W. P. Carey Inc.
Form S-4/A
November 15, 2013

Use these links to rapidly review the document
TABLE OF CONTENTS
INDEX TO FINANCIAL STATEMENTS
TABLE OF CONTENTS

Table of Contents

As filed with the Securities and Exchange Commission on November 14, 2013

Registration No. 333-191517

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

AMENDMENT NO. 1
TO
FORM S-4

**REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933**

W. P. CAREY INC.

(Exact name of registrant as specified in its charter)

Maryland	**6798**	**45-4549771**
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

**50 Rockefeller Plaza
New York, New York 10020
(212) 492-1100**

(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

**Trevor P. Bond
Chief Executive Officer
W. P. Carey Inc.**

50 Rockefeller Plaza
New York, New York 10020
(212) 492-1100
(Name, address, including zip code, and telephone number, including area code, of agent for service)

Copies To:

Christopher P. Giordano, Esq.
DLA Piper LLP (US)
1251 Avenue of the Americas
New York, New York 10020-1104
Tel: (212) 335-4500
Fax: (212) 335-4501

Kathleen L. Werner, Esq.
Clifford Chance US LLP
31 West 52nd Street
New York, New York 10019
Tel: (212) 878-8000
Fax: (212) 878-8375

Approximate date of commencement of proposed sale to the public:
As soon as practicable after this Registration Statement becomes effective.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box. o

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ý	Accelerated filer o	Non-accelerated filer o (Do not check if a smaller reporting company)	Smaller reporting company o

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer) o

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) o

---

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this Joint Proxy Statement/Prospectus is not complete and may be changed. A registration statement relating to these securities has been filed with the Securities and Exchange Commission. W. P. Carey may not sell or exchange these securities until the Registration Statement is effective. This Joint Proxy Statement/Prospectus is not an offer to sell or exchange these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED NOVEMBER 14, 2013

JOINT PROXY STATEMENT/PROSPECTUS

YOUR VOTE IS VERY IMPORTANT

Dear W. P. Carey Stockholders and CPA®:16 Stockholders:

W. P. Carey Inc. ("***W. P. Carey***") and Corporate Property Associates 16 Global Incorporated ("***CPA®:16 Global***") are proposing a combination of their companies by a merger, which we refer to as the "***Merger***," pursuant to a definitive agreement and plan of merger dated as of July 25, 2013, which we refer to as the "Merger Agreement."

The affirmative vote of the holders of a majority of (i) the outstanding shares of common stock of W. P. Carey ("***W. P. Carey Common Stock***") and (ii) the outstanding shares of common stock of CPA®:16 Global ("***CPA®:16 Common Stock***"), in each case, that are entitled to vote is required for the approval of the Merger.

At the effective time of the Merger (the "***Effective Time***"), each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time shall be cancelled and, in exchange for cancellation of such share (other than dissenting shares, if any, and shares held by W. P. Carey and its subsidiaries), be converted automatically into the right to receive that number of validly issued, fully paid and non-assessable shares of W. P. Carey Common Stock (the "***Per Share Merger Consideration***") equal to the quotient determined by dividing $11.25 by the Average W. P. Carey Trading Price (as defined herein) (the "***Exchange Ratio***"), and rounding the result to the nearest 1/10,000 of a share of W. P. Carey Common Stock; provided, however, that (x) if that quotient is less than 0.1447, the Exchange Ratio shall be fixed at 0.1447, and (y) if that quotient is greater than 0.1842, the Exchange Ratio shall be fixed at 0.1842. These limits represent a 12% pricing collar based on the volume-weighted average trading price of W. P. Carey Common Stock on July 22, 2013 and July 23, 2013.

If the Average W. P. Carey Trading Price is between $61.09 and $77.75, the total Per Share Merger Consideration would be valued at approximately $11.25 per share of CPA®:16 Common Stock. If the Merger had closed on October 31, 2013, the last practicable day prior to the filing of this Joint Proxy Statement/Prospectus, the Average W. P. Carey Trading Price would have been $67.11, resulting in total Per Share Merger Consideration valued at approximately $11.25 per share of CPA®:16 Common Stock. The actual Exchange Ratio and Per Share Merger Consideration may be higher or lower depending upon the trading prices of the W. P. Carey Common Stock prior to the consummation of the Merger, subject to the pricing collar. Neither W. P. Carey nor any W. P. Carey Subsidiary will receive any Per Share Merger Consideration for any share of CPA®:16 Common Stock owned by them. Based on the number of shares of CPA®:16 Common Stock outstanding on [ ], 2013, the record date for CPA®:16 Global's special meeting of stockholders, W. P. Carey expects to issue approximately [ ] shares of W. P. Carey Common Stock in connection with the Merger.

