344,866	1,211,134	None	None	344,866	1,211,134	1,556,000	50,464	12/	
Lebanon IN		350,000	1,131,000	None	None	350,000	1,131,000	1,481,000	47,125	12/	
Logansport IN		170,000	1,311,000	None	None	170,000	1,311,000	1,481,000	54,625	12/	
Marion IN		426,384	792,314	None	None	426,384	792,314	1,218,698	318,246	12/	
Muncie IN		136,400	632,380	8,000	None	136,400	640,380	776,780	632,380	3/1	
Muncie IN		67,156	149,157	61,665	3,408	67,156	214,230	281,386	161,167	3/3	
Muncie IN		644,177	1,196,786	None	None	644,177	1,196,786	1,840,963	484,698	11/	
Munster IN		560,000	1,040,943	None	None	560,000	1,040,943	1,600,943	348,713	8/2	
New Haven IN		328,243	1,152,757	None	None	328,243	1,152,757	1,481,000	48,032	12/	
Newburgh IN		161,193	300,280	None	286	161,193	300,566	461,759	120,640	12/	
Noblesville IN		430,000	977,000	None	None	430,000	977,000	1,407,000	40,708	12/	
		210,000	679,000	None	None	210,000	679,000	889,000	28,292	12/	

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North										
Manchester										
Portland	IN	262,598	922,402	None	None	262,598	922,402	1,185,000	38,433	12/
South Bend	IN	133,200	617,545	None	134	133,200	617,679	750,879	617,679	4/2
Valparaiso	IN	365,612	679,507	None	None	365,612	679,507	1,045,119	270,670	1/1
Wabash	IN	210,000	679,505	None	None	210,000	679,505	889,505	26,048	1/2
Warsaw	IN	328,243	1,152,757	None	None	328,243	1,152,757	1,481,000	48,032	12/
Washington	IN	155,856	290,368	None	None	155,856	290,368	446,224	116,630	12/
West										
Lafayette	IN	344,866	1,211,134	None	None	344,866	1,211,134	1,556,000	50,464	12/
Chanute	KS	330,852	615,008	None	None	330,852	615,008	945,860	228,578	9/1
Fort Scott	KS	269,301	500,698	None	None	269,301	500,698	769,999	186,093	9/1
Kansas City	KS	190,000	700,039	None	None	190,000	700,039	890,039	122,507	8/2
Kansas City	KS	170,000	214,040	None	None	170,000	214,040	384,040	37,457	8/2
Kansas City	KS	210,000	624,304	None	None	210,000	624,304	834,304	109,253	8/2
Kansas City	KS	140,000	767,812	None	None	140,000	767,812	907,812	134,367	8/2
Lawrence	KS	410,000	338,788	None	None	410,000	338,788	748,788	59,288	8/2
Overland Park	KS	754,020	1,401,069	None	None	754,020	1,401,069	2,155,089	469,356	8/2
Parsons	KS	318,516	592,099	None	None	318,516	592,099	910,615	220,063	9/1
Bowling										
Green	KY	685,246	1,273,002	None	None	685,246	1,273,002	1,958,248	515,566	11/
Hazard	KY	243,836	453,025	None	8	243,836	453,033	696,869	168,381	9/1
Lexington	KY	122,200	1,400	None	31,495	122,200	32,895	155,095	14,327	12/
Madisonville	KY	422,501	784,831	None	None	422,501	784,831	1,207,332	291,696	9/1
Paducah	KY	673,551	1,251,276	None	None	673,551	1,251,276	1,924,827	506,767	11/
Bossier City	LA	172,269	320,497	None	None	172,269	320,497	492,766	119,118	9/1
Deridder	LA	371,127	690,819	None	None	371,127	690,819	1,061,946	236,017	6/2
Jonesboro	LA	163,651	304,492	None	None	163,651	304,492	468,143	113,169	9/1
Natchitoches	LA	291,675	541,890	None	None	291,675	541,890	833,565	311,584	8/3
Ruston	LA	170,274	316,792	None	None	170,274	316,792	487,066	117,741	9/1
Shreveport	LA	359,268	667,417	None	None	359,268	667,417	1,026,685	383,762	8/3
Shreveport	LA	154,671	287,815	None	None	154,671	287,815	442,486	106,971	9/1
Shreveport	LA	200,033	372,059	None	None	200,033	372,059	572,092	138,282	9/1
Shreveport	LA	259,987	483,401	None	None	259,987	483,401	743,388	179,664	9/1
Shreveport	LA	269,130	500,382	None	None	269,130	500,382	769,512	185,975	9/1
Vivian	LA	135,568	252,338	None	None	135,568	252,338	387,906	93,786	9/1
Winnfield	LA	145,973	271,661	None	None	145,973	271,661	417,634	100,967	9/1
Fall River	MA	962,500	1,787,831	None	None	962,500	1,787,831	2,750,331	598,923	8/2
Hagerstown	MD	499,396	928,250	None	None	499,396	928,250	1,427,646	310,962	8/2
Alma	MI	430,000	958,127	None	None	430,000	958,127	1,388,127	36,728	1/2
Alma	MI	240,000	1,140,714	None	None	240,000	1,140,714	1,380,714	43,727	1/2
Alpena	MI	630,000	773,434	None	None	630,000	773,434	1,403,434	29,648	1/2
Bridgeport	MI	200,000	687,178	None	None	200,000	687,178	887,178	26,342	1/2
Cadillac	MI	180,000	1,372,789	None	None	180,000	1,372,789	1,552,789	52,624	1/2
Canton	MI	279,923	521,223	None	None	279,923	521,223	801,146	174,608	8/2
Clare	MI	360,000	1,544,858	None	None	360,000	1,544,858	1,904,858	59,220	1/2
Gaylord	MI	680,000	1,344,159	None	None	680,000	1,344,159	2,024,159	51,526	1/2
Grand Rapids	MI	600,000	969,204	None	None	600,000	969,204	1,569,204	37,153	1/2
Grand Rapids	MI	490,000	1,090,246	None	None	490,000	1,090,246	1,580,246	41,793	1/2
Grayling	MI	130,000	665,292	None	None	130,000	665,292	795,292	25,503	1/2
Houghton										
Lake	MI	170,000	664,188	None	None	170,000	664,188	834,188	25,461	1/2
Ithaca	MI	350,000	812,266	None	None	350,000	812,266	1,162,266	31,137	1/2
Kentwood	MI	480,000	1,025,674	None	None	480,000	1,025,674	1,505,674	18,804	7/2
Livonia	MI	350,000	651,446	None	None	350,000	651,446	1,001,446	218,232	8/2
Ludington	MI	460,000	1,043,729	None	None	460,000	1,043,729	1,503,729	40,010	1/2
Saginaw	MI	200,000	897,681	None	None	200,000	897,681	1,097,681	34,411	1/2
Sault St.										
Marie	MI	380,000	1,326,583	None	None	380,000	1,326,583	1,706,583	50,852	1/2
Traverse City	MI	280,000	1,092,232	None	None	280,000	1,092,232	1,372,232	41,869	1/2
Walker	MI	590,000	1,132,002	None	None	590,000	1,132,002	1,722,002	43,393	1/2
West Branch	MI	680,038	1,947,424	None	None	680,038	1,947,424	2,627,462	74,651	1/2
Afton	MO	120,000	1,917,955	None	None	120,000	1,917,955	291,955	30,092	8/2
Bolivar	MO	237,094	440,596	None	None	237,094	440,596	677,690	253,339	8/3
Bridgeton	MO	570,000	228,347	None	None	570,000	228,347	798,347	39,961	8/2
Buffalo	MO	159,346	296,519	None	None	159,346	296,519	455,865	110,206	9/1
Cape										
Girardeau	MO	450,078	836,372	None	None	450,078	836,372	1,286,450	333,155	1/1
Desloge	MO	1,020,010	1,275,012	None	None	1,020,010	1,275,012	2,295,022	150,876	1/2
Dexter	MO	315,830	1,024,338	None	None	315,830	1,024,338	1,340,168	104,141	6/1

