

REALTY INCOME CORPORATION

CODE OF BUSINESS ETHICS

INTRODUCTION

Realty Income Corporation (the "Company") acts in accordance with high standards of ethics. Employees should understand these standards and conduct their business on behalf of the Company accordingly. This Code of Business Ethics contains general ethical guidelines for conducting the business of the Company. To the extent this Code requires a higher standard than required by commercial practice or applicable laws, rules or regulations, we adhere to these higher standards. This Code applies to all of our directors, officers and employees. We refer to all persons covered by this Code as "employees." We also refer to our chief executive officer, our principal financial officer and our controller as our "principal financial officers."

COMPLIANCE WITH LAWS, RULES & REGULATIONS

Each employee has an obligation to comply with all laws, rules and regulations applicable to the Company's operations. These include, without limitation, laws covering bribery and kickbacks, copyrights, trademarks and trade secrets, information privacy, insider trading, illegal political contributions, antitrust prohibitions, foreign corrupt practices, offering or receiving gratuities, environmental hazards, employment discrimination or harassment, occupational health and safety, false or misleading financial information or misuse of corporate assets. All employees are expected to understand and comply with laws, rules and regulations that apply to their position. If any doubt exists about whether a course of action is lawful, the employee should seek advice from the Executive Vice President, General Counsel.

CONFLICT OF INTEREST

A conflict of interest can occur when an employee's private interest interferes, or appears to interfere, with the interests of the Company as a whole. Employees should avoid any private interest that influences their ability to act in the interests of the Company or that makes it difficult to perform their work objectively and effectively.

1. The Company's reputation for integrity is its most valuable asset. This reputation must be guarded by employee conduct which assures that there be no conflict -- or even the appearance of a conflict -- between the self-interest of any employee and that employee's duty to the Company, its investors or its customers.
2. An employee's position with the Company must never be used -- directly or indirectly -- for private gain to the employee, the employee's family or any other person.
3. Existing account relationships should have absolutely no bearing on the award of contracts, orders and commitments to vendors and suppliers. Purchases on behalf of the Company are to be made solely on the basis of price, quality and services.
4. An employee may not accept any personal fee or other form of remuneration from any outside source in connection with any transaction on behalf of the Company.
5. Under no circumstances should an employee enter into arrangements with competitors which might disrupt the free flow of trade or restrict competition.

6. Each employee must disclose to his/her supervisor and the Executive Vice President, General Counsel any substantial personal or family ownership or beneficial interest in customers, suppliers or competitors of the Company. No employee may act on behalf of the Company in any transaction involving organizations in which such ownership or interest exists. No employee should be employed by, serve as a director of, or provide any services to a company that is a material customer, supplier or competitor of the Company.
7. No employee may accept any compensation, gratuity, gift of money or anything else of value from an existing or prospective customer or vendor of the Company, or other outside party, where the intent or effect is to give unfair advantage or influence decisions with respect to any services, transactions or business of the Company. Likewise, no employee may offer or extend any compensation, gratuity, gift of money or anything else of value to any outside party or agency, where the intent or effect is to give unfair advantage or influence decisions with respect to any services, transactions or business of the Company.
8. No employee should obtain loans or guarantees of personal obligations from, or enter into any other personal financial transaction with any company that is a material customer, supplier or competitor of the Company. This guideline does not prohibit arms-length transactions with banks, brokerage firms or other financial institutions.
9. No employee should serve on a board of directors or trustees or on a committee of any entity (whether profit or not-for-profit) whose interests reasonably would be expected to conflict with those of the Company.
10. The actions of family members outside the workplace may also give rise to the conflicts of interest described above because they may influence an employee's objectivity in making decisions on behalf of the Company. For purposes of the Code, "family members" include your spouse or life-partner, brothers, sisters and parents, in-laws and children whether such relationships are by blood or adoption, or persons living under the same household.

The Company requires that employees disclose any situations that reasonably would be expected to give rise to a conflict of interest. If an employee suspects that he/she has a conflict of interest, or something that others could reasonably perceive as a conflict of interest, he/she must report it to his/her supervisor and the Executive Vice President, General Counsel. The supervisor and Executive Vice President, General Counsel will work with the employee to determine whether he/she has a conflict of interest and, if so, how best to address it. Although conflicts of interest are not automatically prohibited, they are not desirable and may only be waived as described in "Waivers of the Code" below.

FULL AND FAIR DISCLOSURE

COMPANY RECORDS

Accurate and reliable records are crucial to the Company's business. Its records are the basis of the Company's earnings statements, financial reports and other disclosures to the public and guide business decision-making and strategic planning. Company records include payroll, timecards, travel and expense reports, emails, accounting and financial data, measurement and performance records, electronic data and all other records maintained in the ordinary course of business.

