

REALTY INCOME CORP
Form 424B5
October 01, 2015

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

Subject to Completion
Preliminary Prospectus Supplement dated October 1, 2015

PROSPECTUS SUPPLEMENT
(To prospectus dated February 22, 2013)

10,000,000 Shares

Common Stock

All of the 10,000,000 shares are being sold by us. We currently pay regular monthly distributions to holders of our common stock, which is listed on the New York Stock Exchange, or NYSE, under the symbol "O." On September 30, 2015, the last reported sale price of our common stock on the NYSE was \$47.39 per share.

Realty Income Corporation, 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. As of June 30, 2015, we owned a diversified portfolio of 4,452 properties located in 49 states and Puerto Rico, with over 74.1 million square feet of leasable space leased to 235 different commercial tenants doing business in 47 separate industries. We are organized to operate as an equity real estate investment trust, commonly referred to as a REIT.

Investing in our common stock involves risks. See "Risk Factors" beginning on page S-6 of this prospectus supplement.

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	Per Share	Total
Public offering price	\$	\$
Underwriting discount	\$	\$
Proceeds, before expenses, to Realty Income Corporation	\$	\$

The underwriters have the option to purchase up to an additional 1,500,000 shares of common stock from us.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus supplement or the accompanying prospectus. Any representation to the contrary is a criminal offense.

The shares of common stock will be ready for delivery on or about October , 2015.

Joint Book-Running Managers

BofA Merrill Lynch Morgan Stanley Wells Fargo Securities RBC Capital Markets

Barclays Goldman, Sachs & Co. J.P. Morgan UBS Investment Bank

The date of this prospectus supplement is October , 2015.

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You should rely only on the information contained or incorporated by reference in this prospectus supplement and the accompanying prospectus and, if applicable, any free writing prospectus we may provide you in connection with this offering. We have not, and the underwriters have not, authorized any person to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. We are not, and the underwriters are not, making an offer to sell these securities or soliciting an offer to buy these securities in any jurisdiction where the offer or sale of these securities is not permitted. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference herein or therein and, if applicable, any free writing prospectus we may provide you in connection with this offering is accurate only as of those documents' respective dates. Our business, financial condition, results of operations and prospects may have changed since those dates.

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This document is in two parts. The first part is this prospectus supplement, which adds to and updates information contained in the accompanying prospectus. The second part, the prospectus, provides more general information, some of which may not apply to this offering. Generally, when we refer to this prospectus, we are referring to both parts of this document combined. To the extent there is a conflict between the information contained in this prospectus supplement and the information contained in the accompanying prospectus, you should rely on the information in this prospectus supplement.

Before purchasing any securities, you should carefully read both this prospectus supplement and the accompanying prospectus, together with the incorporated documents described under the headings "Supplemental U.S. Federal Income Tax Considerations" in this prospectus supplement and "Incorporation by Reference" in this prospectus supplement and the accompanying prospectus, and any free writing prospectus we may provide to you in connection with this offering.

No action has been or will be taken in any jurisdiction by us or by any underwriter that would permit a public offering of these securities or possession or distribution of this prospectus supplement, the accompanying prospectus or any related free writing prospectus where action for that purpose is required, other than in the United States. Unless otherwise expressly stated or the context otherwise requires, references to "dollars" and "\$" in this prospectus supplement, the accompanying prospectus and any related free writing prospectus are to United States dollars.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary does not contain all the information that may be important to you. You should read this entire prospectus supplement and the accompanying prospectus and the documents incorporated and deemed to be incorporated by reference herein and therein, including the financial statements and related notes, and, if applicable, any free writing prospectus we may provide you in connection with this offering before making an investment decision. Unless this prospectus supplement otherwise indicates or the context otherwise requires, the terms "Realty Income," "our," "us" and "we" as used in this prospectus supplement refer to Realty Income Corporation, a Maryland corporation, and its subsidiaries on a consolidated basis. Unless otherwise expressly stated or the context otherwise requires, all information in this prospectus supplement relating to our properties excludes properties owned by our wholly-owned subsidiary Crest Net Lease, Inc.

In this prospectus supplement, we sometimes refer to our outstanding shares of 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock as our Class F preferred stock.

Realty Income

We are The Monthly Dividend Company®. We are 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 seek to increase earnings and distributions to stockholders through active portfolio management, asset management and the acquisition of additional properties.

We have in-house acquisition, portfolio management, asset management, credit research, real estate research, legal, finance and accounting, information technology, and capital markets capabilities. As of June 30, 2015, we owned a diversified portfolio of 4,452 properties located in 49 states and Puerto Rico, with over 74.1 million square feet of leasable space leased to 235 different commercial tenants doing business in 47 separate industries. Of the 4,452 properties in the portfolio, 4,433, or 99.6%, were single-tenant properties, and the remaining were multi-tenant properties. At June 30, 2015, of the 4,433 single-tenant properties, 4,352 were leased with a weighted average remaining lease term (excluding rights to extend a lease at the option of the tenant) of approximately 10.3 years.

We are organized to operate as an equity real estate investment trust, commonly referred to as a REIT. Our principal executive offices are located at 11995 El Camino Real, San Diego, California 92130 and our telephone number is (858) 284-5000.

Recent Developments

Increases in Monthly Dividends to Common Stockholders

We have continued our 46-year policy of paying monthly common stock dividends. In addition, we increased the dividend four times during 2014 and five times in the first nine months of 2015. As of

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September 30, 2015, we have paid 71 consecutive quarterly dividend increases and increased the dividend 82 times since our listing on the NYSE in 1994.

	Month Declared	Month Paid	Dividend per share	Increase per share
2014 Dividend Increases				
1st increase	Dec 2013	Jan 2014	\$ 0.1821667	\$ 0.0003125
2nd increase	Mar 2014	Apr 2014	0.1824792	0.0003125
3rd increase	Jun 2014	Jul 2014	0.1827917	0.0003125
4th increase	Sep 2014	Oct 2014	0.1831042	0.0003125
2015 Dividend Increases				
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(1)	Sep 2015	Oct 2015	0.1905000	0.0005000

(1)

Dividend to be paid on October 15, 2015 to stockholders of record as of the close of business on October 1, 2015. Purchasers of shares of common stock in this offering will not be entitled to receive the October 15, 2015 dividend on those shares.

The dividends paid per share during 2014 as compared to 2013 increased 2.1%. The 2014 dividends paid per share totaled \$2.1916254, as compared to \$2.1474587 in 2013, an increase of \$0.0441667.

The current monthly dividend of \$0.1905 per common share represents a current annualized dividend of \$2.286 per share, and an annualized dividend yield of approximately 4.8% based on the last reported sale price of our common stock on the NYSE of \$47.39 on September 30, 2015. 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 of common stock, or what our actual dividend yield will be in any future period.