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Farmington	MO	340,042	1,102,863	None	None	340,042	1,102,863	1,442,905	112,124	6/1
Florissant	MO	290,000	86,396	None	None	290,000	86,396	376,396	15,119	8/2
Florissant	MO	250,000	239,221	None	None	250,000	239,221	489,221	41,864	8/2

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date of Acquisition
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total					
Grandview MO		280,000	235,370	None	None	280,000	235,370	515,370	41,190		8/29		
Joplin MO		301,207	749,000	None	None	301,207	749,000	1,050,207	111,591		9/14		
Joplin MO		281,001	522,428	None	None	281,001	522,428	803,429	194,169		9/14		
Kansas City MO		230,000	484,010	None	None	230,000	484,010	714,010	84,702		8/29		
Kansas City MO		200,000	339,994	None	None	200,000	339,994	539,994	59,499		8/29		
Summit MO		500,000	450,156	None	None	500,000	450,156	950,156	78,777		8/29		
Mount Vernon MO		160,000	282,586	None	None	160,000	282,586	442,586	204,865		11/20		
Mountain Grove MO		219,704	408,591	None	None	219,704	408,591	628,295	151,860		9/14		
Nevada MO		290,795	540,616	None	None	290,795	540,616	831,411	200,929		9/14		
Nixa MO		251,387	467,430	None	None	251,387	467,430	718,817	173,728		9/14		
Olivette MO		319,958	1,037,725	None	None	319,958	1,037,725	1,357,683	105,502		6/14		
Poplar Bluff MO		362,265	1,174,938	None	None	362,265	1,174,938	1,537,203	119,452		6/14		
Poplar Bluff MO		383,603	1,244,145	None	None	383,603	1,244,145	1,627,748	126,488		6/14		
Potosi MO		242,154	785,383	None	None	242,154	785,383	1,027,537	79,847		6/14		
Raymore MO		460,000	663,580	None	None	460,000	663,580	1,123,580	116,126		8/29		
Sikeston MO		327,805	1,063,176	None	None	327,805	1,063,176	1,390,981	108,090		6/14		
Springfield MO		251,381	467,418	None	None	251,381	467,418	718,799	173,724		9/14		
Springfield MO		225,939	420,162	None	None	225,939	420,162	646,101	154,760		10/12		
St. Louis MO		340,000	88,519	None	None	340,000	88,519	428,519	15,491		8/29		
St. Louis MO		500,000	184,049	None	None	500,000	184,049	684,049	32,209		8/29		
St. Louis MO		263,107	853,340	None	None	263,107	853,340	1,116,447	86,756		6/14		
St. Robert MO		329,242	611,728	None	None	329,242	611,728	940,970	351,740		8/31		
Webb City MO		337,647	627,628	None	None	337,647	627,628	965,275	233,269		9/14		
Biloxi MS		414,902	770,725	None	None	414,902	770,725	1,185,627	286,453		9/14		
Canton MS		163,193	303,268	None	None	163,193	303,268	466,461	112,715		9/14		
Carthage MS		157,803	293,257	None	None	157,803	293,257	451,060	108,994		9/14		
Columbus MS		128,409	238,775	None	None	128,409	238,775	367,184	95,908		12/22		
Columbus MS		117,411	218,350	None	None	117,411	218,350	335,761	87,703		12/22		
Corinth MS		285,607	530,598	None	None	285,607	530,598	816,205	197,206		9/14		
Flowood MS		154,733	287,549	None	168	154,733	287,717	442,450	106,905		9/14		
Flowood MS		380,000	1,546,444	None	None	380,000	1,546,444	1,926,444	2,577		12/22		
Forest MS		106,457	198,007	None	None	106,457	198,007	304,464	79,532		12/22		
Fulton MS		239,686	445,337	None	None	239,686	445,337	685,023	256,066		8/31		
Gautier MS		241,995	449,607	None	None	241,995	449,607	691,602	167,104		9/14		
Greenville MS		311,324	578,378	None	None	311,324	578,378	889,702	332,565		8/31		
Greenwood MS		177,329	329,520	None	None	177,329	329,520	506,849	122,472		9/14		
Grenada MS		450,000	1,092,049	None	None	450,000	1,092,049	1,542,049	1,820		12/22		
Hernando MS		137,898	256,282	None	None	137,898	256,282	394,180	95,252		9/14		
Houston MS		226,962	421,695	None	None	226,962	421,695	648,657	156,730		9/14		
Indianola MS		270,639	502,822	None	None	270,639	502,822	773,461	289,120		8/31		
Iuka MS		139,243	258,779	None	None	139,243	258,779	398,022	96,180		9/14		
Jackson MS		237,982	442,154	None	None	237,982	442,154	680,136	164,334		9/14		

