

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name		<b>2</b> Issuer's employer identification number (EIN)	
Realty Income Corporation		33-0580106	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact	<b>5</b> Email address of contact	
	760-741-2111		
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact		<b>7</b> City, town, or post office, state, and Zip code of contact	
600 La Terraza Blvd		Escondido, CA 92025-3873	
<b>8</b> Date of action		<b>9</b> Classification and description	
See attached exhibit		Common Stock	
<b>10</b> CUSIP number	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol	<b>13</b> Account number(s)
756109-104		O	

**Part II Organizational Action** Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Realty Income Corporation distributed monthly cash distributions to its common shareholders for the 2011 tax year. A portion of these distributions, equaling 20.6054%, represent a non-dividend distribution. See the attached exhibit for a listing of Realty Income's distributions in 2011 to its common shareholders.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The basis of the security should be reduced by 20.6054% of the total distributions received in 2011.

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The non-dividend distribution represents distributions associated with the 2011 tax year which are in excess of the current year and accumulated earnings and profits.





**COMMON STOCK, SYMBOL "O", TRADED ON THE NYSE**

**2011 Year-End Tax Reporting Information (\*\*FINAL\*\*)**

This information is being provided for tax reporting purposes only

Cusip Number 756109104

FEI 33-0580106

Payable Date	Total Distribution Per Share	Total Ordinary Dividends (see notes 1, 2 and 3)	Qualified Dividends	Total Capital Gain Distribution	Unrecaptured Section 1250 Gain	Nondividend Distributions (return of capital)	Nondividend Distributions Percentage
01/18/2011	\$0.1442500	\$0.1145267	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0297233	20.6054%
02/15/2011	\$0.1442500	\$0.1145267	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0297233	20.6054%
03/15/2011	\$0.1442500	\$0.1145267	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0297233	20.6054%
04/15/2011	\$0.1445625	\$0.1147748	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0297877	20.6054%
05/16/2011	\$0.1445625	\$0.1147748	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0297877	20.6054%
06/15/2011	\$0.1445625	\$0.1147748	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0297877	20.6054%
07/15/2011	\$0.1448750	\$0.1150229	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0298521	20.6054%
08/15/2011	\$0.1448750	\$0.1150229	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0298521	20.6054%
09/15/2011	\$0.1448750	\$0.1150229	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0298521	20.6054%
10/17/2011	\$0.1451875	\$0.1152711	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0299164	20.6054%
11/15/2011	\$0.1451875	\$0.1152710	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0299165	20.6054%
12/15/2011	\$0.1451875	\$0.1152710	\$0.0000000	\$0.0000000	\$0.0000000	\$0.0299165	20.6054%
<b>TOTALS FOR 2011</b>	<b>\$1.7366250</b>	<b>\$1.3787863</b>	<b>\$0.0000000</b>	<b>\$0.0000000</b>	<b>\$0.0000000</b>	<b>\$0.3578387</b>	<b>20.6054%</b>

**Report Date: January 13, 2012**

Note 1. There were no section 852(b)(7) split year dividends for 2010 or 2012.

Note 2. Box 6. No foreign tax was paid.

Note 3. Box 8 and 9. No liquidation distributions were paid.

Should you have any questions, please contact Shareowner Services at (800) 656-5432

Only for purposes of calculating alternative minimum taxable (AMT) income under Section 55 of the Internal Revenue Code of 1986, the Company apportioned \$0.0520244 per common share attributable to AMT depreciation assuming a full year of ownership. Shareholders are encouraged to consult with their tax advisors as to their specific tax treatment of Realty Income Corporation dividends.