Acquisitions During the First Six Months of 2015

During the first six months of 2015, we invested \$931.2 million in 166 new properties and properties under development or expansion, with an initial weighted average contractual lease rate of 6.4%. The 166 new properties and properties under development or expansion are located in 35 states, will contain approximately 4.2 million leasable square feet, and are 100% leased with a weighted average lease term of 17.5 years. The tenants occupying the new properties operate in 16 industries and the property types consist of 92.1% retail and 7.9% industrial, based on rental revenue. During the first six months of 2015, none of our real estate investments caused any one tenant to be 10% or more of our total assets at June 30, 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 percentage listed above. For information on how we calculate the estimated contractual lease rate on a property under development or expansion, see "Management's Discussion and Analysis of Financial Condition and Results of Operations Recent Developments Acquisitions during the First Six Months of 2015" in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, which is incorporated by reference in the accompanying prospectus.

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Net Income Available to Common Stockholders

Net income available to common stockholders was \$119.8 million in the first six months of 2015, compared to \$98.6 million in the first six months of 2014, an increase of \$21.2 million. On a diluted per common share basis, net income was \$0.52 in the first six months of 2015, as compared to \$0.46 in the first six months of 2014, an increase of \$0.06, or 13.0%.

The calculation to determine net income available to common stockholders includes gains from the sale of properties. The amount of 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 the first six months of 2015 were \$10.9 million, as compared to gains from the sale of properties of \$5.8 million during the first six months of 2014.

Funds from Operations (FFO) Available to Common Stockholders

In the first six months of 2015, our FFO increased by \$35.5 million, or 12.8%, to \$312.4 million versus \$276.9 million in the first six months of 2014. On a diluted per common share basis, FFO was \$1.36 in the first six months of 2015, compared to \$1.29 in the first six months of 2014, an increase of \$0.07, or 5.4%.

For information on how we define FFO (which is not a financial measure under U.S. generally accepted accounting principles, or GAAP), as well as a reconciliation of net income available to common stockholders (which we believe is the most comparable GAAP financial measure) to FFO, see "Management's Discussion and Analysis of Financial Condition and Results of Operations Funds From Operations (FFO) Available to Common Stockholders" in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, which is incorporated by reference in the accompanying prospectus.

Adjusted Funds from Operations (AFFO) Available to Common Stockholders

In the first six months of 2015, our AFFO increased by \$37.4 million, or 13.7%, to \$311.2 million versus \$273.8 million in the first six months of 2014. On a diluted per common share basis, AFFO was \$1.36 in the first six months of 2015, compared to \$1.28 in the first six months of 2014, an increase of \$0.08, or 6.3%

For information on how we define AFFO (which is not a financial measure under GAAP), as well as a reconciliation of net income available to common stockholders (which we believe is the most comparable GAAP financial measure) to AFFO, see "Management's Discussion and Analysis of Financial Condition and Results of Operations Adjusted Funds From Operations (AFFO) Available to Common Stockholders" in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2015, which is incorporated by reference in the accompanying prospectus.

S&P 500 Index

On March 27, 2015, Standard & Poor's, a division of McGraw-Hill Financial Inc. (S&P), announced that our common stock would be included in the S&P 500 index after the close of trading on April 6, 2015. The S&P 500 index is comprised of the common stock of 500 large-cap U.S. companies that S&P selects.

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The Offering

We are selling all of the shares of common stock offered by this prospectus supplement and no shares are being sold by our stockholders. For a description of our common stock, see "Description of Common Stock" and "Restrictions on Ownership and Transfers of Stock" in the accompanying prospectus, as supplemented by the information in our Current Report on Form 8-K filed with the Securities and Exchange Commission on June 17, 2015.

Issuer	Realty Income Corporation
Common Stock we are Offering	10,000,000 shares of common stock, plus up to an additional 1,500,000 shares if the underwriters exercise their option to purchase additional shares of common stock from us in full.
Shares to be Outstanding After this Offering(1)	248,085,515 (or 249,585,515 shares if the underwriters exercise their option to purchase additional shares of common stock from us in full).
Use of Proceeds	We intend to use the net proceeds from this offering to repay a portion of the borrowings outstanding under our \$2.0 billion revolving credit facility and for other general corporate purposes and working capital, which may include acquisitions. On September 30, 2015, we had approximately \$439.0 million of outstanding borrowings under our revolving credit facility. Borrowings under the revolving credit facility were generally used to acquire properties. For information concerning potential conflicts of interest that may arise from the use of proceeds to repay borrowings under our \$2.0 billion revolving credit facility, see "Underwriting (Conflicts of Interest) Other Relationships" and " Conflicts of Interest" in this prospectus supplement.

(1) Based on 238,085,515 shares outstanding as of September 30, 2015. Does not include, as of September 30, 2015, 2,068,649 shares of common stock reserved for issuance under our stock incentive plans, up to 22,495,965 shares (subject to adjustment under specified circumstances) of common stock that may be issued upon conversion of outstanding shares of our Class F preferred stock following the occurrence of certain change of control events affecting us, up to 317,022 shares (subject to adjustment under specified circumstances) of common stock that may be issued upon the exchange of outstanding operating partnership units issued by one of the subsidiaries that we acquired pursuant to our acquisition of American Realty Capital Trust, Inc. ("ARCT") during 2013, and up to 419,546 shares (subject to adjustment under specified circumstances) of common stock that may be issued upon the exchange of outstanding operating partnership units issued by our subsidiary, Realty Income, L.P.

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Restrictions on Ownership and Transfer	Our charter contains restrictions on the ownership and transfer of our common stock intended to 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 shares of common stock, as more fully described in the section entitled "Restrictions on Ownership and Transfers of Stock" in the accompanying prospectus.
NYSE Symbol	"O"
Risk Factors	An investment in our common stock involves various risks and prospective investors should carefully consider the matters discussed under "Risk Factors" in this prospectus supplement, as well as the other risks described in this prospectus supplement, the accompanying prospectus and the documents incorporated and deemed to be incorporated by reference therein, before making a decision to invest in the common stock.

Our board of directors has authorized and we have declared a monthly dividend of \$0.1905 per share of common stock payable on October 15, 2015 to stockholders of record of our common stock as of the close of business on October 1, 2015. Purchasers of shares of common stock in this offering will not be entitled to receive the October 15, 2015 dividend on those shares.

As of June 30, 2015, we had 16,350,000 shares of Class F preferred stock outstanding. In the event that we liquidate, dissolve or wind up Realty Income, the holders of this preferred stock will have the right to receive \$25.00 per share, plus accrued and unpaid dividends to the date of payment, before any payment is made to the holders of our common stock. In addition, this preferred stock ranks senior to our common stock with respect to the payment of dividends and distributions. See the description of the Class F preferred stock contained in the applicable Registration Statement on Form 8-A (File No. 001-13374), including any subsequently filed amendments and reports filed for the purpose of updating the description, which are incorporated by reference into the accompanying prospectus.