After careful consideration, the board of directors of W. P. Carey has declared the Merger advisable and in the best interests of W. P. Carey and recommended that all W. P. Carey Stockholders (the "***W. P. Carey Stockholders***") vote "**FOR**" the approval of the Merger. After careful consideration, following the recommendation of a special committee of independent directors (the "***CPA®:16 Special Committee***"), the board of directors of CPA®:16 Global has declared that the Merger is advisable and recommends that all CPA®:16 Stockholders (the "***CPA®:16 Stockholders***") vote "**FOR**" the approval of the Merger.

Your vote is very important regardless of the number of shares you own. Whether or not you plan to attend the special meeting of stockholders of W. P. Carey or of stockholders of CPA®:16 Global, please take the time to vote by completing, signing and mailing the enclosed proxy card**If you do not vote, the effect will be the same as voting against approval of the Merger. In addition, failure to vote may result in W. P. Carey or CPA®:16 Global not having a sufficient quorum of a majority of its outstanding shares represented in person or by proxy at their respective special meetings. A meeting cannot be held unless a quorum is present.**

Each of W. P. Carey and CPA®:16 Global has scheduled a special meeting for its respective stockholders to vote on the proposals described in this Joint Proxy Statement/Prospectus. The date, place and time of the meetings are as follows:

FOR W. P. CAREY STOCKHOLDERS:	**FOR CPA®:16 STOCKHOLDERS**:
[ ], 2014, [ ] p.m., Eastern Time at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104	[ ], 2014, [ ] p.m., Eastern Time at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104

This Joint Proxy Statement/Prospectus is a prospectus and proxy statement of W. P. Carey as well as a proxy statement for CPA®:16 Global and provides you with detailed information about the Merger and the special meetings. **We encourage you to read carefully this entire Joint Proxy Statement/Prospectus, including all its annexes, and we especially encourage you to read the section entitled "Risk Factors" beginning on page 32.**

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED THE SHARES OF W. P. CAREY COMMON STOCK TO BE ISSUED UNDER THIS JOINT PROXY STATEMENT/PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

Sincerely,

Trevor P. Bond	**Richard J. Pinola**
President and Chief Executive Officer	Director and Chairman of the Special Committee
W. P. Carey Inc.	Corporate Property Associates 16 Global Incorporated

This Joint Proxy Statement/Prospectus is dated [ ], 2013 and is expected to be first mailed to holders of W. P. Carey Common Stock and CPA®:16 Common Stock on or about [ ], 2013.

W. P. CAREY INC.

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON [ ], 2014

To the stockholders of W. P. Carey Inc.:

A special meeting of stockholders of W. P. Carey Inc. ("***W. P. Carey***") will be held on [ ], 2014, at [ ] p.m. Eastern Time, at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104, for the following purposes:

1. To consider and vote upon a proposal to approve the Merger described in the Agreement and Plan of Merger dated as of July 25, 2013 (the "***Merger Agreement***") by and among Corporate Property Associates 16 Global Incorporated ("***CPA®:16 Global***"), W. P. Carey, the ultimate parent of the external manager of CPA®:16 Global, WPC REIT Merger Sub Inc., a wholly-owned indirect subsidiary of W. P. Carey ("***Merger Sub***"), and the other parties thereto, and the other transactions contemplated thereby. As contemplated by the Merger Agreement:

   CPA®:16 Global shall merge with and into Merger Sub. Merger Sub will continue as the surviving corporation and a wholly-owned indirect subsidiary of W. P. Carey, and the separate corporate existence of CPA®:16 Global will cease.

   At the effective time of the Merger (the "***Effective Time***"), each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time shall be cancelled and, in exchange for cancellation of such shares (other than dissenting shares, if any, and shares held by W. P. Carey and its subsidiaries), be converted automatically into the right to receive that number of validly issued, fully paid and non-assessable shares of W. P. Carey Common Stock (the "***Per Share Merger Consideration***") equal to the quotient determined by dividing $11.25 by the Average W. P. Carey Trading Price (as defined herein) (the "***Exchange Ratio***"), and rounding the result to the nearest 1/10,000 of a share of W. P. Carey Common Stock; provided, however, that (x) if that quotient is less than 0.1447, the Exchange Ratio shall be fixed at 0.1447, and (y) if that quotient is greater than 0.1842, the Exchange Ratio shall be fixed at 0.1842. These limits represent a 12% pricing collar based on the volume-weighted average trading price of W. P. Carey Common Stock on July 22, 2013 and July 23, 2013.

   Each share of CPA®:16 Common Stock that is owned by W. P. Carey or any of W. P. Carey Subsidiaries (as defined herein) immediately prior to the Effective Time shall automatically be canceled and retired and will cease to exist. Neither W. P. Carey nor any of W. P. Carey Subsidiaries will receive any Per Share Merger Consideration for any share of CPA®:16 Common Stock owned by them.