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Jackson	MS	352,003	653,900	None	None	352,003	653,900	1,005,903	240,853	10/12
Jackson	MS	500,000	635,847	None	None	500,000	635,847	1,135,847	1,060	12/22
Jackson	MS	410,000	1,169,753	None	None	410,000	1,169,753	1,579,753	1,950	12/22
Jackson	MS	500,000	598,269	None	None	500,000	598,269	1,098,269	997	12/22
Kosciusko	MS	311,422	578,550	None	None	311,422	578,550	889,972	215,028	9/14
Magee	MS	264,395	491,206	None	None	264,395	491,206	755,601	182,565	9/14
Moss Point	MS	287,821	534,713	None	None	287,821	534,713	822,534	198,735	9/14
Natchez	MS	402,589	747,934	None	None	402,589	747,934	1,150,523	270,503	12/21
Newton	MS	284,350	528,311	None	None	284,350	528,311	812,661	303,776	8/31
Olive										
Branch	MS	332,234	617,192	None	None	332,234	617,192	949,426	229,390	9/14
Olive										
Branch	MS	362,276	673,055	None	None	362,276	673,055	1,035,331	218,743	11/16
Oxford	MS	164,058	304,873	None	None	164,058	304,873	468,931	113,311	9/14
Oxford	MS	297,182	552,097	None	26	297,182	552,123	849,305	203,356	10/12
Pearl	MS	478,216	572,203	None	None	478,216	572,203	1,050,419	954	12/22
Philadelphia	MS	292,868	543,912	None	None	292,868	543,912	836,780	202,154	9/14
Pontotoc	MS	285,006	529,492	None	None	285,006	529,492	814,498	196,794	9/14
Richland	MS	314,349	762,854	None	None	314,349	762,854	1,077,203	1,271	12/22
Southaven	MS	498,426	925,905	None	None	498,426	925,905	1,424,331	300,919	11/16
Southaven	MS	300,000	953,287	None	None	300,000	953,287	1,253,287	1,589	12/22
Southaven	MS	403,905	980,187	None	None	403,905	980,187	1,384,092	1,634	12/22
Starkville	MS	175,436	326,005	None	None	175,436	326,005	501,441	121,165	9/14
Tupelo	MS	166,869	310,095	None	None	166,869	310,095	476,964	115,252	9/14
Tupelo	MS	225,934	419,857	None	None	225,934	419,857	645,791	156,047	9/28
Vicksburg	MS	275,895	512,632	None	None	275,895	512,632	788,527	190,528	9/28
Vicksburg	MS	410,000	668,984	None	None	410,000	668,984	1,078,984	1,115	12/22
West Point	MS	87,859	163,468	None	None	87,859	163,468	251,327	65,659	12/22
Wiggins	MS	268,104	498,095	None	None	268,104	498,095	766,199	185,125	9/14
Asheville	NC	264,226	491,419	None	None	264,226	491,419	755,645	164,624	8/28
Charlotte	NC	468,859	955,879	None	None	468,859	955,879	1,424,738	17,524	7/27
Charlotte	NC	210,000	662,231	None	None	210,000	662,231	872,231	12,141	7/27
Charlotte	NC	460,000	988,464	None	None	460,000	988,464	1,448,464	18,122	7/27
Charlotte	NC	458,612	934,988	None	None	458,612	934,988	1,393,600	17,141	7/27
Clinton	NC	380,000	962,394	None	None	380,000	962,394	1,342,394	30,476	3/25
Granite										
Falls	NC	1,412,026	1,765,032	None	None	1,412,026	1,765,032	3,177,058	208,862	1/22
High Point	NC	872,587	1,090,734	None	None	872,587	1,090,734	1,963,321	129,070	1/22
Hildebran	NC	966,417	1,208,021	None	None	966,417	1,208,021	2,174,438	142,949	1/22
Kinston	NC	320,000	836,583	None	None	320,000	836,583	1,156,583	26,492	3/25
Lincolnton	NC	1,811,063	2,263,829	None	None	1,811,063	2,263,829	4,074,892	267,886	1/22
Raeford	NC	773,505	966,881	None	None	773,505	966,881	1,740,386	114,414	1/22
Southport	NC	460,000	1,214,095	None	None	460,000	1,214,095	1,674,095	38,446	3/11
Thomasville	NC	983,522	1,229,402	None	None	983,522	1,229,402	2,212,924	145,479	1/22
Walkertown	NC	1,033,636	1,292,046	None	None	1,033,636	1,292,046	2,325,682	152,892	1/22
Wallace	NC	230,000	905,484	None	None	230,000	905,484	1,135,484	28,674	3/25
Winston										
Salem	NC	353,239	656,427	None	None	353,239	656,427	1,009,666	377,440	8/31
Winston										
Salem	NC	126,423	235,323	None	None	126,423	235,323	361,746	94,521	12/22
Devils Lake	ND	150,390	279,798	None	None	150,390	279,798	430,188	112,386	12/22
Fargo	ND	217,057	403,609	None	None	217,057	403,609	620,666	162,116	12/22
Jamestown	ND	136,523	254,045	None	None	136,523	254,045	390,568	102,041	12/22
Minot	ND	153,870	286,260	None	None	153,870	286,260	440,130	114,981	12/22
Omaha	NE	444,460	825,938	None	32	444,460	825,970	1,270,430	329,021	1/11
Omaha	NE	350,000	650,877	None	32	350,000	650,909	1,000,909	218,064	8/28
Amherst	NY	412,349	767,082	None	None	412,349	767,082	1,179,431	256,971	8/28
Buffalo	NY	317,454	591,060	None	None	317,454	591,060	908,514	198,001	8/28
Cincinnati	OH	299,187	556,978	None	None	299,187	556,978	856,165	186,564	8/28
Mentor	OH	394,450	734,205	None	None	394,450	734,205	1,128,655	245,945	8/28
Parma	OH	473,710	881,038	None	None	473,710	881,038	1,354,748	295,146	8/28
Toledo	OH	633,461	1,177,718	None	None	633,461	1,177,718	1,811,179	394,534	8/28
Van Wert	OH	330,000	907,061	None	None	330,000	907,061	1,237,061	34,771	1/22
Bixby	OK	145,791	271,272	None	None	145,791	271,272	417,063	108,961	12/22
Checotah	OK	153,232	285,092	None	None	153,232	285,092	438,324	114,512	12/22
Idabel	OK	214,244	398,545	None	None	214,244	398,545	612,789	229,155	8/31
Owasso	OK	327,043	607,645	None	None	327,043	607,645	934,688	349,392	8/31
Tahlequah	OK	224,982	418,341	None	None	224,982	418,341	643,323	168,033	12/22
Tulsa	OK	295,993	549,981	None	None	295,993	549,981	845,974	316,236	8/31
Salem	OR	198,540	689,507	None	None	198,540	689,507	888,047	497,261	5/23

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The Dalles	OR	1,034,805	1,293,506	None	None	1,034,805	1,293,506	2,328,311	153,065	1/22
Greensburg	PA	315,000	586,368	None	None	315,000	586,368	901,368	196,430	8/28
Philadelphia	PA	423,333	787,125	None	None	423,333	787,125	1,210,458	263,685	8/28
Aiken	SC	240,937	447,656	None	None	240,937	447,656	688,593	166,379	9/14