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RISK FACTORS

In evaluating an investment in our common stock, you should carefully consider the following risk factors and the risk factors described under the captions "Forward-Looking Statements" in this prospectus supplement and "Risk Factors" in the accompanying prospectus and our Annual Report on Form 10-K for the year ended December 31, 2014, which is incorporated by reference in the accompanying prospectus, in addition to the other risks and uncertainties described in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference therein and, if applicable, any free writing prospectus we may provide you in connection with this offering. As used under the captions "Risk Factors" in this prospectus supplement and in our Annual Report on Form 10-K for the year ended December 31, 2014, references to our capital stock include both our common stock, including the common stock offered by this prospectus supplement, and any class or series of our preferred stock, and references to our stockholders include holders of our common stock and any class or series of our preferred stock, in each case unless otherwise expressly stated or the context otherwise requires.

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 \$2.0 billion unsecured revolving credit facility. At June 30, 2015, we had approximately \$430.0 million of outstanding borrowings under our revolving credit facility, a total of \$3.8 billion of outstanding unsecured senior debt securities (excluding unamortized original issuance discounts of \$13.9 million), \$320.0 million of borrowings outstanding under our senior unsecured term loans and approximately \$756.7 million of outstanding mortgage debt (excluding net premiums totaling \$12.7 million on these mortgages), and we had approximately \$439.0 million of borrowings outstanding under our revolving credit facility on September 30, 2015. 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 \$250.0 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 Internal Revenue Code of 1986, as amended, or the Code, on income we do not distribute to our stockholders,

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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, including the shares of common stock offered hereby, 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.

Our indebtedness could also have other important consequences to holders of our common stock, including the common stock offered hereby, 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.

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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.

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, including holders of shares of common stock offered hereby, 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, including owners of the shares of common stock offered hereby, and service our indebtedness.

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Eighty-one of our properties were available for lease or sale at June 30, 2015, all of which were single-tenant properties. At June 30, 2015, forty-three 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 the first six months of 2015, each of our tenants accounted for less than 10% of our rental revenue.

For the second quarter of 2015, our tenants in the "drug store" industry accounted for approximately 10.7% of our rental revenue. A downturn in this industry, whether nationwide or limited to specific sectors of the United States, could adversely affect tenants in this industry, which in turn could 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, 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 the second quarter of 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, including the common stock offered hereby, 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 retail 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. For example, our acquisition of ARCT in 2013 included tenants in the aerospace, freight, governmental services, healthcare, home maintenance, manufacturing, pharmacy, retail banking, technology, and telecommunications businesses, some of which are non-retail businesses and none of which was in an industry segment that was within our property portfolio prior to our acquisition of ARCT. 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.

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. See "Restrictions on Ownership and Transfers of Stock" in the accompanying prospectus. 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.

We could issue preferred stock without stockholder approval.

Our charter authorizes our board of directors to issue up to 69,900,000 shares of preferred stock, including convertible preferred stock, without stockholder approval. The board of directors may establish the preferences, rights and other terms of any class or series of preferred stock we may issue, including the right to vote and the right to convert into common stock any shares issued. The issuance

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of preferred stock could delay or prevent a tender offer or a change of control even if a tender offer or a change of control were in our stockholders' interests, which could adversely affect the market price of our common stock. As of June 30, 2015, we had 16,350,000 shares of Class F preferred stock outstanding. See "General Description of Preferred Stock" in the accompanying prospectus and the description of the Class F preferred stock contained in the applicable Registration Statement on Form 8-A (File No. 001- 13374), including any subsequently filed amendments and reports filed for the purpose of updating the description, which are incorporated by reference into the accompanying prospectus.

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FORWARD-LOOKING STATEMENTS

This prospectus supplement, the accompanying prospectus and the documents incorporated by reference therein contain, and any free writing prospectus we may provide you in connection with this offering may contain, 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 Securities Exchange Act of 1934, as amended. When used in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference therein and any free writing prospectus we may provide you in connection with this offering, the words "estimated," "anticipated," "expect," "believe," "intend" and similar expressions are intended to identify forward-looking statements. Forward-looking statements include, without limitation, discussions of strategy, plans and intentions and statements regarding estimated or future results of operations (including, without limitation, estimated and future normalized and adjusted funds from operations and net income). Forward-looking statements are subject to risks, uncertainties and assumptions about us, 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 or implied by the forward-looking statements. In particular, forward-looking statements regarding estimated or future results of operations are based upon numerous assumptions and estimates and are inherently subject to substantial uncertainties and actual results of operations may differ materially from those expressed or implied in the forward-looking statements, particularly if actual events differ from those reflected in the estimates and assumptions upon which such forward-looking statements are based. 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;

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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.

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Additional factors that may cause risks and uncertainties include those discussed in the section "Risk Factors" in this prospectus supplement and the sections entitled "Business," "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our most recent Annual Report on Form 10-K and the sections entitled "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our subsequent Quarterly Reports on Form 10-Q, and also include risks and other information discussed in other documents that are incorporated by reference in the accompanying prospectus.

You are cautioned not to place undue reliance on forward-looking statements contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference therein and any free writing prospectus we may provide you in connection with this offering. Those forward-looking statements speak only as of the respective dates of those documents and we undertake no obligation to update any information contained in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference therein and any free writing prospectus we may provide you in connection with this offering or to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the respective dates of those documents or to reflect the occurrence of unanticipated events. In light of these risks and uncertainties, the forward-looking events discussed in this prospectus supplement, the accompanying prospectus, the documents incorporated by reference therein and any free writing prospectus we may provide you in connection with this offering might not occur.

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USE OF PROCEEDS

We estimate that the net proceeds from the sale of common stock offered by this prospectus supplement will be approximately \$454.6 million, or approximately \$522.8 million if the underwriters' option to purchase additional shares from us in this offering is exercised in full, in each case based upon an assumed public offering price of \$47.39 per share (which was the last reported sale price of our common stock on the NYSE on September 30, 2015) after deducting the underwriting discount and estimated expenses payable by us. A \$1.00 increase or decrease in the assumed public offering price of \$47.39 per share would increase or decrease, respectively, the estimated net proceeds from the sale of the common stock offered by this prospectus supplement by approximately \$9.6 million, or approximately \$11.0 million if the underwriters' option to purchase additional shares from us in this offering is exercised in full, in each case assuming that the number of shares offered by us and the number of shares subject to the underwriters' option, as set forth on the cover page of this prospectus supplement, remain the same, and after deducting the estimated underwriting discount and estimated expenses payable by us.

We intend to use the net proceeds from this sale of common stock to repay a portion of the borrowings under our \$2.0 billion revolving credit facility and for other general corporate purposes and working capital, which may include acquisitions. At September 30, 2015, we had approximately \$439.0 million of outstanding borrowings under our revolving credit facility. Borrowings under the revolving credit facility were generally used to acquire properties. Our revolving credit facility matures on June 30, 2019, but may, at our option, be extended by up to two six-month extensions, subject to certain terms and conditions. As of September 30, 2015, the weighted average interest rate of borrowings under the revolving credit facility was approximately 1.3% per annum. Borrowings under our revolving credit facility that we repay with net proceeds from this offering may be reborrowed, subject to customary conditions.

Pending application of the net proceeds for the purposes described above, we may temporarily invest the net proceeds in short-term government securities, short-term money market funds and/or bank certificates of deposit.