2. To transact such other business as may properly come before W. P. Carey's special meeting or any adjournments or postponements of the special meeting, including, without limitation, a motion to adjourn the special meeting to another time for the purpose of soliciting additional proxies to approve the proposal above.

AT A MEETING ON JULY 25, 2013, W. P. CAREY'S BOARD OF DIRECTORS ADOPTED A RESOLUTION DECLARING THAT THE MERGER IS ADVISABLE AND IN THE BEST INTERESTS OF W. P. CAREY AND RECOMMENDED THAT THE STOCKHOLDERS OF W. P. CAREY VOTE FOR THE APPROVAL OF THE MERGER.

The Merger and the Merger Agreement are described in more detail in the accompanying Joint Proxy Statement/Prospectus, which you should read in its entirety before authorizing a proxy to vote. A copy of the Merger Agreement is attached as Annex A to the accompanying Joint Proxy Statement/Prospectus. If you do not vote, the effect will be the same as voting against the Merger.

Table of Contents

Only those stockholders whose names appear in W. P. Carey's records as owning shares of W. P. Carey Common Stock at the close of business on [ ], 2013, referred to as the W. P. Carey record date, are entitled to notice of, and to vote at, W. P. Carey's special meeting (the "***W. P. Carey Special Meeting***").

The affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast by W. P. Carey Stockholders on the matter on the W. P. Carey record date is necessary to approve the proposal relating to the Merger. If that vote is not obtained, the Merger cannot be completed.

All stockholders of W. P. Carey are cordially invited to attend W. P. Carey's Special Meeting in person. To ensure your representation at the W. P. Carey Special Meeting, you are urged to complete, sign and return the enclosed proxy card as promptly as possible in the enclosed postage-prepaid envelope or to authorize a proxy via telephone or Internet as instructed in the enclosed proxy card. You may revoke your proxy in the manner described in the accompanying Joint Proxy Statement/Prospectus at any time before it is voted at the W. P. Carey Special Meeting.

By Order of the Board of Directors,

Susan C. Hyde
Managing Director and Secretary

New York, New York
[ ], 2013

Table of Contents

CORPORATE PROPERTY ASSOCIATES 16 GLOBAL INCORPORATED

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS TO BE HELD ON [ ], 2014

To the stockholders of Corporate Property Associates 16 Global Incorporated:

A special meeting of stockholders of Corporate Property Associates 16 Global Incorporated ("***CPA®:16 Global***") will be held on [ ], 2014, at [ ] p.m. Eastern Time, at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104, for the following purposes:

1. To consider and vote upon a proposal to approve the transactions described in the Agreement and Plan of Merger dated as of July 25, 2013 (the "***Merger Agreement***") by and among CPA®:16 Global, W. P. Carey Inc. ("***W. P. Carey***"), the ultimate parent of the external manager of CPA®:16 Global, WPC REIT Merger Sub Inc., a wholly-owned indirect subsidiary of W. P. Carey ("***Merger Sub***"), and the other parties thereto. As contemplated by the Merger Agreement:

   - CPA®:16 Global shall merge with and into Merger Sub. Merger Sub will continue as the surviving corporation and as a wholly-owned indirect subsidiary of W. P. Carey, and the separate corporate existence of CPA®:16 Global will cease.

   - At the effective time of the Merger (the "***Effective Time***"), each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time shall be cancelled and, in exchange for cancellation of such shares (other than dissenting shares, if any, and shares held by W. P. Carey and its subsidiaries), be converted automatically into the right to receive that number of validly issued, fully paid and non-assessable shares of W. P. Carey Common Stock (the "***Per Share Merger Consideration***") equal to the quotient determined by dividing $11.25 by the Average W. P. Carey Trading Price (as defined herein) (the "***Exchange Ratio***"), and rounding the result to the nearest 1/10,000 of a share of W. P. Carey Common Stock; provided, however, that (x) if that quotient is less than 0.1447, the Exchange Ratio shall be fixed at 0.1447, and (y) if that quotient is greater than 0.1842, the Exchange Ratio shall be fixed at 0.1842.

   - Each share of CPA®:16 Common Stock that is owned by W. P. Carey or any of W. P. Carey Subsidiaries (as defined herein) immediately prior to the Effective Time shall automatically be canceled and retired and will cease to exist. Neither W. P. Carey nor any of W. P. Carey Subsidiaries will receive any Per Share Merger Consideration for any share of CPA®:16 Common Stock owned by them.

2. To transact such other business as may properly come before CPA®:16 Global's special meeting or any adjournments or postponements of the special meeting, including, without limitation, a motion to adjourn the special meeting to another time for the purpose of soliciting additional proxies to approve the proposal above.