All Company records must be complete, accurate and reliable in all material respects. Undisclosed or unrecorded funds, payments or receipts are inconsistent with the Company's business practices and are prohibited. Employees are responsible for understanding and complying with the Company's record keeping policy.

Accounting records must accurately, completely and properly describe the transactions they record. All assets, liabilities, revenues and expenses of the Company and its affiliates must be recorded in their regular books.

The Company will not conceal information from authorized auditors or regulatory agencies and will disclose, on a timely basis, information required to evaluate the soundness of its financial condition and the propriety of its operations.

ACCURACY OF FINANCIAL REPORTS AND OTHER PUBLIC COMMUNICATIONS

As a public company we are subject to various securities laws, regulations and reporting obligations. Both federal law and Company policies require the disclosure of accurate and complete information regarding the Company's business, financial condition and results of operations. Inaccurate, incomplete or untimely reporting will not be tolerated and can severely damage the Company and result in legal liability.

The Company's principal financial officers and other employees working in the Accounting Department have a special responsibility to ensure that all financial disclosures are full, fair, accurate, timely and understandable. These employees must understand and strictly comply with generally accepted accounting principles and all standards, laws and regulations for accounting and financial reporting of transactions, estimates and forecasts.

CORPORATE OPPORTUNITIES

Employees of the Company have an obligation to advance the Company's interests when the opportunity to do so arises. If an employee discovers or is presented with a business opportunity, through the use of corporate property, information, or because of their position with the Company that is in the Company's line of business, the employee should first present the business opportunity to the Company before pursuing the opportunity in an individual capacity. No employee may use corporate property, information of his or her position with the Company for personal gain nor should they compete with the Company.

Employees should disclose to their supervisor and the Executive Vice President, General Counsel the terms and conditions of each business opportunity covered by this Code that they wish to pursue. The supervisor, the Executive Vice President, General Counsel, and the appropriate management personnel will advise the CEO, who will determine whether the Company wishes to pursue the business opportunity. If the Company waives its right to pursue the business opportunity and provides the employee specific authorization to pursue, that employee may pursue the business opportunity only on the same terms and conditions as originally proposed and consistent with the other ethical guidelines set forth in this Code.

CONFIDENTIAL INFORMATION

Employees have access to a variety of confidential information while employed at the Company. Confidential information includes all non-public information that might be of use to competitors, or, if disclosed, harmful to the Company or its customers. Employees have a duty to safeguard all confidential information of the Company or third parties with which the Company conducts business, except when disclosure is authorized or legally mandated. An employee's obligation to protect confidential information continues after he or she leaves the Company.

An employee in possession of Realty Income's Trade Secrets, as defined in the Employee Handbook or other non-public information from any source is prohibited from using such information other than in connection with the Company's legitimate business activities. This obligation continues after he or she leaves the Company.

Any questions or concerns regarding whether disclosure of Company information is legally mandated should be promptly referred to the Executive Vice President, General Counsel.

SECURITIES TRADES

It is both illegal and against Company policy for any employee, officer or director who is aware of material, nonpublic information relating to the Company, any of the Company's tenants or related parties to purchase or sell any securities of those issuers, or recommend that another person purchase, sell or hold the securities of those issuers.

All employees must comply with the Company's Policy on Securities Trades. More detailed rules governing the trading of Company securities by employees are set forth in the Company's Policy on Securities Trades, located in the Employee Handbook.

COMPETITION AND FAIR DEALING

All employees should endeavor to deal fairly with fellow employees and with the Company's customers, suppliers and competitors. Employees should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation or omission of material facts or any other unfair-dealing practice.

PROTECTION AND USE OF COMPANY ASSETS

Employees should protect the Company's assets and ensure their efficient use for legitimate business purposes only. Theft, carelessness and waste have a direct impact on the Company's profitability. The use of Company funds or assets, whether or not for personal gain, for any unlawful or improper purpose is prohibited.

To ensure the protection and proper use of the Company's assets, each employee should:

- Exercise reasonable care to prevent theft, damage or misuse of Company property.
- Report the actual or suspected theft, damage or misuse of Company property to a supervisor.
- Use the Company's telephone system, other electronic communication services, written materials and other property primarily for business-related purposes.

- Safeguard all electronic programs, data, communications and written materials from inadvertent access by others.
- Use Company property only for legitimate business purposes, as authorized in connection with your job responsibilities.

Employees should be aware that Company property includes all data and communications transmitted or received to or by, or contained in, the Company's electronic or telephonic systems. Company property also includes all written communications. Employees and other users of this property should have no expectation of privacy with respect to these communications and data. To the extent permitted by law, the Company has the ability, and reserves the right, to monitor all electronic and telephonic communication. These communications may also be subject to disclosure to law enforcement or government officials.