Affiliates of some or all of the underwriters participating in this offering are lenders under our revolving credit facility and, accordingly, they will receive net proceeds from this offering through the repayment of borrowings under that facility. See "Underwriting (Conflicts of Interest) Other Relationships" and " Conflicts of Interest."

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On September 30, 2015, the last reported sales price per share of our common stock on the NYSE was \$47.39. The table below sets forth for the periods indicated the high and low sales prices per share of our common stock, as reported by the NYSE, and dividends declared per share of our common stock.

	Price Per Share of Common Stock		Dividends Declared Per Share(1)
	High	Low	
2013			
First Quarter	\$ 46.63	\$ 40.51	\$ 0.543063
Second Quarter	55.48	39.84	0.544000
Third Quarter	46.01	38.41	0.544938
Fourth Quarter	43.20	36.58	0.545875
2014			
First Quarter	45.11	37.01	0.546813
Second Quarter	44.98	40.21	0.547750
Third Quarter	45.83	40.56	0.548688
Fourth Quarter	49.65	40.71	0.549625
2015			
First Quarter	55.53	47.95	0.5675
Second Quarter	52.66	44.23	0.5690
Third Quarter (through September 30, 2015)	48.88	43.15	0.5705(2)

(1) Common stock cash dividends currently are declared monthly by us, based on financial results for the prior months.

(2) Our board of directors has authorized and we have declared a monthly dividend of \$0.1905 per share of common stock payable on October 15, 2015 to stockholders of record of our common stock as of the close of business on October 1, 2015. Purchasers of shares of common stock in this offering will not be entitled to receive the October 15, 2015 dividend on the shares they purchase in this offering. The October 15, 2015 common stock dividend is reflected in the foregoing table in dividends declared per share for the third quarter of 2015.

Future dividends on our common stock will be at the discretion of our board of directors and will depend on, among other things, our results of operations, funds from operations, cash flow from operations, financial condition and capital requirements, the annual distribution requirements under the REIT provisions of the Code, our debt service requirements, dividend requirements on our preferred stock, applicable law and any other factors our board of directors deems relevant. 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 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. For additional information, see "Risk Factors We are subject to risks associated with debt and capital stock financing."

Accordingly, although we expect to continue our policy of paying monthly dividends in cash on our common stock, we cannot guarantee that we will maintain the current level of cash dividends per share of common stock, that we will continue our pattern of increasing cash dividends per share of common stock, or what our actual dividend yield will be for any future period.

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UNDERWRITING (CONFLICTS OF INTEREST)

Subject to the terms and conditions contained in a purchase agreement between us and each of the underwriters named below, for whom Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Wells Fargo Securities, LLC and RBC Capital Markets, LLC are acting as representatives, or the representatives, the underwriters have severally agreed to purchase from us, and we have agreed to sell, the number of shares of our common stock listed opposite their names below.

Underwriter	Number of Shares
Merrill Lynch, Pierce, Fenner & Smith Incorporated	
Morgan Stanley & Co. LLC	
Wells Fargo Securities, LLC	
RBC Capital Markets, LLC	
Barclays Capital Inc.	
Goldman, Sachs & Co.	
J.P. Morgan Securities LLC	
UBS Securities LLC	
Total	10,000,000

The purchase agreement provides that the obligations of the several underwriters to purchase the shares offered hereby are subject to certain conditions and that the underwriters will purchase all of the shares offered by this prospectus supplement if any of these shares are purchased. If an underwriter defaults, the purchase agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the purchase agreement may be terminated.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel and other conditions contained in the purchase agreement. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

We have agreed to indemnify the underwriters against certain liabilities, including liabilities under the Securities Act of 1933, as amended, or to contribute to payments the underwriters may be required to make in respect of any of these liabilities.

Commissions and Discounts

The underwriters have advised us that the underwriters propose initially to offer the shares to the public at the public offering price listed on the cover page of this prospectus supplement and to dealers at that price less a concession not in excess of \$ per share. After the initial public offering, the public offering price and concession may be changed.

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The following table shows the public offering price, underwriting discount and proceeds before expenses to Realty Income. This information assumes either no exercise or full exercise by the underwriters of their option to purchase additional shares from us in this offering.

	Per Share	Without Option	With Option
Public offering price	\$	\$	\$
Underwriting discount	\$	\$	\$
Proceeds, before expenses, to Realty Income	\$	\$	\$

The expenses of this offering, not including the underwriting discount, are estimated at \$350,000 and are payable by Realty Income.

Underwriters' Option

We have granted an option to the underwriters to purchase up to 1,500,000 additional shares of our common stock at the initial public offering price less the underwriting discount and less any dividends or distributions paid or payable by us on the shares initially purchased by the underwriters but not on the shares to be purchased upon exercise of such option. The underwriters may exercise this option for 30 days after the date of this prospectus supplement. If the underwriters exercise this option, each underwriter will be obligated, subject to conditions contained in the purchase agreement, to purchase approximately the same percentage of those additional shares that the number of shares of common stock to be purchased by that underwriter as shown in the above table represents as a percentage of the total number of shares shown in that table.

No Sales of Similar Securities

We have agreed, with exceptions, not to sell or transfer any common stock for 30 days after the date of this prospectus supplement without first obtaining the prior written consent of Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Wells Fargo Securities, LLC and RBC Capital Markets, LLC. Specifically, we have agreed not to directly or indirectly:

Offer, pledge, sell or contract to sell any common stock;

Sell any option or contract to purchase any common stock;

Purchase any option or contract to sell any common stock;

Grant any option, right or warrant to purchase any common stock;

Otherwise transfer or dispose of any common stock; or

Enter into any swap or other agreement or transaction that transfers, in whole or in part, the economic consequence of ownership of any common stock, whether any such swap, agreement or transaction is to be settled by delivery of common stock or other securities, in cash or otherwise.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for common stock. Merrill Lynch, Pierce, Fenner & Smith Incorporated, Morgan Stanley & Co. LLC, Wells Fargo Securities, LLC and RBC Capital Markets, LLC may, in their sole discretion and at any time or from time to time, without notice, release all or any of the shares or other securities subject to this lock-up provision.

Our lock-up agreement contains an exception that permits us to issue shares of common stock in connection with acquisitions and in connection with joint ventures and similar arrangements and that permits any subsidiary of ours that is a limited partnership to issue limited partnership interests to acquire properties, so long as the recipients of those shares (but not any such limited partnership

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interests) agree not to sell or transfer those shares for 30 days after the date of this prospectus supplement, subject to the right of the representatives of the underwriters to release all or any shares or other securities subject to any such agreement. Our lock-up agreement also contains exceptions that permit us to issue shares of common stock to the underwriters in this offering, to issue shares of common stock upon the exercise of outstanding options, to issue shares and options pursuant to employee benefit plans, to issue shares of common stock pursuant to non-employee director stock plans, to issue shares of common stock pursuant to a dividend reinvestment and stock purchase plan filed with, or described in a prospectus supplement or prospectus filed with, the Securities and Exchange Commission, and to issue shares of our common stock in accordance with the terms of the limited partnership agreement of any subsidiary of ours that is a limited partnership upon the exchange of limited partnership interests in such limited partnership that are outstanding on the date of this prospectus supplement or that are issued after the date of this prospectus supplement pursuant to the preceding sentence.