AT A MEETING ON JULY 25, 2013, CPA®:16 GLOBAL'S BOARD OF DIRECTORS, AFTER RECEIVING THE RECOMMENDATION OF A SPECIAL COMMITTEE OF INDEPENDENT DIRECTORS OF CPA®:16 GLOBAL'S BOARD OF DIRECTORS, ADOPTED A RESOLUTION DECLARING THAT THE MERGER IS ADVISABLE AND RECOMMENDING THAT THE STOCKHOLDERS OF CPA®:16 GLOBAL APPROVE THE MERGER.

The Merger Agreement and the proposed Merger are each described in more detail in the accompanying Joint Proxy Statement/Prospectus, which you should read in its entirety before authorizing a proxy to vote. A copy of the Merger Agreement is attached as Annex A to the accompanying Joint Proxy Statement/Prospectus. If you do not vote, the effect will be the same as voting against approval of the Merger.

Table of Contents

Only those stockholders whose names appear in CPA®:16 Global's records as owning shares of CPA®:16 Common Stock at the close of business on [ ], 2013, referred to as the CPA®:16 Global record date, are entitled to notice of, and to vote at, CPA®:16 Global's special meeting (the "***CPA®:16 Special Meeting***").

The affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast by holders of CPA®:16 Common Stock on the matter on the CPA®:16 Global record date is necessary to approve the Merger. If that vote is not obtained, the Merger cannot be completed. CPA®:16 Global's organizational documents provide that: (i) its directors and advisor and their affiliates may not vote their shares of CPA®:16 Common Stock on the Merger because it is a transaction between CPA®:16 Global and affiliates of its advisor; and (ii) for purposes of determining whether the requisite percentage of CPA®:16 Common Stock has approved the Merger, the shares held by CPA®:16 Global's directors and advisor and their affiliates will be deemed not entitled to be voted and will not be included in making such determination. Accordingly, shares of CPA®:16 Common Stock owned by W. P. Carey and its affiliates will not be taken into account in determining whether the Merger receives the requisite approval.

All stockholders of CPA®:16 Global are cordially invited to attend the CPA®:16 Special Meeting in person. To ensure your representation at the CPA®:16 Special Meeting, you are urged to complete, sign and return the enclosed proxy card as promptly as possible in the enclosed postage-prepaid envelope or to authorize a proxy via telephone or Internet as instructed in the enclosed proxy card. You may revoke your proxy in the manner described in the accompanying Joint Proxy Statement/Prospectus at any time before it is voted at the CPA®:16 Special Meeting.

By Order of the Board of Directors,

Susan C. Hyde
Managing Director and Secretary

New York, New York
[ ], 2013

Table of Contents

TABLE OF CONTENTS

	Page
QUESTIONS AND ANSWERS FOR W. P. CAREY STOCKHOLDERS AND CPA®:16 STOCKHOLDERS REGARDING THE MERGER AND THE SPECIAL MEETINGS	1
SUMMARY	10
SUMMARY FINANCIAL INFORMATION	26
W. P. CAREY COMMON STOCK HISTORICAL MARKET PRICE AND DISTRIBUTION INFORMATION	30
CPA®:16 GLOBAL COMMON STOCK DISTRIBUTION INFORMATION	31
RISK FACTORS	32
CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS	42
THE MERGER	43
OPINION OF FINANCIAL ADVISOR TO W. P. CAREY	61
OPINION OF FINANCIAL ADVISOR TO THE SPECIAL COMMITTEE OF CPA®:16 GLOBAL	70
PROSPECTIVE FINANCIAL INFORMATION	81
REAL ESTATE PORTFOLIO APPRAISAL BY ROBERT A. STANGER & CO., INC	84
CONFLICTS OF INTEREST	88
THE COMPANIES	91
THE W. P. CAREY SPECIAL MEETING	144
THE CPA®:16 GLOBAL SPECIAL MEETING	147
THE MERGER AGREEMENT	152
SELECTED HISTORICAL AND PRO FORMA FINANCIAL INFORMATION	169
CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS	185
DESCRIPTION OF W. P. CAREY SHARES	188
CERTAIN MATERIAL PROVISIONS OF MARYLAND LAW AND OF OUR CHARTER AND BYLAWS	193
COMPARISON OF RIGHTS OF CPA®:16 STOCKHOLDERS AND W. P. CAREY STOCKHOLDERS	200
MATERIAL FEDERAL INCOME TAX CONSIDERATIONS	209
LEGAL MATTERS	230
EXPERTS	230
SUBMISSION OF FUTURE STOCKHOLDER PROPOSALS	230
OTHER MATTERS	231

WHERE YOU CAN FIND MORE INFORMATION	232
INDEX TO FINANCIAL STATEMENTS	F-1

Table of Contents

ANNEX

ANNEX A	Merger Agreement
ANNEX B	Opinion of Merrill Lynch, Pierce, Fenner & Smith Incorporated
ANNEX C	Opinion of Barclays Capital Inc.
ANNEX D	Maryland General Corporation Law Rights of Objecting Stockholders

Table of Contents

QUESTIONS AND ANSWERS FOR W. P. CAREY STOCKHOLDERS AND CPA®:16 STOCKHOLDERS REGARDING THE MERGER AND THE SPECIAL MEETINGS

The following questions and answers for W. P. Carey Stockholders and CPA®:16 Stockholders briefly address some frequently asked questions about the Merger and the special meetings of stockholders of W. P. Carey and of stockholders of CPA®:16 Global. They may not include all the information that is important to you. We urge you to read carefully this entire Joint Proxy Statement/Prospectus, including the annexes.