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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company				Cost Capitalized Subsequent to Acquisition			Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7)			Accumulated Depreciation (Note 5)	Date of Construction	Date of Acquisition
		Land	Acquisition Fees	Buildings, Improvements and		Carrying Costs	Land	Acquisition Fees	Total					
Aiken SC		618,572	1,261,105	None	None	618,572	1,261,105	1,879,677	23,120		7/2			
Camden SC		450,000	986,046	None	None	450,000	986,046	1,436,046	18,078		7/2			
Columbia SC		952,423	1,190,529	None	None	952,423	1,190,529	2,142,952	140,879		1/2			
Columbia SC		812,611	1,015,764	None	None	812,611	1,015,764	1,828,375	120,199		1/2			
Columbia SC		710,000	1,137,369	None	None	710,000	1,137,369	1,847,369	20,852		7/2			
Columbia SC		344,602	702,552	None	None	344,602	702,552	1,047,154	12,880		7/2			
Columbia SC		350,000	982,465	None	None	350,000	982,465	1,332,465	18,012		7/2			
Greer SC		580,000	721,854	None	None	580,000	721,854	1,301,854	22,859		3/2			
Inman SC		809,987	1,012,483	None	None	809,987	1,012,483	1,822,470	119,811		1/2			
Irmo SC		330,000	1,008,769	None	None	330,000	1,008,769	1,338,769	18,494		7/2			
Leesville SC		899,686	1,124,607	None	None	899,686	1,124,607	2,024,293	133,079		1/2			
Lexington SC		530,000	1,278,314	None	None	530,000	1,278,314	1,808,314	23,436		7/2			
Newberry SC		708,489	885,611	None	None	708,489	885,611	1,594,100	104,797		1/2			
Piedmont SC		841,862	1,052,327	None	None	841,862	1,052,327	1,894,189	124,525		1/2			
Rock Hill SC		400,000	950,185	None	None	400,000	950,185	1,350,185	17,420		7/2			
Spartanburg SC		957,339	1,196,673	None	None	957,339	1,196,673	2,154,012	141,606		1/2			
Walterboro SC		240,000	779,500	None	None	240,000	779,500	1,019,500	32,479		12/			
Chamberlain SD		139,587	259,627	None	None	139,587	259,627	399,214	104,283		12/2			
Madison SD		112,143	208,660	None	None	112,143	208,660	320,803	83,811		12/2			
Rapid City SD		197,967	368,047	None	None	197,967	368,047	566,014	147,832		12/2			
Sioux Falls SD		340,718	633,332	None	None	340,718	633,332	974,050	226,944		1/1			
Spearfish SD		142,114	264,320	None	None	142,114	264,320	406,434	106,168		12/2			
Watertown SD		197,559	367,289	None	None	197,559	367,289	564,848	147,527		12/2			
Winner SD		115,591	215,063	None	None	115,591	215,063	330,654	86,383		12/2			
Antioch TN		244,470	454,016	None	None	244,470	454,016	698,486	167,229		10/			
Bartlett TN		152,469	283,343	None	None	152,469	283,343	435,812	99,642		9/1			
Brownsville TN		289,379	538,081	None	None	289,379	538,081	827,460	309,388		8/3			
Chattanooga TN		490,000	740,474	None	None	490,000	740,474	1,230,474	45,663		6/3			
Collierville TN		433,503	805,339	None	None	433,503	805,339	1,238,842	261,735		11/1			
Columbia TN		410,242	761,878	None	None	410,242	761,878	1,172,120	280,625		10/			
Germantown TN		356,774	662,837	None	None	356,774	662,837	1,019,611	215,422		11/1			
Henderson TN		155,954	289,815	None	None	155,954	289,815	445,769	107,714		9/1			
Hermitage TN		341,251	633,753	None	None	341,251	633,753	975,004	233,432		10/			
Jackson TN		126,158	234,594	None	469	126,158	235,063	361,221	94,342		12/2			
Jackson TN		312,734	581,049	49,946	52	312,734	631,047	943,781	197,680		11/1			
Manchester TN		411,504	764,222	None	None	411,504	764,222	1,175,726	281,489		10/			
Martin TN		173,616	322,616	None	None	173,616	322,616	496,232	119,905		9/1			
McMinnville TN		442,735	635,260	None	None	442,735	635,260	1,077,995	229,734		12/2			
Memphis TN		148,386	275,760	None	None	148,386	275,760	424,146	102,491		9/1			
Memphis TN		254,423	472,680	None	None	254,423	472,680	727,103	174,104		10/1			
Memphis TN		309,358	574,779	None	None	309,358	574,779	884,137	186,803		11/1			
Memphis TN		361,618	983,143	None	None	361,618	983,143	1,344,761	1,639		12/2			
Memphis TN		470,000	901,920	None	None	470,000	901,920	1,371,920	1,503		12/2			
Memphis TN		384,025	931,944	None	None	384,025	931,944	1,315,969	1,553		12/2			
Memphis TN		440,000	1,473,473	None	None	440,000	1,473,473	1,913,473	2,456		12/2			

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Milan	TN		138,159	256,766	None	None	138,159	256,766	394,925	95,431	9/1
Millington	TN		285,613	530,630	None	None	285,613	530,630	816,243	305,110	8/3
Morristown	TN		182,935	340,274	None	None	182,935	340,274	523,209	136,676	12/2
Murfreesboro	TN		376,568	699,340	None	None	376,568	699,340	1,075,908	257,590	10/
Murfreesboro	TN		383,266	712,027	None	None	383,266	712,027	1,095,293	257,516	12/2
Nashville	TN		147,915	274,700	None	None	147,915	274,700	422,615	101,181	10/
Nashville	TN		432,494	803,203	None	None	432,494	803,203	1,235,697	295,846	10/
Nashville	TN		350,983	651,825	None	None	350,983	651,825	1,002,808	240,089	10/
Nashville	TN		500,000	653,785	None	None	500,000	653,785	1,153,785	40,317	6/3
Ripley	TN		231,552	430,232	None	None	231,552	430,232	661,784	247,381	8/3
Sevierville	TN		423,790	787,301	None	None	423,790	787,301	1,211,091	292,614	9/2
Shelbyville	TN		245,370	455,687	None	None	245,370	455,687	701,057	167,845	10/
Trenton	TN		174,379	324,032	None	None	174,379	324,032	498,411	120,432	9/1
Allen	TX		165,000	306,771	None	None	165,000	306,771	471,771	201,958	7/9/1999
Arlington	TX		560,000	1,040,667	None	None	560,000	1,040,667	1,600,667	348,622	8/2
Arlington	TX		269,284	500,766	None	None	269,284	500,766	770,050	167,755	8/2
Aubrey	TX		150,000	716,517	None	None	150,000	716,517	866,517	1,194	12/
Beaumont	TX	1,265,732	1,175,014	1,468,768	None	None	1,175,014	1,468,768	2,643,782	173,804	1/2
Centerville	TX		340,000	873,035	None	None	340,000	873,035	1,213,035	16,006	7/2
Coppell	TX		212,875	396,007	None	None	212,875	396,007	608,882	132,660	8/2
Corpus Christi	TX		826,321	1,032,902	None	None	826,321	1,032,902	1,859,223	122,227	1/2
Crossroads	TX		380,000	649,030	None	None	380,000	649,030	1,029,030	1,082	12/2
Dallas	TX		386,451	718,361	None	None	386,451	718,361	1,104,812	240,649	8/2
Denton	TX		440,000	640,350	None	None	440,000	640,350	1,080,350	1,067	12/
Ennis	TX		173,250	384,793	45,798	12,600	173,250	443,191	616,441	407,848	12/2
Farmersville	TX		240,000	639,403	None	None	240,000	639,403	879,403	1,066	12/2
Ferris	TX	1,023,905	922,690	1,153,363	None	None	922,690	1,153,363	2,076,053	136,481	1/2
Forney	TX	1,260,586	1,141,991	1,427,489	None	None	1,141,991	1,427,489	2,569,480	168,919	1/2
Fort Worth	TX		223,195	492,067	None	54	223,195	492,121	715,316	484,963	6/2
Fort Worth	TX		423,281	382,059	None	None	423,281	382,059	805,340	319,019	2/1
Grand Prairie	TX		280,000	520,197	None	None	280,000	520,197	800,197	174,266	8/2
Houston	TX		194,994	386,056	None	128	194,994	386,184	581,178	379,505	6/2
Houston	TX		113,693	-	None	58	113,693	58	113,751	16	3/7
Houston	TX		335,664	624,233	None	None	335,664	624,233	959,897	209,116	8/2
Houston	TX	1,003,721	1,254,651	1,254,651	None	None	1,003,721	1,254,651	2,258,372	148,467	1/2
Hurst	TX		215,623	401,245	None	None	215,623	401,245	616,868	134,415	8/2
Irving	TX		291,971	543,094	None	None	291,971	543,094	835,065	181,934	8/2
Justin	TX		310,000	682,027	None	None	310,000	682,027	992,027	1,137	12/
Killeen	TX		262,500	583,014	56,429	71	262,500	639,514	902,014	583,153	5/2
Krum	TX		240,000	633,016	None	None	240,000	633,016	873,016	1,055	12/
Lewisville	TX		448,000	832,667	None	None	448,000	832,667	1,280,667	278,942	8/2
Lufkin	TX		128,842	239,585	None	None	128,842	239,585	368,427	96,233	12/2
Lumberton	TX		111,146	206,720	None	None	111,146	206,720	317,866	83,032	12/2
Porter	TX		227,067	333,031	None	None	227,067	333,031	560,098	278,081	2/9
Sanger	TX		250,000	602,302	None	None	250,000	602,302	852,302	1,004	12/
Santa Fe	TX		304,414	623,331	None	None	304,414	623,331	927,745	443,546	3/2
Sealy	TX		197,871	391,753	None	128	197,871	391,881	589,752	385,104	6/2
South Houston	TX	1,193,698	1,139,426	1,424,283	None	None	1,139,426	1,424,283	2,563,709	168,540	1/2
Stafford	TX		214,024	423,733	None	128	214,024	423,861	637,885	416,531	6/2
Temple	TX		302,505	291,414	None	None	302,505	291,414	593,919	243,330	2/9
Texarkana	TX		311,263	578,266	None	None	311,263	578,266	889,529	332,500	8/3
Victoria	TX	1,137,100	1,062,212	1,327,765	None	None	1,062,212	1,327,765	2,389,977	157,119	1/2
Victoria	TX	987,888	884,385	1,105,481	None	None	884,385	1,105,481	1,989,866	130,815	1/2
Vidor	TX		146,291	271,990	None	None	146,291	271,990	418,281	109,249	12/2
Hampton	VA		805,000	1,495,800	None	None	805,000	1,495,800	2,300,800	501,091	8/2
Lynchburg	VA		308,824	573,529	None	None	308,824	573,529	882,353	121,397	9/1
Virginia Beach	VA		551,588	797,260	60,210	19,640	551,588	877,110	1,428,698	598,838	2/2
Spokane	WA		479,531	646,719	None	None	479,531	646,719	1,126,250	460,196	3/2
Vancouver	WA	1,302,457	1,628,071	1,628,071	None	None	1,302,457	1,628,071	2,930,528	192,655	1/2
Appleton	WI		340,126	631,662	None	None	340,126	631,662	971,788	93,697	4/1
Beaver Dam	WI		230,000	980,309	None	None	230,000	980,309	1,210,309	21,240	6/2
Grafton	WI		149,778	332,664	None	None	149,778	332,664	482,442	332,664	10/2
Green Bay	WI		308,131	572,756	None	None	308,131	572,756	880,887	228,148	1/1
Oshkosh	WI		385,870	716,616	None	None	385,870	716,616	1,102,486	106,298	4/1