New York Stock Exchange Listing

Our common stock is listed on the NYSE under the symbol "O."

Price Stabilization and Short Positions

In connection with this offering of shares of our common stock, the underwriters may engage in transactions that stabilize, maintain or otherwise affect the market price of our common stock. Specifically, the underwriters may sell more shares than they are obligated to purchase under the purchase agreement, creating a short position. A short sale is covered if the short position is no greater than the number of shares available for purchase by the underwriters under their option to purchase additional shares from us. The underwriters may close out a covered short sale by exercising their option or purchasing shares in the open market. In determining the source of shares to close out a covered short sale, the underwriters may consider, among other things, the market price of our common stock compared to the price payable under their option. The underwriters may also sell shares in excess of their option, creating a naked short position. The underwriters must close out any naked short position by purchasing our common stock in the open market. A naked short position is more likely to be created if the underwriters are concerned that there may be downward pressure on the price of our common stock in the open market after the date of pricing of this offering that could adversely affect investors who purchase in this offering.

As an additional means of facilitating this offering, the underwriters may bid for, and purchase, shares of our common stock in the open market to stabilize or maintain the market price of our common stock. These stabilizing transactions may occur before or after the pricing of this offering.

The underwriters may also impose a penalty bid. This occurs when a particular underwriter repays to the underwriters a portion of the underwriting discount received by it because the representatives have repurchased shares sold by or for the account of such underwriter in stabilizing or short covering transactions.

The foregoing transactions, if commenced, may raise or maintain the market price of our common stock above independent market levels or prevent or retard a decline in the market price of our common stock.

The representatives of the underwriters have advised us that these transactions, if commenced, may be effected on the NYSE or otherwise. Neither we nor any of the underwriters makes any representation that the underwriters will engage in any of the transactions described above and these transactions, if commenced, may be discontinued without notice. Neither we nor any of the underwriters makes any representation or prediction as to the direction or magnitude of the effect that the transactions described above, if commenced, may have on the market price of our common stock.

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Electronic Distribution

In connection with the offering, certain of the underwriters or securities dealers may distribute this prospectus supplement and the accompanying prospectus, as well as any free writing prospectus we may provide you in connection with this offering, by electronic means, such as e-mail.

Other Relationships

Some or all of the underwriters and/or their affiliates have provided and in the future may provide investment banking, commercial banking and/or other financial services, including the provision of credit facilities, to us in the ordinary course of business for which they have received and may in the future receive compensation. In particular, affiliates of some or all of the underwriters participating in this offering are lenders under our \$2.0 billion revolving credit facility and our term loan facilities. Because we intend to use net proceeds from this offering to repay borrowings outstanding under our revolving credit facility, lenders affiliated with underwriters of this offering will receive net proceeds from this offering through the repayment of those borrowings under that facility.

In addition, in the ordinary course of their business activities, the underwriters and their respective affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of ours or our affiliates. The underwriters and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

Conflicts of Interest

As described above under "Use of Proceeds," we intend to use net proceeds from this offering to repay borrowings outstanding under our revolving credit facility. Because, as described above under "Other Relationships," affiliates of some or all of the underwriters are lenders under our revolving credit facility, more than 5% of the net proceeds of this offering (not including underwriting discounts and commissions) may be received by such underwriters and their affiliates. Nonetheless, in accordance with the Financial Industry Regulatory Authority Inc. Rule 5121, the appointment of a qualified independent underwriter is not necessary in connection with this offering because we, the issuer of the securities in this offering, are a real estate investment trust.

Sales Outside of the United States

Hong Kong. This prospectus supplement and the accompanying prospectus have not been approved by or registered with the Securities and Futures Commission of Hong Kong or the Registrar of Companies of Hong Kong. The common stock will not be offered or sold in Hong Kong by means of any document other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the common stock has been or may be issued or has been or may be in possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares of common stock which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

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Australia. No placement document, prospectus, product disclosure statement or other disclosure document has been lodged with the Australian Securities and Investments Commission ("ASIC"), in relation to the offering. This prospectus supplement and the accompanying prospectus do not constitute a prospectus, product disclosure statement or other disclosure document under the Corporations Act 2001 (the "Corporations Act"), and do not purport to include the information required for a prospectus, product disclosure statement or other disclosure document under the Corporations Act.

Any offer in Australia of the common stock may only be made to persons (the "Exempt Investors") who are "sophisticated investors" (within the meaning of section 708(8) of the Corporations Act), "professional investors" (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the common stock without disclosure to investors under Chapter 6D of the Corporations Act.

The common stock applied for by Exempt Investors in Australia must not be offered for sale in Australia in the period of 12 months after the date of allotment under the offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. Any person acquiring common stock must observe such Australian on-sale restrictions.

This prospectus supplement and the accompanying prospectus contain general information only and do not take account of the investment objectives, financial situation or particular needs of any particular person. They do not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this prospectus supplement and the accompanying prospectus is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

Dubai International Financial Centre. This prospectus supplement and the accompanying prospectus relate to an Exempt Offer in accordance with the Offered Securities Rules of the Dubai Financial Services Authority, or DFSA. This prospectus supplement and the accompanying prospectus are intended for distribution only to persons of a type specified in the Offered Securities Rules of the DFSA. This prospectus supplement and the accompanying prospectus must not be delivered to, or relied on by, any other person. The DFSA has no responsibility for reviewing or verifying any documents in connection with Exempt Offers. The DFSA has not approved this prospectus supplement and the accompanying prospectus nor taken steps to verify the information set forth herein and therein and has no responsibility for the prospectus supplement and the accompanying prospectus. The common stock to which this prospectus supplement and the accompanying prospectus relate may be illiquid and/or subject to restrictions on its resale. Prospective purchasers of the common stock offered should conduct their own due diligence on the common stock. If you do not understand the contents of this prospectus supplement and the accompanying prospectus you should consult an authorized financial advisor.

Notice to Prospective Investors in Canada

The common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus supplement and the accompanying prospectus

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(including any amendment thereto) contain a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 Underwriting Conflicts (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

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SUPPLEMENTAL U.S. FEDERAL INCOME TAX CONSIDERATIONS

For a discussion of certain material United States federal income tax consequences regarding our company and holders of our common stock, please see "United States Federal Income Tax Considerations" in the accompanying prospectus, as supplemented by the information appearing in Item 8.01 of our Current Report on Form 8-K dated October 1, 2015. The information appearing under Item 8.01 of such Form 8-K is incorporated by reference into the accompanying prospectus. Prospective investors in our common stock should consult their tax advisors regarding the United States federal income and other tax considerations to them of the acquisition, ownership and disposition of our common stock offered by this prospectus supplement.

