

## Realty Income To Commence Exchange Offers And Consent Solicitations

10.08.2021

SAN DIEGO, Oct. 8, 2021 /PRNewswire/ – Realty Income Corporation (Realty Income, NYSE: O), The Monthly Dividend Company®, today announced that it will commence offers to exchange all validly tendered and accepted notes of the following series issued by VEREIT Operating Partnership, L.P. ("VEREIT"), for notes to be issued by Realty Income as described below (collectively the "Realty Notes"). A Registration Statement on Form S-4 (the "Registration Statement") relating to the issuance of the Realty Notes was filed with the Securities and Exchange Commission ("SEC") on October 8, 2021, but has not yet been declared effective.



- 4.600% Notes due 2024 issued by VEREIT (the "2024 Notes") for up to an aggregate principal amount of \$500,000,000 of new 4.600% Notes due 2024 issued by Realty Income (the "New 2024 Notes");
- 4.625% Notes due 2025 issued by VEREIT (the "2025 Notes") for up to an aggregate principal amount of \$550,000,000 of new 4.625% Notes due 2025 issued by Realty Income (the "New 2025 Notes");
- 4.875% Notes due 2026 issued by VEREIT (the "2026 Notes") for up to an aggregate principal amount of \$600,000,000 of new 4.875% Notes due 2026 issued by Realty Income (the "New 2026 Notes");
- 3.950% Notes due 2027 issued by VEREIT (the "2027 Notes") for up to an aggregate principal amount of \$600,000,000 of new 3.950% Notes due 2027 issued by Realty Income (the "New 2027 Notes");
- 3.400% Notes due January 2028 issued by VEREIT (the "January 2028 Notes") for up to an aggregate principal amount of \$600,000,000 of new 3.400% Notes due January 2028 issued by Realty Income (the "New January 2028 Notes");
- 2.200% Notes due June 2028 issued by VEREIT (the "June 2028 Notes") for up to an aggregate principal amount of \$500,000,000 of new 2.200% Notes due June 2028 issued by Realty Income (the "New June 2028 Notes");
- 3.100% Notes due 2029 issued by VEREIT (the "2029 Notes") for up to an aggregate principal amount of \$600,000,000 of new 3.100% Notes due 2029 issued by Realty Income (the "New 2029 Notes");
- 2.850% Notes due 2032 issued by VEREIT (the "2032 Notes") for up to an aggregate principal amount of \$700,000,000 of new 2.850% Notes due 2032 issued by Realty Income (the "New 2032 Notes").

The following table sets forth the Exchange Consideration (as defined herein), Early Participation Premium (as defined herein) and Total Consideration (as defined herein) for each series of VEREIT Notes:

Aggregate Principal Amount (\$mm)	Series of Notes Issued by VEREIT to be Exchanged (Collectively, the "VEREIT Notes")	CUSIP No.	Series of Notes to be Issued by Us (Collectively, the "Realty Notes")	Early		Total Consideration <sup>(1)</sup> (2)(3)		
				Exchange Consideration <sup>(1)</sup> (2)	Participation Premium <sup>(1)</sup> (2)			
				Realty Notes (principal amount)	Cash	Realty Notes (principal amount)	Cash	
\$500	4.600% Notes due 2024	03879QAF1	4.600% Notes due 2024	\$970	\$1.00	\$30	\$1,000	\$1.00

\$550	4.625% Notes due 2025	92340LAD1	4.625% Notes due 2025	\$970	\$1.00	\$30	\$1,000	\$1.00
\$600	4.875% Notes due 2026	92340LAA7	4.875% Notes due 2026	\$970	\$1.00	\$30	\$1,000	\$1.00
\$600	3.950% Notes due 2027	92340LAC3	3.950% Notes due 2027	\$970	\$1.00	\$30	\$1,000	\$1.00
\$600	3.400% Notes due January 2028	92340LAF6	3.400% Notes due January 2028	\$970	\$1.00	\$30	\$1,000	\$1.00
\$500	2.200% Notes due June 2028	92340LAH2	2.200% Notes due June 2028	\$970	\$1.00	\$30	\$1,000	\$1.00
\$600	3.100% Notes due 2029	92340LAE9	3.100% Notes due 2029	\$970	\$1.00	\$30	\$1,000	\$1.00
\$700	2.850% Notes due 2032	92340LAG4	2.850% Notes due 2032	\$970	\$1.00	\$30	\$1,000	\$1.00

<sup>(1)</sup> Consideration per \$1,000 principal amount of VEREIT Notes validly tendered, subject to any rounding as described herein.

