

## Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

**Part I Reporting Issuer**

<b>1</b> Issuer's name  Realty Income Corporation		<b>2</b> Issuer's employer identification number (EIN)  33-0580106	
<b>3</b> Name of contact for additional information	<b>4</b> Telephone No. of contact  858-284-5000	<b>5</b> Email address of contact	
<b>6</b> Number and street (or P.O. box if mail is not delivered to street address) of contact  11995 El Camino Real		<b>7</b> City, town, or post office, state, and Zip code of contact  San Diego, CA 92130	
<b>8</b> Date of action  November 15, 2016		<b>9</b> Classification and description  Common Stock	
<b>10</b> CUSIP number  756109-104	<b>11</b> Serial number(s)	<b>12</b> Ticker symbol  O	<b>13</b> Account number(s)

**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 a monthly cash distribution on November 15, 2016 to its common shareholders. A portion of this distribution, estimated between 15% to 25%, represents a non-dividend distribution.

**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 an estimate of 15% to 25% of the November 2016 distributions received. This non-dividend distribution percentage is an estimate and the actual non-dividend distribution percentage will not be known until the end of 2016.

**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 2016 tax year which are in excess of the estimated 2016 accumulated earnings and profits.

**Part II Organizational Action** (continued)

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶  
I.R.C. section 301(c)(2)

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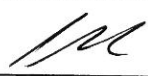
18 Can any resulting loss be recognized? ▶  
Not applicable.

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19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶  
Not applicable.

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Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here  
Signature ▶  Date ▶ 12/14/16

Print your name ▶ Sean Nugent Title ▶ Vice President, Controller

<b>Paid Preparer Use Only</b>	Print/Type preparer's name	Preparer's signature	Date	Check <input type="checkbox"/> if self-employed	PTIN
	Firm's name ▶				Firm's EIN ▶
	Firm's address ▶				Phone no.