LEGAL MATTERS

The validity of the common stock offered hereby will be passed upon for us by Venable LLP, Baltimore, Maryland. Certain legal matters relating to this offering will be passed upon for us by Latham & Watkins LLP, Costa Mesa, California. Sidley Austin LLP, San Francisco, California will act as counsel for the underwriters. As of September 30, 2015, William J. Cernius, a partner of Latham & Watkins LLP, beneficially owned approximately 7,736 shares of our common stock. As of September 29, 2015, Eric S. Haueter, a partner of Sidley Austin LLP, beneficially owned approximately 8,714 shares of our common stock.

EXPERTS

The consolidated balance sheets of Realty Income Corporation and subsidiaries as of December 31, 2014 and 2013, and the related consolidated statements of income, equity, and cash flows for each of the years in the three-year period ended December 31, 2014, and the related financial statement schedule III, and management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2014, have been incorporated by reference in the accompanying prospectus in reliance upon the reports of KPMG LLP, independent registered public accounting firm, incorporated by reference therein, and upon the authority of said firm as experts in accounting and auditing. Their report with respect to the consolidated financial statements and financial statement schedule of Realty Income Corporation makes reference to Realty Income Corporation changing its method of reporting discontinued operations in 2014 due to the adoption of FASB Accounting Standards Update No. 2014-08.

INCORPORATION BY REFERENCE

As described in the accompanying prospectus under the caption "Incorporation by Reference" and above under "Supplemental U.S. Federal Income Tax Considerations," we have incorporated by reference in the accompanying prospectus specified documents that we have filed or may file with the Securities and Exchange Commission, or the SEC, under the Securities Exchange Act of 1934, as amended. However, no document, exhibit or information or portion thereof that we have "furnished" or may in the future "furnish" to (rather than "file" with) the SEC shall be incorporated by reference into this prospectus supplement or the accompanying prospectus.

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PROSPECTUS

REALTY INCOME CORPORATION

Debt Securities, Common Stock, Preferred Stock, Depositary Shares and Warrants

Realty Income Corporation, a Maryland corporation, may from time to time offer in one or more series or classes (1) our debt securities, (2) shares of our common stock, \$0.01 par value per share, (3) shares or fractional shares of our preferred stock, \$0.01 par value per share, (4) depositary shares representing fractional interests in shares of our preferred stock or (5) warrants to purchase our debt securities, common stock, preferred stock or depositary shares, on terms to be determined at the time of the offering. Our debt securities, our common stock, our preferred stock, our depositary shares and our warrants (collectively referred to as our securities), may be offered, separately or together, in separate series or classes, in amounts, at prices and on terms that will be set forth in one or more prospectus supplements to this prospectus or other offering materials.

The specific terms of the securities with respect to which this prospectus is being delivered will be set forth in the applicable prospectus supplement or other offering materials and will include, where applicable:

in the case of our debt securities, the specific title, aggregate principal amount, currency, form (which may be registered, bearer, certificated or global), authorized denominations, maturity, rate (or manner of calculating the rate) and time of payment of interest, terms for redemption at our option or repayment at the holder's option, terms for sinking fund payments, terms for conversion into shares of our common stock or preferred stock, covenants and any initial public offering price;

in the case of our common stock, any initial public offering price;

in the case of our preferred stock, the specific designation, preferences, conversion and other rights, voting powers, restrictions, limitations as to transferability, dividends and other distributions and terms and conditions of redemption and any initial public offering price;

in the case of depositary shares, the fraction of a share of preferred stock represented by each such depositary share and any initial public offering price; and

in the case of warrants, whether such warrants will be exercisable for our debt securities, common stock, preferred stock or depositary shares and the duration, exercise price and any initial public offering price.

In addition, the specific terms may include limitations on actual, beneficial or constructive ownership and restrictions on transfer of the securities, in each case as may be appropriate, among other purposes, to preserve our status as a real estate investment trust, or REIT, for United States federal income tax purposes. The applicable prospectus supplement or other offering materials may also contain information, where applicable, about United States federal income tax considerations relevant to, and any exchange listing of, the securities covered by the prospectus supplement or other offering materials, as the case may be.

Investing in our securities involves risks. See "Risk Factors" on page 4 of this prospectus.

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Our common stock is traded on the New York Stock Exchange under the symbol "O." On February 21, 2013, the last reported sale price of the common stock on the New York Stock Exchange was \$44.30 per share.

Our securities may be offered directly, through agents designated from time to time by us, or to or through underwriters or dealers. If any agents or underwriters are involved in the sale of any of our securities, their names, and any applicable purchase price, fee, commission or discount arrangement between or among them, will be set forth, or will be calculable from the information set forth, in the applicable prospectus supplement or other offering materials. This prospectus may not be used to consummate sales of the offered securities unless it is accompanied by a prospectus supplement describing the method and terms of the offering of those offered securities.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

The date of this prospectus is February 22, 2013.

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ABOUT THIS PROSPECTUS

Unless this prospectus otherwise indicates or the context otherwise requires, all references to "Realty Income," "our," "us" and "we" in this prospectus mean Realty Income Corporation and its subsidiaries on a consolidated basis.

This prospectus is part of an automatic shelf registration statement that we filed with the Securities and Exchange Commission, or the SEC, as a "well-known seasoned issuer" as defined in Rule 405 under the Securities Act of 1933, as amended, or the Securities Act, utilizing a "shelf" registration process for the delayed offering and sale of securities pursuant to Rule 415 under the Securities Act. Under this shelf registration process, we may, from time to time, sell any of the securities, or any combination of the securities, described in this prospectus in one or more offerings. This prospectus only provides you with a general description of the securities that we may offer. Each time we sell securities, we will provide a prospectus supplement or other offering materials that will contain specific information about the terms of that offering. The prospectus supplement or other offering materials may also add, update or change information contained in this prospectus. You should read both this prospectus and any prospectus supplement or other offering materials together with additional information described under the headings "Where You Can Find More Information" and "Incorporation by Reference." If there is any inconsistency between the information in this prospectus and any applicable prospectus supplement or other offering materials, you should rely on the information in the applicable prospectus supplement or other offering materials.

As allowed by SEC rules, this prospectus does not contain all the information you can find in the registration statement or the exhibits to the registration statement. For further information, we refer you to the registration statement, including its exhibits and schedules. Statements contained in this prospectus about the provisions or contents of any contract, agreement or any other document referred to are not necessarily complete. For each of these contracts, agreements or documents filed as an exhibit to the registration statement, we refer you to the actual exhibit for a more complete description of the matters involved. You should rely only on the information contained or incorporated by reference in this prospectus and in any supplement to this prospectus or, if applicable, any other offering materials we may provide you. We have not authorized any other person to provide you with different information. If anyone provides you with different or inconsistent information, you should not

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rely on it. You should assume that the information appearing in this prospectus, the accompanying prospectus supplement or any other offering materials is accurate only as of the date on their respective covers, and you should assume that the information appearing in any document incorporated or deemed to be incorporated by reference in this prospectus or any accompanying prospectus supplement is accurate only as of the date that document was filed with the SEC. Our business, financial condition, results of operations and prospects may have changed since those dates.