<sup>(2)</sup> The term "Realty Notes" in this column refers, in each case, to the series of Realty Notes corresponding to the series of VEREIT Notes of like tenor and coupon.

<sup>(3)</sup> Includes the Early Participation Premium for VEREIT Notes validly tendered prior to the Early Consent Date described below and not validly withdrawn.

In connection with the exchange offers, Realty Income is also soliciting consents from holders of the VEREIT Notes to amend (the "Proposed Amendments") the indenture governing the VEREIT Notes to eliminate substantially all of the restrictive covenants in the indenture. If the Proposed Amendments are adopted, the VEREIT Notes will be governed by the amended indenture. Holders of the VEREIT Notes under the amended indenture will no longer receive annual, quarterly and other reports from VEREIT, and will no longer be entitled to the benefits of various covenants and other provisions in the indenture and certain other provisions.

The exchange offers and consent solicitations (together, the "Exchange Offers") will commence on October 8, 2021 and expire immediately following 11:59 p.m., New York City time, on November 5, 2021, unless extended or terminated (the "Expiration Date"). In exchange for each \$1,000 principal amount of the VEREIT Notes that is validly tendered prior to 5:00 p.m., New York City time, on October 22, 2021 (the "Early Consent Date") and not validly withdrawn, holders will receive the total exchange consideration set out in the table above (the "Total Consideration"), which consists of \$1,000 principal amount of the Realty Notes and a cash amount of \$1.00. The Total Consideration includes the early participation premium set out in the table above (the "Early Participation Premium"), which consists of \$30 principal amount of Realty Notes. In exchange for each \$1,000 principal amount of the VEREIT Notes that is validly tendered after the Early Consent Date but prior to the Expiration Date and not validly withdrawn, holders will receive only the exchange consideration set out in the table above (the "Exchange Consideration"), which is equal to the Total Consideration less the Early Participation Premium and so consists of \$970 principal amount of the Realty Notes and a cash amount of \$1.00.

Each Realty Note will have the same maturity date, accrue interest at the same annual interest rate, have the same interest payment dates, and same redemption terms as the VEREIT Note for which it is exchanged. Each Realty Note received in exchange for the corresponding VEREIT Note will accrue interest from (and including) the most recent date to which interest has been paid on such VEREIT Note; provided, that interest will only accrue with respect to the aggregate principal amount of the Realty Note received, which may be less than the principal amount of the VEREIT Note tendered for exchange. Except as otherwise set forth in the Prospectus (as defined below), payment will not be received for accrued and unpaid interest on the VEREIT Note exchanged at the time of the exchange.

The Realty Notes will be senior unsecured obligations of Realty Income and will rank equally in right of payment with all other existing and future senior indebtedness of Realty Income. The Realty Notes will be effectively subordinated in right of payment to all of Realty Income's existing and future secured indebtedness (to the extent of the value of the collateral securing

such indebtedness) and structurally subordinated to all obligations of Realty Income's subsidiaries with respect to the assets of such subsidiaries, other than any subsidiaries that may guarantee the Realty Notes in the future.

The consummation of the Exchange Offers is subject to, and conditional upon, the satisfaction or waiver (other than the waiver of the condition requiring consummation of the Mergers (as defined in the Prospectus)) of the conditions set forth in Realty Income's preliminary prospectus, dated as of October 8, 2021 (the "Prospectus"), including, among other things, (i) the consummation of the Mergers, which are currently expected to close in the fourth quarter of 2021 subject to customary closing conditions and (ii) receipt of valid consents to the proposed amendments from the holders of at least a majority of the outstanding aggregate principal amount of each series of the VEREIT Notes. Tendered VEREIT Notes, and related consents, may be validly withdrawn at any time prior to the Expiration Date and Realty Income may terminate or withdraw the Exchange Offers at any time for any reason.