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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and			Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	Date Constr
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total			
<u>Shoe stores</u>											
Lebec	CA	9,088,899	2,357,234	30,943,343	None	None	2,357,234	30,943,343	33,300,577	2,615,449	
Staten Island	NY		3,190,883	3,413,933	127,653	207,431	3,190,883	3,749,017	6,939,900	2,141,562	
Brookville	OH	19,076,267	2,577,129	48,823,456	None	None	2,577,129	48,823,456	51,400,585	4,126,744	
McMinnville	TN		703,355	1,432,903	17,538	7,275	703,355	1,457,716	2,161,071	491,004	
<u>Sporting goods</u>											
Anchorage	AK		1,486,000	5,045,244	None	None	1,486,000	5,045,244	6,531,244	2,867,372	
Mesa	AZ		984,890	1,536,269	None	None	984,890	1,536,269	2,521,159	545,357	
Fresno	CA		1,650,000	3,321,244	None	None	1,650,000	3,321,244	4,971,244	1,887,565	
Daytona Beach	FL		608,790	2,557,564	None	None	608,790	2,557,564	3,166,354	1,237,688	9/10/0
Fort Myers	FL		1,695,000	2,025,554	None	None	1,695,000	2,025,554	3,720,554	1,151,186	
Gainesville	FL		1,296,000	2,234,554	None	None	1,296,000	2,234,554	3,530,554	1,269,968	
Jupiter	FL		1,698,316	4,352,255	None	247,330	1,698,316	4,599,585	6,297,901	2,369,901	
Melbourne	FL		994,000	4,076,554	None	None	994,000	4,076,554	5,070,554	2,316,838	
Orlando	FL		1,197,000	2,573,554	None	None	1,197,000	2,573,554	3,770,554	1,462,633	
Augusta	GA		1,460,000	5,953,083	None	None	1,460,000	5,953,083	7,413,083	278,322	9/17/0
Pooler	GA		1,339,957	1,831,350	None	None	1,339,957	1,831,350	3,171,307	710,839	
Algonquin	IL		1,360,000	7,255,745	None	None	1,360,000	7,255,745	8,615,745	312,958	10/6/0
Geneva	IL		2,082,000	1,838,888	None	None	2,082,000	1,838,888	3,920,888	1,045,095	
Marion	IL		-	6,629,748	None	None	-	6,629,748	6,629,748	11,096	In-pro
Avon	IN		2,200,000	5,299,303	5,039	None	2,200,000	5,304,342	7,504,342	335,434	4/8/2
Greenwood	IN		1,490,000	5,241,516	None	None	1,490,000	5,241,516	6,731,516	375,642	
Bowie	MD		2,084,000	3,046,888	None	None	2,084,000	3,046,888	5,130,888	1,731,642	
Winston Salem	NC		2,390,000	3,416,323	None	None	2,390,000	3,416,323	5,806,323	370,102	
Kearney	NE		173,950	344,393	None	None	173,950	344,393	518,343	344,393	
Glendale	NY		5,559,686	4,447,566	None	None	5,559,686	4,447,566	10,007,252	1,964,342	
Huber Heights	OH		2,280,000	5,814,036	None	None	2,280,000	5,814,036	8,094,036	222,871	
Reynoldsburg	OH		850,000	2,770,492	None	None	850,000	2,770,492	3,620,492	170,847	
Eugene	OR		720,000	7,434,760	25,586	None	720,000	7,460,346	8,180,346	843,638	
Mechanicsburg	PA		2,101,415	3,902,912	None	None	2,101,415	3,902,912	6,004,327	2,205,144	
Columbia	SC		1,145,120	2,770,957	None	None	1,145,120	2,770,957	3,916,077	908,485	
Spartanburg	SC		1,234,815	3,111,921	(428,405)	None	806,410	3,111,921	3,918,331	1,342,081	
Mt Juliet	TN		2,449,395	6,074,357	None	None	2,449,395	6,074,357	8,523,752	313,762	5/30/0
El Paso	TX		700,000	2,501,244	None	None	700,000	2,501,244	3,201,244	1,421,532	
Houston	TX		1,140,982	4,253,818	None	None	1,140,982	4,253,818	5,394,800	106,345	
Huntsville	TX		580,000	5,720,000	None	None	580,000	5,720,000	6,300,000	295,533	
Wichita Falls	TX		1,100,000	5,556,669	None	None	1,100,000	5,556,669	6,656,669	361,183	
Fredericksburg	VA		1,941,000	2,979,888	None	None	1,941,000	2,979,888	4,920,888	1,693,564	
<u>Telecommunications</u>											
Augusta	GA		2,720,359	11,128,077	None	147	2,720,359	11,128,224	13,848,583	2,095,918	
Harmans	MD		3,411,391	11,757,946	363,285	None	3,411,391	12,121,231	15,532,622	1,044,115	
East Syracuse	NY	9,100,000	880,000	15,816,613	None	None	880,000	15,816,613	16,696,613	772,001	
Portland	OR		1,246,233	1,289,636	None	None	1,246,233	1,289,636	2,535,869	5	In-pro
Salem	OR		1,721,686	9,387,216	2,750	58	1,721,686	9,390,024	11,111,710	1,706,507	