Q.

What are we planning to do?

A.

W. P. Carey is proposing to acquire the 81.47% equity interest that it does not already own in CPA®:16 Global, one of W. P. Carey's managed non-traded REITs, by merging CPA®:16 Global with and into one of W. P. Carey's indirectly wholly-owned subsidiaries.

More specifically, on July 25, 2013, W. P. Carey and CPA®:16 Global entered into the Merger Agreement. The Merger Agreement provides that, at the effective time of the closing, CPA®:16 Global shall merge with and into Merger Sub, with Merger Sub continuing as the surviving corporation and a wholly-owned indirect subsidiary of W. P. Carey. At that time, in accordance with the applicable provisions of the Maryland General Corporation Law (the "***MGCL***"), the separate existence of CPA®:16 Global shall cease.

Q.

What will holders of CPA®:16 Common Stock receive in connection with the Merger? When will they receive it?

A.

At the Effective Time, each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time shall be cancelled and, in exchange for cancellation of such share (other than dissenting shares, if any, and shares held by W. P. Carey and its subsidiaries), be converted automatically into the right to receive that number of validly issued, fully paid and non-assessable shares of W. P. Carey Common Stock (the "***Per Share Merger Consideration***") equal to the quotient determined by dividing $11.25 (the "***Stock Value***") by the Average W. P. Carey Trading Price (as defined herein) (the "***Exchange Ratio***"), and rounding the result to the nearest 1/10,000 of a share of W. P. Carey Common Stock; provided, however, that (x) if that quotient is less than 0.1447, the Exchange Ratio shall be fixed at 0.1447, and (y) if that quotient is greater than 0.1842, the Exchange Ratio shall be fixed at 0.1842. These limits represent a 12% pricing collar based on the volume-weighted average trading price of (the "***VWAP***") W. P. Carey Common Stock on July 22, 2013 and July 23, 2013.

If the Average W. P. Carey Trading Price is between $61.09 and $77.75, the total Per Share Merger Consideration would be valued at approximately $11.25 per share of CPA®:16 Common Stock. If the Merger had closed on October 31, 2013, the last practicable day prior to the filing of this Joint Proxy Statement/Prospectus, the Average W. P. Carey Trading Price would have been $67.11, resulting in total Per Share Merger Consideration valued at approximately $11.25 per share of CPA®:16 Common Stock. The actual Exchange Ratio and Per Share Merger Consideration may be higher or lower depending upon the trading prices of the W. P. Carey Common Stock prior to the consummation of the Merger, subject to the pricing collar.

To the extent that a holder of CPA®:16 Common Stock would otherwise be entitled to receive a fraction of a share of W. P. Carey Common Stock, computed on the basis of the aggregate number of shares of CPA®:16 Common Stock held by such holder, such holder shall instead receive a cash payment in lieu of fractional share in an amount equal to such fraction multiplied by the Average W. P. Carey Trading Price.

Table of Contents

As of the date of this Joint Proxy Statement/Prospectus, W. P. Carey expects to issue approximately [ ] shares of W. P. Carey Common Stock to the CPA®:16 Stockholders (excluding W. P. Carey and its subsidiaries) in connection with the Merger. Upon such issuance, the W. P. Carey Stockholders and the CPA®:16 Stockholders (excluding W. P. Carey and its subsidiaries) would own approximately [ ]% and [ ]% of the combined company, respectively.

The chart below shows the nominal value of the Per Share Merger Consideration to be issued upon the consummation of the Merger at various Average W.P. Carey Trading Prices:

(1) ***"Average W. P. Carey Trading Price"*** means the VWAP of W. P. Carey Common Stock as reported on the New York Stock Exchange, or NYSE, for the five (5) consecutive trading days ending on the third (3rd) trading day preceding the Closing Date.

Q. ***What is the expected ongoing rate of return of a CPA®:16 Stockholder on his or her original investment?***

A. Each CPA®:16 Stockholder currently receives $0.6728 of annual distributions per share, which represents an annual rate of return of 6.73% on an original investment of $10.00 per share in CPA®:16 Global. Following the Merger, CPA®:16 Stockholders will be entitled to receive any future distributions paid by W. P. Carey. Based on W. P. Carey's anticipated minimum annualized distribution rate of $3.52 per share following completion of the Merger, multiplied by the Per Share Merger Consideration of between 0.1447 and 0.1842 per share, each holder of CPA®:16 Common Stock is expected to receive on an annualized basis between $0.509 and $0.648 in annual distributions on each share of W. P. Carey Common Stock received in exchange for the CPA®:16 Common Stock that they own. This represents an annual return range between 5.09% and 6.48% on an original investment of $10.00 per share of CPA®:16 Common Stock.