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THE COMPANY

Realty Income Corporation, The Monthly Dividend Company®, is a publicly traded 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 portfolio of properties leased to commercial enterprises. We have in-house acquisition, leasing, legal, credit research, real estate research, portfolio management, and capital markets expertise. Over the past 44 years, Realty Income and its predecessors have been acquiring and owning freestanding commercial properties that generate rental revenue under long-term lease agreements.

In 1994, Realty Income was listed upon the New York Stock Exchange and 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 distributions to common stockholders and FFO per share through both active portfolio management and the acquisition of additional properties.

Generally, our portfolio management efforts seek to achieve:

Contractual rent increases on existing leases;

Rent increases at the termination of existing leases, when market conditions permit; and

The active management of our property portfolio, including re-leasing vacant properties, and selectively selling properties, thereby mitigating our exposure to certain tenants and markets.

In acquiring additional properties, our strategy is primarily to acquire properties that are:

Freestanding, single-tenant locations;

Leased to regional and national commercial enterprises; and

Leased under long-term, net-lease agreements.

At December 31, 2012, we owned a diversified portfolio:

Of 3,013 properties;

With an occupancy rate of 97.2%, or 2,929 properties leased and only 84 properties available for lease;

Leased to 150 different commercial enterprises doing business in 44 separate industries;

Located in 49 states;

With over 37.6 million square feet of leasable space; and

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With an average leasable space per property of approximately 12,500 square feet.

Of the 3,013 properties in the portfolio at December 31, 2012, 2,996, or 99.4%, were single-tenant properties, and the remaining 17 were multi-tenant properties. At December 31, 2012, of the 2,996 single-tenant properties, 2,913 were leased with a weighted average remaining lease term (excluding rights to extend a lease at the option of the tenant) of approximately 11.0 years.

We typically acquire properties under long-term leases with regional and national retailers and other commercial enterprises. Our acquisition and investment activities generally focus on businesses providing goods and services that satisfy basic consumer and business needs. In general, our net-lease agreements:

Are for initial terms of 10 to 20 years;

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Require the tenant to pay minimum monthly rent and property operating expenses (taxes, insurance and maintenance); and

Provide for 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.

We commenced operations as a REIT on August 15, 1994 through the merger of 25 public and private real estate limited partnerships. Each of the partnerships was formed between 1970 and 1989 for the purpose of acquiring and managing long-term, net-leased properties.

Our common stock is listed on The New York Stock Exchange, or NYSE, under the ticker symbol "O" with a cusip number of 756109-104. Our central index key number is 726728. Our 6.75% Monthly Income Class E cumulative redeemable preferred stock, or Class E preferred stock, is listed on the NYSE under the ticker symbol "OprE" with a cusip number of 756109-708. Our 6.625% Monthly Income Class F cumulative redeemable preferred stock, or Class F preferred stock, is listed on the NYSE under the ticker symbol "OprF" with a cusip number of 756109-807.

Our principal executive offices are located at 600 La Terraza Boulevard, Escondido, California 92025-3873. Our telephone number is (760) 741-2111.

RISK FACTORS

Investing in our securities involves risks. In evaluating an investment in our securities, you should carefully consider the risk factors described under the caption "Risk Factors" in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q, which are incorporated or deemed to be incorporated by reference in this prospectus, in addition to the other risks and uncertainties described in the documents incorporated and deemed to be incorporated by reference herein and described in the applicable prospectus supplement and any other offering materials we may provide you in connection with an offering of our securities. As used under the captions "Risk Factors" in our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q, references to our capital stock include both our common stock and any class or series of our preferred stock and references to our stockholders include holders of our common stock and any class or series of our preferred stock, in each case unless otherwise expressly stated or the context otherwise requires. Please also refer to the section below entitled "Forward Looking Statements."

FORWARD-LOOKING STATEMENTS

This prospectus and the documents incorporated by reference herein contain, and any related prospectus supplements, other offering materials and documents deemed to be incorporated by reference herein or therein may contain, 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 Securities Exchange Act of 1934, as amended, or the Exchange Act. When used in this prospectus, 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. 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;

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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;

our recent acquisition of American Realty Capital Trust, Inc.;

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 proceeding 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 our most recent Annual Report on Form 10-K and any subsequent Quarterly Reports on Form 10-Q and also include risk factors and other information discussed in other documents that are incorporated or deemed to be incorporated by reference in this prospectus.

Readers are cautioned not to place undue reliance on forward-looking statements contained or incorporated by reference in this prospectus, which speak only as of the date of this prospectus or the date of the incorporated document, as the case may be. We undertake no obligation to update any information contained herein or incorporated herein by reference or 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 prospectus or to reflect the occurrence of

unanticipated events. In light of these risks and uncertainties, the forward-looking events discussed in this prospectus and the documents incorporated by reference herein might not occur.

USE OF PROCEEDS

Unless otherwise described in the applicable prospectus supplement or other offering materials, we intend to use the net proceeds from the sale of our securities for general corporate purposes, which may include, among other things, the repayment or repurchase of our indebtedness, the development and acquisition of additional properties and other acquisition transactions, and the expansion and improvement of certain properties in our portfolio.

Table of Contents**RATIOS OF EARNINGS FROM CONTINUING OPERATIONS TO FIXED CHARGES AND COMBINED FIXED CHARGES AND PREFERRED STOCK DIVIDENDS**

The following table sets forth the ratios of earnings from continuing operations to fixed charges and the ratios of earnings from continuing operations to combined fixed charges and preferred stock dividends for the periods shown. The ratios of earnings from continuing operations to fixed charges were computed by dividing our earnings from continuing operations by our fixed charges. For this purpose, earnings from continuing operations consist of income from continuing operations before interest expense. Fixed charges consist of interest costs (including capitalized interest) and the amortization of debt issuance costs. In computing the ratios of earnings from continuing operations to combined fixed charges and preferred stock dividends, preferred stock dividends consist of dividends on our 7.375% Monthly Income Class D cumulative redeemable preferred stock, or Class D preferred stock, Class E preferred stock and our Class F preferred. On May 27, 2004 and October 19, 2004, we issued 4,000,000 shares and 1,100,000 shares, respectively, of our Class D preferred stock. We redeemed all of the outstanding shares of our Class D preferred stock on March 1, 2012. On December 7, 2006, we issued 8,800,000 shares of our Class E preferred stock. On February 7, 2012 and April 19, 2012, we issued 14,950,000 shares and 1,400,000 shares, respectively, of our Class F preferred stock.