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Brownsville	TX	1,740,479	11,570,294	None	147	1,740,479	11,570,441	13,310,920	2,179,202
<u>Theaters</u>									
Fairbanks	AK	2,586,879	9,575	None	None	2,586,879	9,575	2,596,454	5,761
Huntsville	AL	2,810,868	14,308	None	None	2,810,868	14,308	2,825,176	8,608
Chula Vista	CA	2,060,287	8,914,162	None	None	2,060,287	8,914,162	10,974,449	1,559,978
Norwalk	CA	2,466,208	15,838,098	None	None	2,466,208	15,838,098	18,304,306	2,356,042
Denver	CO	5,150,000	9,056,647	525,783	None	5,150,000	9,582,430	14,732,430	563,256
Naples	FL	2,618,441	8,979,199	None	None	2,618,441	8,979,199	11,597,640	5,492,257
Austell	GA	2,497,504	10,148,237	None	None	2,497,504	10,148,237	12,645,741	1,775,941
Chamblee	GA	4,329,404	14,942	None	None	4,329,404	14,942	4,344,346	8,802
Morrow	GA	2,962,468	13,170,143	115,230	None	2,962,468	13,285,373	16,247,841	2,363,728
Council Bluffs	IA	4,924,553	14,207,916	None	None	4,924,553	14,207,916	19,132,469	3,807,942
Dubuque	IA	3,185,053	5,915,983	None	None	3,185,053	5,915,983	9,101,036	1,883,254
Edwardsville	IL	4,270,500	9,070,885	None	None	4,270,500	9,070,885	13,341,385	3,734,171
Lake In The Hills	IL	3,297,566	11,716,314	None	None	3,297,566	11,716,314	15,013,880	3,976,476
Marion	IL	832,500	3,499,885	None	None	832,500	3,499,885	4,332,385	1,440,776
Mattoon	IL	543,183	5,110,193	None	None	543,183	5,110,193	5,653,376	2,103,686
North Pekin	IL	1,575,231	9,183,100	None	None	1,575,231	9,183,100	10,758,331	3,780,367
Rockford	IL	4,270,500	16,675,954	(1,779)	None	4,268,721	16,675,954	20,944,675	6,864,925
Springfield	IL	3,151,838	10,404,452	None	None	3,151,838	10,404,452	13,556,290	4,283,156
Bloomington	IN	2,498,642	7,934,745	None	None	2,498,642	7,934,745	10,433,387	3,266,460
Columbus	IN	1,999,812	7,234,361	None	None	1,999,812	7,234,361	9,234,173	2,978,136
Indianapolis	IN	2,700,395	17,672,980	None	None	2,700,395	17,672,980	20,373,375	7,073,580
Terre Haute	IN	1,249,321	9,835,885	None	None	1,249,321	9,835,885	11,085,206	4,049,096
Coon Rapids	MN	2,460,040	17,641,170	None	None	2,460,040	17,641,170	20,101,210	6,298,676
Inver Grove	MN	2,863,272	18,471,062	None	None	2,863,272	18,471,062	21,334,334	6,410,429
Poplar Bluff	MO	1,106,618	4,872,502	None	None	1,106,618	4,872,502	5,979,120	2,005,837
Rockaway	NJ	8,634,576	14,679,823	None	None	8,634,576	14,679,823	23,314,399	5,313,227
Binghamton	NY	2,700,000	5,570,505	47,777	None	2,700,000	5,618,282	8,318,282	2,317,218
Henrietta	NY	2,152,546	8,953,645	None	None	2,152,546	8,953,645	11,106,191	1,566,888
Akron	OH	1,511,018	1,386	None	None	1,511,018	1,386	1,512,404	834
Beavercreek	OH	2,062,545	8,467,551	518,435	None	2,062,545	8,985,986	11,048,531	1,618,286
Columbus	OH	2,103,351	5,161,550	None	None	2,103,351	5,161,550	7,264,901	2,709,801
Hillsboro	OR	4,915,032	16,377	None	58	4,915,032	16,435	4,931,467	9,882
Portland	OR	2,793,001	9,942	None	58	2,793,001	10,000	2,803,001	6,010
Spartanburg	SC	2,072,738	8,340,814	18,470	None	2,072,738	8,359,284	10,432,022	1,154,732
Burleson	TX	2,280,000	2,802,189	None	None	2,280,000	2,802,189	5,082,189	1,060,161
Laredo	TX	2,161,477	5,561,558	None	None	2,161,477	5,561,558	7,723,035	2,031,525
Live Oak	TX	2,910,035	12,674,850	None	None	2,910,035	12,674,850	15,584,885	2,218,099
Longview	TX	2,887,500	5,363,826	None	None	2,887,500	5,363,826	8,251,326	2,154,470
Lubbock	TX	1,642,533	6,984,372	None	None	1,642,533	6,984,372	8,626,905	1,222,265
Waco	TX	1,013,706	5,880,539	None	None	1,013,706	5,880,539	6,894,245	2,165,999
Glen Allen	VA	1,314,065	9,748,457	None	None	1,314,065	9,748,457	11,062,522	5,962,770
Roanoke	VA	2,212,494	9,324,958	None	None	2,212,494	9,324,958	11,537,452	1,631,868
Sterling	VA	4,546,305	33,325	None	None	4,546,305	33,325	4,579,630	19,490
Marysville	WA	1,988,142	-	None	None	1,988,142	-	1,988,142	-
Fitchburg	WI	5,540,553	13,902,133	None	None	5,540,553	13,902,133	19,442,686	3,275,804
<u>Transportation services</u>									
Phoenix	AZ	4,106,903	23,819,301	None	None	4,106,903	23,819,301	27,926,204	2,013,298
West Sacramento	CA	12,277,918	29,165,650	17,616	None	12,277,918	29,183,266	41,461,184	2,467,165
Palmetto	FL	1,853,907	14,806,512	12,345	None	1,853,907	14,818,857	16,672,764	1,888,674
Conley	GA	420,000	780,000	None	None	420,000	780,000	1,200,000	154,700
Chicago	IL	612,500	1,137,500	None	None	612,500	1,137,500	1,750,000	225,604
Grayslake	IL	5,044,195	26,218,048	500	None	5,044,195	26,218,548	31,262,743	3,872,422
Evansville	IN	959,651	4,053,122	None	None	959,651	4,053,122	5,012,773	695,786
Dodge City	KS	1,224,570	244,811	3,713,789	4,383	None	244,811	3,718,172	3,962,983
Hays	KS	895,274	171,304	2,701,222	5,284	None	171,304	2,706,506	2,877,810
Wichita	KS	2,840,499	7,375,302	1,000	None	2,840,499	7,376,302	10,216,801	1,414,074
Louisville	KY	472,500	877,500	None	None	472,500	877,500	1,350,000	174,038
Louisville	KY	5,732,055	30,841,995	None	None	5,732,055	30,841,995	36,574,050	2,606,883
Saint Rose	LA	3,147,428	8,283,048	21,892	None	3,147,428	8,304,940	11,452,368	1,341,034
Baltimore	MD	1,740,080	4,580,068	None	None	1,740,080	4,580,068	6,320,148	2,275,468
Baltimore	MD	4,499,317	50,857,761	36,500	None	4,499,317	50,894,261	55,393,578	4,088,770
Detroit	MI	280,000	520,000	None	None	280,000	520,000	800,000	103,133