Based on the closing price of $66.61 per share as of October 31, 2013 for W. P. Carey Common Stock, the expected annual return would be 5.95% on an original $10.00 investment.

		After the Merger Invested Capital of $10.00		
	Current Invested Capital of $10.00	**High Exchange Ratio (0.1842)**	**Current Exchange Ratio (0.1689)***	**Low Exchange Ratio (0.1447)**
Rate of Return on Invested Capital	6.73%	6.48%	5.95%	5.09%

* Based on the closing price of $66.61 per share for W. P. Carey Common Stock on the NYSE on October 31, 2013

Table of Contents

Q.

Are there any conditions to completion of the Merger?

A.

Yes. The Merger is subject to a number of conditions, including, among others, the following:

- approval of the Merger by the requisite vote of the W. P. Carey Stockholders and the CPA®:16 Stockholders;
- the registration statement, of which this Joint Proxy Statement/Prospectus forms a part, will have become effective and no stop order will have been issued or threatened by the Securities and Exchange Commission (the "***SEC***") with regard to the registration statement and all necessary state securities or blue sky authorizations shall have been received;
- no order, injunction or other legal restraint or prohibition preventing the consummation of the Merger will be in effect; and
- all consents and waivers from third parties will have been obtained or waived.

If any of these conditions or any of the other conditions specified in the Merger Agreement are not satisfied, the Merger may be abandoned by either W. P. Carey or CPA®:16 Global. For additional details about the other conditions to completion of the Merger, see "The Merger Agreement Conditions to Obligations to Complete the Merger and the Other Transactions," beginning on page 161.

Q.

What fees will CPA®:16 Global's advisors and other affiliates of W. P. Carey receive in connection with the Merger?

A.

Carey Asset Management Corp. ("***CAM***") and W. P. Carey & Co. B.V. ("***W. P. Carey BV***"), each an indirect subsidiary of W. P. Carey, and certain of their affiliates provide investment and advisory services to CPA®:16 Global pursuant to written advisory agreements (the "***CPA®:16 Advisory Agreements***"). Subject to the terms and conditions of the Merger Agreement, upon the consummation of the Merger, each of CAM and W. P. Carey BV have agreed to terminate the CPA®:16 Advisory Agreements and waive any Subordinated Disposition Fees (as defined in the CPA®:16 Advisory Agreements).

Additionally, pursuant to the terms of the second amended and restated operating agreement of CPA 16 LLC, which is CPA®:16 Global's operating partnership subsidiary ("***CPA16 LLC***"), dated as of July 31, 2011 (the "***CPA16 LLC Agreement***"), Merger Sub is entitled to distributions in respect of its special general partner profit interests in CPA16 LLC as a result of the Merger. Subject to the terms and conditions of the Merger Agreement, upon the consummation of the Merger, Merger Sub has agreed to waive its right to receive these distributions, and related allocations of profits and losses and to terminate its special general partner interest for no consideration (the amounts being waived under the CPA16 LLC Agreement, together with the Subordinated Disposition Fees being the "***Contractual Payments***").

The advisor and its affiliates will continue to receive any and all other accrued and unpaid fees and distributions pursuant to the CPA®:16 Advisory Agreements and the CPA16 LLC Agreement. At September 30, 2013, W. P. Carey had accrued and unpaid fees of $3.3 million pursuant to the CPA®:16 Advisory Agreements. On a monthly basis, W. P. Carey earns approximately $1.5 million in asset management fees from CPA®:16 Global and $1.2 million in special general partner distributions.

Q.

Will W. P. Carey or any of its subsidiaries receive any consideration for the shares of CPA®:16 Common Stock that they own?

A.

No. Each share of CPA®:16 Common Stock that is owned by W. P. Carey or any subsidiary of W. P. Carey (each a "***W. P. Carey Subsidiary***") immediately prior to the Effective Time will

Table of Contents

automatically be canceled and retired and will cease to exist. Neither W. P. Carey nor any W. P. Carey Subsidiary will receive any Per Share Merger Consideration for any share of CPA®:16 Common Stock owned by them.

Q.

Will CPA®:16 Global and W. P. Carey continue to pay distributions prior to the Effective Time of the Merger?

A.