	Year Ended December 31,				
	2012	2011	2010	2009	2008
Ratio of Earnings from Continuing Operations to Fixed Charges	2.2x	2.3x	2.2x	2.3x	2.1x
Ratio of Earnings from Continuing Operations to Combined Fixed Charges and Preferred Stock Dividends	1.6x	1.9x	1.8x	1.8x	1.6x

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DESCRIPTION OF DEBT SECURITIES

General

This prospectus describes certain general terms and provisions of our debt securities. When we offer to sell a particular series of debt securities, we will describe the specific terms of the series in a prospectus supplement, a pricing supplement or other offering materials. We will also indicate in the supplement or other offering materials whether the general terms and provisions described in this prospectus apply to a particular series of debt securities. Our debt securities will be our direct obligations and they may be secured or unsecured, senior or subordinated indebtedness. We may issue our debt securities under one or more indentures. Each indenture and the certificate or certificates evidencing the debt securities of each series will be in the form filed or incorporated by reference as an exhibit to the Registration Statement containing this prospectus, a post-effective amendment to the Registration Statement or a document incorporated by reference herein and may be obtained as described below under "Where You Can Find More Information." The form of indenture is subject to any amendments or supplements that may be adopted from time to time. We will enter into each indenture with a trustee and the trustee for each indenture may be the same. Each indenture will be subject to, and governed by, the Trust Indenture Act of 1939, as amended. Unless otherwise expressly stated in the applicable prospectus supplement, the debt securities will be issued under an indenture as of October 28, 1998 between us and The Bank of New York Mellon Trust Company, N.A., as successor trustee, a copy of which has been incorporated by reference as an exhibit to the Registration Statement containing this prospectus. Because this description of debt securities is a summary, it does not contain all the information that may be important to you and this description is subject to, and qualified in its entirety by reference to, the form of the applicable indenture and the certificate evidencing the debt securities of the applicable series. You should read the applicable indenture and the form of certificate evidencing the applicable debt securities in their entirety to assure that you have all the important information you need to make any required decisions. Unless otherwise expressly stated or the context otherwise requires, all references to the "Company," "Realty Income," "our," "we" and "us" and all similar references appearing under this caption "Description of Debt Securities" mean Realty Income Corporation excluding its subsidiaries. All other capitalized terms used, but not defined, in this section shall have the meanings set forth in the applicable indenture.

Terms

The particular terms of any series of our debt securities will be described in a prospectus supplement or other offering materials. Additionally, any applicable modifications of or additions to the general terms of our debt securities, described in this prospectus and in the applicable indenture, will also be described in a prospectus supplement or other offering materials. Accordingly, for a description of the terms of any series of our debt securities, you must refer to both the prospectus supplement or other offering materials, if any, relating to those debt securities and the description of the debt securities set forth in this prospectus. If any particular terms of our debt securities, described in a prospectus supplement or other offering materials, differ from any of the terms described in this prospectus, then those terms as set forth in the relevant prospectus supplement or other offering materials will control.

Except as set forth in any prospectus supplement or other offering materials, our debt securities may be issued without limit as to aggregate principal amount, in one or more series, in each case as established from time to time by our board of directors, a committee of the board of directors or as set forth in the applicable indenture or one or more supplements to that indenture. All of our debt securities of one series need not be issued at the same time, and unless otherwise provided, a series may be reopened for issuance of additional debt securities without the consent of the holders of the debt securities of that series.

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Each indenture will provide that we may, but need not, designate more than one trustee for the indenture, each with respect to one or more series of our debt securities. Any trustee under an indenture may resign or be removed with respect to one or more series of our debt securities, and a successor trustee may be appointed to act with respect to that series. If two or more persons are acting as trustee to different series of our debt securities, each trustee shall be a trustee of a trust under the applicable indenture separate and apart from the trust administered by any other trustee and, except as otherwise indicated in this prospectus, any action taken by a trustee may be taken by that trustee with respect to, and only with respect to, the one or more series of debt securities for which it is trustee under the applicable indenture.

This summary sets forth certain general terms and provisions of our indentures and our debt securities. For a detailed description of a specific series of debt securities, you should consult the prospectus supplement or other offering materials for that series. The prospectus supplement or other offering materials will contain the following information, to the extent applicable:

- (1) the title and ranking of those debt securities;
- (2) the aggregate principal amount of those debt securities and any limitation thereon;
- (3) the price (expressed as a percentage of the principal amount of those debt securities) at which those debt securities will be issued and, if other than the principal amount of those debt securities, the portion of the principal amount payable upon declaration of acceleration of the maturity thereof, or (if applicable) the portion of the principal amount of those debt securities that is convertible into common stock or preferred stock, or the method by which any convertible portion of those debt securities shall be determined;
- (4) if those debt securities are convertible, the terms on which they are convertible, including the initial conversion price or rate and conversion period and, in connection with the preservation of our status as a REIT, any applicable limitations on the ownership or transferability of the common stock or the preferred stock into which those debt securities are convertible;
- (5) the date or dates, or the method for determining the date or dates, on which the principal of those debt securities will be payable;
- (6) the rate or rates (which may be fixed or variable), or the method by which the rate or rates shall be determined, at which those debt securities will bear interest, if any;
- (7) the date or dates, or the method for determining the date or dates, from which any interest will accrue, the dates upon which that interest will be payable, the record dates for payment of that interest, or the method by which any of those dates shall be determined, the persons to whom that interest shall be payable, and the basis upon which that interest shall be calculated if other than that of a 360-day year of twelve 30-day months;
- (8) the place or places where the principal of (and premium, if any) and interest, if any, on debt securities will be payable, where debt securities may be surrendered for conversion, registration of transfer or exchange and where notices or demands to or upon us relating to debt securities and the indenture may be served;
- (9) the period or periods, if any, within which, the price or prices at which, and the terms and conditions upon which those debt securities may be redeemed, as a whole or in part, at our option;
- (10) our obligation, if any, to redeem, repay or purchase those debt securities pursuant to any sinking fund or analogous provision or at the option of a holder of those debt securities, and the period or periods within which, the price or prices at which, and the terms and conditions

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- upon which, those debt securities will be redeemed, repaid or purchased, as a whole or in part, pursuant to this obligation;
- (11) if other than U.S. dollars, the currency or currencies in which those debt securities are denominated and payable, which may be a foreign currency or units of two or more foreign currencies or a composite currency or currencies, and the terms and conditions relating thereto;
- (12) whether the amount of payments of principal of (and premium, if any) or interest, if any, on those debt securities may be determined with reference to an index, formula or other method (which index, formula or method may, but need not be based on a currency, currencies, currency unit or units or composite currency or currencies) and the manner in which those amounts shall be determined;
- (13) whether those debt securities will be issued in certificated and/or book-entry form, and, if in book-entry form, the identity of the depository for those debt securities;
- (14) whether those debt securities will be in registered or bearer form and, if in registered form, the denominations thereof if other than \$2,000 and any integral multiple of \$1,000 in excess thereof and, if in bearer form, the denominations thereof and terms and conditions relating thereto;
- (15) the applicability, if any, of the defeasance and covenant defeasance provisions described herein or set forth in the applicable indenture, or any modification of the indenture;
- (16) any deletions from, modifications of or additions to the events of default or our covenants with respect to those debt securities;
- (17) whether and under what circumstances we will pay any additional amounts on those debt securities in respect of any tax, assessment or governmental charge and, if so, whether we will have the option to redeem those debt securities in lieu of making this payment;
- (18) the subordination provisions, if any, relating to those debt securities;
- (19) the provisions, if any, relating to any security provided for those debt securities; and
- (20) any other terms of those debt securities.