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REALTY INCOME CORPORATION AND SUBSIDIARIES

SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

AS OF DECEMBER 31, 2015

Description (Note 1)	Encumbrances (Note 2)	Initial Cost to Company Buildings, Improvements and		Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4, 6 and 7) Buildings, Improvements and			Accumulated Depreciation (Note 5)	
		Land	Acquisition Fees	Improvements	Carrying Costs	Land	Acquisition Fees	Total		
Gibraltar	MI		245,000	455,000	None	None	245,000	455,000	700,000	90,242
Novi	MI		210,000	677,324	None	None	210,000	677,324	887,324	21,445
Saginaw	MI		219,564	10,638,391	5,127	None	219,564	10,643,518	10,863,082	899,229
Saline	MI	4,833,060	1,275,995	17,421,836	None	None	1,275,995	17,421,836	18,697,831	1,276,086
Saint Cloud	MN	2,197,022	474,860	4,309,642	3,567	None	474,860	4,313,209	4,788,069	364,275
Shakopee	MN		2,451,948	12,666,361	None	98,424	2,451,948	12,764,785	15,216,733	1,837,966
Springfield	MO		2,669,300	19,440,332	None	None	2,669,300	19,440,332	22,109,632	1,643,171
Petal	MS		315,000	3,657,281	None	None	315,000	3,657,281	3,972,281	261,952
Charlotte	NC		735,000	1,365,000	None	None	735,000	1,365,000	2,100,000	270,725
Grand Forks	ND	1,687,642	366,876	3,329,620	14,618	None	366,876	3,344,238	3,711,114	283,458
Lincoln	NE	3,658,273	792,802	9,577,968	None	None	792,802	9,577,968	10,370,770	690,249
West Lebanon	NH		996,755	8,076,928	None	None	996,755	8,076,928	9,073,683	682,693
Bronx	NY	12,691,867	-	19,765,973	75,475	None	-	19,841,448	19,841,448	1,715,509
Rensselaer	NY		5,393,842	67,434,084	None	142,250	5,393,842	67,576,334	72,970,176	5,099,962
Columbus	OH		245,000	455,000	None	None	245,000	455,000	700,000	90,242
North Canton	OH		-	10,641,063	None	None	-	10,641,063	10,641,063	899,423
Uniontown	OH		2,237,958	53,040,112	None	None	2,237,958	53,040,112	55,278,070	4,483,152
Vandalia	OH		719,985	10,102,113	None	None	719,985	10,102,113	10,822,098	1,498,480
Walbridge	OH		210,000	390,000	None	None	210,000	390,000	600,000	77,350
Whitehall	OH		1,400,000	24,053,357	None	None	1,400,000	24,053,357	25,453,357	257,715
Coraopolis	PA		350,000	650,000	None	None	350,000	650,000	1,000,000	128,917
Franklin	PA		405,243	4,689,328	22,294	None	405,243	4,711,622	5,116,865	387,463
Parker	PA		210,000	390,000	None	None	210,000	390,000	600,000	77,350
Snow Shoe	PA		591,101	12,994,366	None	None	591,101	12,994,366	13,585,467	1,098,333
Sioux Falls	SD	1,605,500	416,023	3,775,664	None	None	416,023	3,775,664	4,191,687	317,224
Chattanooga	TN		2,024,239	8,974,591	5,835	None	2,024,239	8,980,426	11,004,665	1,720,401
Memphis	TN		3,570,000	16,398,303	202,533	None	3,570,000	16,600,836	20,170,836	1,372,601
Freeport	TX		245,000	455,000	None	None	245,000	455,000	700,000	90,242
Houston	TX		5,802,459	45,111,656	None	None	5,802,459	45,111,656	50,914,115	3,813,009
Houston	TX	9,187,363	3,140,000	11,319,877	None	None	3,140,000	11,319,877	14,459,877	634,025
Houston	TX	12,427,637	3,910,000	16,504,232	None	None	3,910,000	16,504,232	20,414,232	924,335
La Porte	TX		875,000	1,625,000	None	None	875,000	1,625,000	2,500,000	322,292
Sherman	TX		439,127	9,850,580	None	None	439,127	9,850,580	10,289,707	832,606
Vineyard	UT		1,732,107	7,419,359	None	None	1,732,107	7,419,359	9,151,466	1,086,034
Spokane										
Valley	WA		805,923	13,474,284	None	12	805,923	13,474,296	14,280,219	769,494
Beckley	WV	2,299,927	497,198	6,060,449	6,623	None	497,198	6,067,072	6,564,270	436,897
Charleston	WV		2,251,894	6,469,248	None	None	2,251,894	6,469,248	8,721,142	425,773
<u>Wholesale clubs</u>										
Colorado Springs	CO		3,540,000	6,206,964	1,500	None	3,540,000	6,208,464	9,748,464	631,416
Derby	CT		5,699,931	10,584,586	1,000	None	5,699,931	10,585,586	16,285,517	1,393,962
Waterford	CT		11,841,797	21,990,910	1,000	None	11,841,797	21,991,910	33,833,707	2,895,795
Sanford	FL		5,788,032	10,748,203	1,000	None	5,788,032	10,749,203	16,537,235	1,415,505