Yes. The Merger Agreement permits CPA®:16 Global to continue to pay a regular quarterly distribution and any distribution that is necessary for CPA®:16 Global to maintain its REIT qualification and to avoid other adverse tax consequences. Pursuant to the terms of the Merger Agreement, W. P. Carey is also permitted to pay regular quarterly distributions and any distribution that is necessary for W. P. Carey to maintain its REIT qualification and to avoid other adverse tax consequences. W. P. Carey intends to continue to pay a regular quarterly dividend to its stockholders with respect to quarters completed prior to the Merger.

Q.

Will CPA®:16 Stockholders who participated in CPA®:16 Global's distribution reinvestment and stock purchase plan immediately prior to its suspension, and who desire to participate in the distribution reinvestment and stock purchase plan of W. P. Carey following completion of the Merger, automatically be able to participate in such plan?

A.

CPA®:16 Global has suspended its distribution reinvestment and stock purchase plan (the "***CPA®:16 DRIP***") because of the Merger. Each CPA®:16 Stockholder who was a participant in the CPA®:16 DRIP immediately prior to its suspension and who desires to take part in the distribution reinvestment and stock purchase plan of W. P. Carey (the "***W. P. Carey DRIP***") following completion of the Merger will not be automatically enrolled in the W. P. Carey DRIP and will need to enroll in the plan. Similarly, each CPA®:16 Stockholder who was not a participant in the CPA®:16 DRIP prior to its suspension but who desires to take part in the W. P. Carey DRIP following the consummation of the Merger will be allowed to participate in the W. P. Carey DRIP and will need to enroll in the plan. Such stockholders should contact W. P. Carey's investor relations department by calling 1-800-WP CAREY.

Q.

When and where are the special meetings?

A.

The special meeting of W. P. Carey Stockholders will be held on [ ], 2014, at [ ] p.m. Eastern Time, at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104.

The special meeting of CPA®:16 Stockholders will be held on [ ], 2014, at [ ] p.m. Eastern Time, at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104.

Q.

What will I be voting on at the special meetings?

A.

As provided in the Notices of Special Meeting of Stockholders, the W. P. Carey Stockholders and CPA®16 Stockholders are each requested to consider and vote on two proposals: (i) to approve the Merger and (ii) to transact such other business as may properly come before the special meetings of the respective entities or any adjournments or postponements thereof, including a motion to adjourn the special meetings of the respective entities, if necessary, to solicit additional proxies in the event that there are not sufficient votes at the time of the special meetings to approve the respective proposals.

Table of Contents

Q.

Who can vote at the special meetings?

A.

If you are a stockholder of record of W. P. Carey at the close of business on [ ], 2013, or if you are a stockholder of record of CPA®:16 Global at the close of business on [ ], 2013, the record dates for W. P. Carey's and CPA®:16 Global's special meetings, which we refer to as the "***W. P. Carey Record Date***" and the "***CPA®:16 Record Date***," respectively, you may vote the shares of W. P. Carey Common Stock or the shares of CPA®:16 Common Stock, as applicable, that you hold on the record date at each of the respective special meetings.

Q.

Why is my vote important?

A.

If you do not submit a proxy or vote in person at the special meetings, it may be difficult for us to obtain the necessary quorum to hold the special meetings and to determine whether the Merger should be approved. In addition, your abstention or failure to submit a proxy or to vote in person will have the same effect as a vote against approval of the Merger.

If you hold your W. P. Carey Common Stock through a broker, bank, or other nominee, your broker, bank, or other nominee will not be able to cast a vote on the proposal to approve the Merger without instructions from you and this will have the same effect as a vote against the Merger.

Similarly, if your CPA®:16 Global Common Stock is held in a broker-controlled account, your broker will not be able to cast a vote on the proposal to approve the Merger without instructions from you and this will have the same effect as a vote against the Merger.

Q.

What constitutes a quorum for the special meetings?

A.

A majority of the outstanding W. P. Carey Common Stock being present in person or represented by proxy constitutes a quorum for the W. P. Carey Special Meeting. A majority of the outstanding shares of CPA®:16 Common Stock being present in person or represented by proxy constitutes a quorum for the CPA®:16 Special Meeting.

Q.

What vote is required?

A.

The affirmative vote of the holders of a majority of the outstanding shares of W. P. Carey Common Stock entitled to vote at the W. P. Carey Special Meeting is required to approve the Merger. Each outstanding share of W. P. Carey Common Stock is entitled to one vote on each proposal submitted to the W. P. Carey Stockholders for consideration. As of the close of business on the W. P. Carey Record Date, there were approximately [ ] shares of W. P. Carey Common Stock outstanding.

The affirmative vote of the holders of a majority of the outstanding shares of CPA®:16 Common Stock entitled to vote at the CPA®:16 Special Meeting is required to approve the Merger. CPA®:16 Global's organizational documents provide that: (i) its directors and advisor and their affiliates may not vote their shares of CPA®:16 Common Stock on the Merger because it is a transaction between CPA®:16 Global and affiliates of its advisor; and (ii) for purposes of determining whether the requisite percentage of CPA®:16 Common Stock has approved the Merger, the shares held by CPA®:16 Global's directors and advisor and their affiliates will be deemed not entitled to be voted with regard to the Merger and will not be included in making such determination. Accordingly, shares of CPA®:16 Common Stock owned by W. P. Carey and its affiliates will not be taken into account in determining whether the Merger receives the requisite approval.