CONTRIBUTIONS TO POLITICAL PARTIES OR CANDIDATES AND PAYMENTS TO GOVERNMENTAL OR POLITICAL OFFICIALS

No corporate payments or gifts of value may be made to any outside party, including any government or political official, or political party or candidate, foreign or domestic for the purpose of securing business for the Company, or influencing a decision on its behalf. While it long has been the Company's practice to prohibit such payments, employees at all levels must be aware that under the Foreign Corrupt Practices Act (FCPA) and Election Laws, severe penalties may be imposed on any individual who violates the provisions of these laws, in addition to the penalties imposed on the individual's employer.

The FCPA laws prohibit making a payment or offering anything of value to a foreign government official or government agency to impact a decision to obtain, retain or influence business. The Company abides by the FCPA requirements and expects all employees to comply with these regulations.

COOPERATION AND CANDOR WITH MANAGEMENT AND OTHER PARTIES

1. Each employee must report to his/her supervisor and the Executive Vice President, General Counsel every work-related event of questionable, fraudulent or criminal nature of which such employee becomes aware, whether the activity involves employees, outsiders or any combination thereof. Every employee shall cooperate fully with internal and external investigators. Offenders will be prosecuted to the fullest extent of the law.
2. The employee's supervisor and the Executive Vice President, General Counsel must be informed of matters which might adversely affect the reputation of the Company or be a threat to its assets. Complete candor with management in such instances is absolutely necessary. Similarly, no information shall be withheld from the Company's independent and internal auditors, attorneys, compliance and security personnel or other parties acting on its behalf.
3. Any employee who has knowledge or suspicion of a misappropriation of property or funds, a dishonest act or similar misconduct by anyone involving the Company and does not take proper action to report that knowledge or suspicion to his or her supervisor and the Executive Vice President, General Counsel is considered to be an

accessory to that irregularity and is acting contrary to the trust placed in him/her by the Company.

4. Any fraudulent, dishonest or criminal act may jeopardize an employee's bonding eligibility and subject the Company to potential liability. Fraudulent, dishonest or criminal acts must be immediately reported to the employee's supervisor and the Executive Vice President, General Counsel.

EMPLOYMENT PRACTICES

EQUAL EMPLOYMENT OPPORTUNITY

The Company has a long-standing commitment to equal employment opportunity. Providing equal opportunity is consistent with its moral commitment as well as a sound business objective that allows the Company to make effective use of its human resources and helps to secure profitable growth. The Company's policy is to provide equal employment opportunities to all persons without unlawful considerations based on race, color, sex, marital status, creed, national origin, age, or physical or mental disability or any other legally protected category. This policy prohibits unlawful harassment based on any of the foregoing, including sexual harassment. Additionally, the Company prohibits retaliation against an employee who, in good faith, seeks help or reports known or suspected violations. Any reprisal or retaliation against an employee because the employee, in good faith, sought help or filed a report will be subject to disciplinary action, including potential termination of employment.

The Equal Employment Opportunity Policy is a mandatory guideline for all Human Resources activities including recruitment, hiring, testing, training, transfer, performance appraisals, promotion, demotion, compensation, termination, employee benefits and social programs. All employees are required to comply with both the letter and spirit of this policy.

More detailed information governing the Company's employment practices is set forth in the Company's Employee Handbook.

CONDITIONS OF EMPLOYMENT

None of the policies contained herein are intended to create any contractual obligation which in any way conflicts with the Company's policy of employment at will, unless an employee has executed a written employment agreement. Each employee has the right to resign from the Company with or without cause at any time. Conversely, the Company has the right to terminate the employment of any employee with or without cause at any time in its sole discretion, unless an employee has executed a written employment agreement. The at will employment relationship cannot be altered except by a specific written agreement signed by the Chief Executive Officer, President or Executive Vice President, General Counsel.

REPORTING OF CODE VIOLATIONS

Each employee is required to report any known or suspected violations of this Code to his/her supervisor or the Executive Vice President, General Counsel. Failure to do so can in itself be considered a violation of the Code.

Anonymous reporting may be made by calling (866) 384-4277 or on-line at www.ethicspoint.com.

All questions of interpretation or application of this Code, the propriety of an action not covered in the Code or any other compliance related issue, should be referred by the employee to the Executive Vice President, General Counsel.

WAIVERS OF THE CODE

Waivers of this Code for employees may be made only by the Chief Executive Officer of the Company. Any waiver of this Code for our directors, executive officers or other principal financial officers may be made only by our Board of Directors and will be disclosed to the public as required by law or the rules of the New York Stock Exchange.

I have read and I understand the Code and I agree to observe same.

(Signature)

(Print Name)

Date: _____