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Augusta	GA	5,690,200	4,673,148	9,903,758	2,072	None	4,673,148	9,905,830	14,578,978	1,172,549
Louisville	KY		2,760,000	4,164,146	1,500	None	2,760,000	4,165,646	6,925,646	423,730
Kenner	LA		2,570,000	6,294,719	1,500	None	2,570,000	6,296,219	8,866,219	640,336
Abingdon	MD		8,965,840	16,649,846	1,000	None	8,965,840	16,650,846	25,616,686	2,192,555
Capitol Heights	MD	17,820,000	2,900,000	19,570,396	1,000	None	2,900,000	19,571,396	22,471,396	1,337,485
Columbia	MD		10,208,201	18,958,088	None	None	10,208,201	18,958,088	29,166,289	3,254,472
Nashua	NH		7,204,581	13,379,935	None	None	7,204,581	13,379,935	20,584,516	2,296,889
Clay	NY		6,902,476	12,817,384	1,500	None	6,902,476	12,818,884	19,721,360	1,688,110
Freeport	NY		13,122,718	24,369,763	1,000	None	13,122,718	24,370,763	37,493,481	4,183,901
Yorktown Heights	NY		11,225,391	20,847,154	None	None	11,225,391	20,847,154	32,072,545	3,578,761
Oklahoma City	OK		3,130,000	6,607,526	1,500	None	3,130,000	6,609,026	9,739,026	672,140
Tulsa	OK		3,100,000	6,280,893	1,500	None	3,100,000	6,282,393	9,382,393	638,932
Conshohocken	PA		7,231,557	13,430,034	None	None	7,231,557	13,430,034	20,661,591	2,305,489
Stroudsburg	PA		5,192,837	9,642,340	1,500	None	5,192,837	9,643,840	14,836,677	1,270,062
York	PA		5,433,864	10,090,462	1,000	None	5,433,864	10,091,462	15,525,326	1,328,903
Memphis	TN		4,810,000	4,880,207	None	None	4,810,000	4,880,207	9,690,207	496,154
Nashville	TN		3,750,000	6,190,754	1,500	None	3,750,000	6,192,254	9,942,254	629,766
Amarillo	TX		1,190,000	5,820,158	1,000	None	1,190,000	5,821,158	7,011,158	591,966
El Paso	TX		2,720,000	6,293,142	1,000	None	2,720,000	6,294,142	9,014,142	640,053
Houston	TX		3,410,000	5,759,623	1,500	None	3,410,000	5,761,123	9,171,123	585,937
Jersey Village	TX		3,370,000	5,865,635	1,500	None	3,370,000	5,867,135	9,237,135	596,715
Plano	TX		6,750,000	7,580,624	1,000	None	6,750,000	7,581,624	14,331,624	770,947
San Antonio	TX		3,660,000	5,213,163	1,500	None	3,660,000	5,214,663	8,874,663	530,380
San Antonio	TX		3,830,000	5,019,869	1,500	None	3,830,000	5,021,369	8,851,369	510,728
Tyler	TX		1,940,000	4,638,872	1,500	None	1,940,000	4,640,372	6,580,372	471,994
Waco	TX		2,000,000	4,262,780	1,500	None	2,000,000	4,264,280	6,264,280	433,758
Mechanicsville	VA		5,650,222	10,493,270	None	None	5,650,222	10,493,270	16,143,492	1,381,614
Woodbridge	VA		5,659,285	10,509,101	1,000	None	5,659,285	10,510,101	16,169,386	1,804,487
<u>Other</u>										
Irondale	AL		392,795	865,115	70,842	164	392,795	936,121	1,328,916	651,165
Escondido	CA		1,949,375	12,966,248	832,944	None	1,949,375	13,799,192	15,748,567	4,638,032
San Diego	CA		5,699,757	22,556,526	297,876	24	5,699,757	22,854,426	28,554,183	1,204,411
San Diego	CA		5,810,243	15,668,246	524,629	13,699	5,810,243	16,206,574	22,016,817	1,004,612
Venice	FL		259,686	362,562	56,657	154	259,686	419,373	679,059	292,449
Wichita	KS		289,714	797,856	10,910	16,580	289,714	825,346	1,115,060	565,178
Jackson	MS		405,360	656,296	(124,313)	None	405,360	531,983	937,343	514,604
Meridian	MS		181,156	515,598	131,997	260	181,156	647,855	829,011	471,750
Clementon	NJ		279,851	554,060	78,768	11,821	279,851	644,649	924,500	550,755
Watertown	NY		139,199	-	None	None	139,199	-	139,199	-
Cincinnati	OH		328,187	921,232	(4,953)	472	328,187	916,751	1,244,938	718,709
Crest Net Lease			5,189,030	8,872,103	(2,065,414)	17,350	5,189,031	6,824,038	12,013,069	231,174
		637,657,666	3,294,245,810	8,987,122,041	22,978,169	6,500,765	3,291,067,838	9,019,778,947	12,310,846,785	1,691,963,146

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### REALTY INCOME CORPORATION AND SUBSIDIARIES

#### SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION

Note Realty Income Corporation owns 4,538 single-tenant properties and two corporate headquarters properties. Crest Net Lease, Inc. owns eight

1. properties.

Realty Income Corporation also owns 19 multi-tenant properties located in each of the following cities: El Cajon, CA; Elk Grove, CA; Hanford, CA; San Diego, CA; Danbury, CT; Brandon, FL; Cutler Ridge, FL; Deerfield Beach, FL; Macon, GA; Valdosta, GA; Fair Grove, MO; Columbus, OH; Edmond, OK; Jackson, TN; Memphis, TN; Cedar Park, TX; Dallas, TX; The Colony, TX and Virginia Beach, VA.

Note Includes mortgages payable secured by 183 properties, but excludes unamortized net debt premiums of \$9.1 million.

2.

Note The aggregate cost for federal income tax purposes for Realty Income Corporation is \$11,847,908,298 and for Crest Net Lease, Inc. is

3. \$15,336,334.

Note The following is a reconciliation of total real estate carrying

4. value for the years ended December 31:

	2015	2014	2013
Balance at Beginning of Period	11,172,348,415	9,918,069,735	5,978,155,929
Additions During Period:			
Acquisitions	1,279,388,017	1,463,440,724	4,701,785,534
Less amounts allocated to acquired lease intangible assets and liabilities on our Consolidated Balance Sheets	(63,808,207)	(126,550,939)	(645,225,410)
Equipment	0	0	0
Improvements, Etc.	10,803,029	5,210,401	7,226,683
Other (Leasing Costs and Building Adjustments as a result of net debt premiums)	748,126	523,907	6,997,768
Total Additions	1,227,130,965	1,342,624,093	4,070,784,575
Deductions During Period:			
Cost of Real Estate sold or disposed of	76,659,381	83,059,172	127,218,307
Cost of Equipment sold	0	0	0
Releasing costs	592,815	732,130	251,616
Other (including Provisions for Impairment)	11,380,399	4,554,113	3,400,846
Total Deductions	88,632,595	88,345,414	130,870,769
Balance at Close of Period	12,310,846,785	11,172,348,415	9,918,069,735

Note The following is a reconciliation of accumulated depreciation

5. for the years ended:

Balance at Beginning of Period	1,390,808,700	1,121,460,394	936,019,074
Additions During Period - Provision for Depreciation	320,512,807	290,551,867	242,619,990
Deductions During Period:			
Accumulated depreciation of real estate and equipment sold or disposed of	19,358,359	21,203,561	57,178,670
Balance at Close of Period	1,691,963,148	1,390,808,700	1,121,460,394

Note In 2015, provisions for impairment were recorded on fifteen Realty Income properties.

6.

In 2014, provisions for impairment were recorded on twelve Realty Income properties.

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In 2013, provisions for impairment were recorded on nine Realty Income properties.

Note In accordance with FASB 143 and FASB interpretation No. 47, we recorded in aggregate negative \$820,166 in 2015, \$83,532 in 2014, and 7. negative \$64,339 in 2013 to two buildings for the fair value of legal obligations to perform asset-retirement activities that are conditional on future events. These two properties are reported in the drug store industry and are located in Girard, PA and Slippery Rock, PA.

**See report of independent registered public accounting firm.**

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