The closing of the Mergers is not conditioned upon the completion of the Exchange Offers.

The dealer managers for the Exchange Offers are:

Goldman Sachs & Co. LLC	TD Securities (USA) LLC	Wells Fargo Securities, LLC
200 West Street	1 Vanderbilt Avenue, 12th Floor	550 South Tryon Street, 5 <sup>th</sup> Floor
New York, New York 10282	New York, New York 10017	Charlotte, North Carolina 28202
Attention: Liability Management Group	Attention: Liability Management Group	Attention: Liability Management Group
Toll-Free: (800) (828) (3182)	Toll-Free: (866) 584-2096	Collect: (704) 410-4759
Collect: (212) 902-6351	Collect: (212) 827-7795	Toll Free: (866) 309-6316
Email: <a href="mailto:GS-LM-NYC@gs.com">GS-LM-NYC@gs.com</a>	Email: <a href="mailto:LM@tdsecurities.com">LM@tdsecurities.com</a>	Email: <a href="mailto:liabilitymanagement@wellsfargo.com">liabilitymanagement@wellsfargo.com</a>

The exchange agent and information agent for the Exchange Offers is:

D.F. King & Co., Inc.  
48 Wall Street, 22nd Floor  
New York, New York 10005  
Attn: Michael Horthman  
Bank and Brokers Call Collect: (212) 269-5550  
All Others, Please Call Toll-Free: (877) 283-0322  
Email: [realtyincome@dfking.com](mailto:realtyincome@dfking.com)

Requests for copies of the Prospectus can be made directly to the exchange agent and information agent listed above or by visiting the investor relations page of the Realty Income website at: <https://www.realtyincome.com/investors/default.aspx>.


This press release shall not constitute an offer to sell, or a solicitation of an offer to buy, any of the securities described herein and is also not a solicitation of the related consents. The Exchange Offers may be made only pursuant to the terms and conditions of the Prospectus and the other related materials. A Registration Statement relating to the Realty Notes has been filed with the SEC but has not yet become effective. The Realty Notes may not be sold, nor may offers to buy be accepted, prior to the time the Registration Statement is declared effective by the SEC.

#### About Realty Income

Realty Income, The Monthly Dividend Company<sup>®</sup>, is an S&P 500 company and member of the S&P 500 Dividend Aristocrats<sup>®</sup> index. We invest in people and places to deliver dependable monthly dividends that increase over time. The company is structured as a REIT, and its monthly dividends are supported by the cash flow from over 6,700 real estate properties owned under long-term lease agreements with commercial clients. To date, the company has declared 615 consecutive common stock monthly dividends throughout its 52-year operating history and increased the dividend 112 times since Realty Income's public listing in 1994 (NYSE: O). Additional information about the company can be obtained from the corporate website at [www.realtyincome.com](http://www.realtyincome.com).

## Forward-Looking Statements

Statements in this press release that are not strictly historical are "forward-looking" statements. Forward-looking statements involve known and unknown risks, which may cause our actual future results to differ materially from expected results. These risks include, among others, general economic conditions, domestic and foreign real estate conditions, client financial health, the availability of capital to finance planned growth, volatility and uncertainty in the credit markets and broader financial markets, changes in foreign currency exchange rates, property acquisitions and the timing of these acquisitions, the structure, timing and completion of the announced mergers between us and VEREIT, Inc. and any effects of the announcement, pendency or completion of the announced mergers, including the anticipated benefits therefrom, charges for property impairments, the effects of the COVID-19 pandemic and the measures taken to limit its impact, the effects of pandemics or global outbreaks of contagious diseases or fear of such outbreaks, our clients' ability to adequately manage their properties and fulfill their respective lease obligations to us, and the outcome of any legal proceedings to which we are a party, as described in our filings with the Securities and Exchange Commission. Consequently, forward-looking statements should be regarded solely as reflections of our current operating plans and estimates. Actual operating results may differ materially from what is expressed or forecast in this press release. We undertake no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.

 View original content to download multimedia:<https://www.prnewswire.com/news-releases/realty-income-to-commence-exchange-offers-and-consent-solicitations-301396380.html>

SOURCE Realty Income Corporation