Table of Contents

Abstentions and "broker non-votes" will have the same effect as votes against the approval of the Merger since the proposal requires the affirmative vote of stockholders of each of W. P. Carey and CPA®:16 Global entitled to cast a majority of all the votes entitled to be cast on the matter.

Except as described above, each outstanding share of CPA®:16 Common Stock is entitled to one vote on each proposal submitted to the CPA®:16 Stockholders for consideration. As of the close of business on the CPA®:16 Record Date, there were [ ] shares of CPA®:16 Common Stock outstanding, [ ] of which were beneficially owned by CPA®:16 Global's directors and affiliates, including W. P. Carey. Given that the shares of CPA®:16 Common Stock beneficially owned by any of CPA®:16 Global's directors and affiliates, including W. P. Carey, will not be taken into account for purposes of determining whether the requisite stockholder approval has been obtained, the affirmative vote of a majority of the remaining [ ] shares of CPA®:16 Common Stock is required to approve the Merger.

Q.

How do the boards of directors recommend that I vote on the proposals?

A.

The board of directors of W. P. Carey believes that the Merger is advisable and in the best interests of the W. P. Carey Stockholders. **The W. P. Carey board of directors recommends that you vote "FOR" approval of the Merger.**

The board of directors of CPA®:16 Global believes that the Merger is advisable and in the best interests of the CPA®:16 Stockholders. **The board of directors of CPA®:16 Global recommends that you vote "FOR" the approval of the Merger**.

Q.

When is the Merger expected to be completed?

A.

W. P. Carey and CPA®:16 Global expect to complete the Merger in the first quarter of 2014 or as soon as possible thereafter; however, there can be no assurance as to when, or if, the Merger will be completed. W. P. Carey and CPA®:16 Global reserve the right to abandon the Merger even if the W. P. Carey Stockholders and the CPA®:16 Stockholders vote to approve the Merger and all other conditions to the completion of the Merger are satisfied or waived, if their respective boards of directors determine that the Merger is no longer in the best interests of W. P. Carey Stockholders or CPA®:16 Stockholders, respectively.

Q.

Are there risks associated with the Merger that I should consider in deciding how to vote?

A.

Yes. There are a number of risks related to the Merger that are discussed in this Joint Proxy Statement/Prospectus. In evaluating the Merger, you should read carefully the detailed description of the risks associated with the Merger described in the section entitled "Risk Factors" and other information either included or incorporated by reference in this Joint Proxy Statement/Prospectus.

Q.

Will holders of CPA®:16 Common Stock have to pay federal income taxes as a result of the Merger?

A.

CPA®:16 Stockholders should not recognize gain or loss for federal income tax purposes as a result of the exchange of W. P. Carey Common Stock for shares of CPA®:16 Common Stock in the Merger.

Q.

Am I entitled to dissenting stockholders' rights of appraisal in connection with the Merger?

A.

CPA®:16 Stockholders who do not vote in favor of the Merger are entitled to objecting stockholders' rights of appraisal with respect to the Merger under the MGCL. For holders of CPA®:16 Common Stock, you can vote against approval of the Merger by (i) indicating a vote against approval of the Merger on your proxy card and signing and mailing your proxy card in accordance with the instructions provided, (ii) authorizing your proxy by telephone or the Internet

Table of Contents

and indicating a vote against approval of the Merger or (iii) voting against approval of the Merger in person at the CPA®:16 Special Meeting. If a properly executed proxy card is returned or properly submitted by telephone or over the Internet and the stockholder has abstained from voting on the Merger, the shares of CPA®:16 Common Stock represented by the proxy will not be considered to have been voted on the Merger. Abstentions will have the same effect as a vote against approval of the Merger. To qualify as an objecting CPA®:16 Stockholder, you must deliver to CPA®:16 Global's corporate secretary, at or prior to the CPA®:16 Special Meeting, your written objection to the Merger. The written objection must be separate from and in addition to any proxy or vote against the Merger. In addition, if you wish to exercise your right to demand payment of the fair value of your common stock, within 20 days following the date the Articles of Merger for the Merger are accepted for record by the State Department of Assessments and Taxation of Maryland, you must make a written demand on Merger Sub for the payment of your shares of CPA®:16 Common Stock, stating the number and class of shares for which you demand payment. For additional details, see "The Merger Agreement Objecting Stockholders' Rights of Appraisal" beginning on page 167.

Strict compliance with statutory procedures is necessary in order to perfect your rights to an appraisal and to receive fair value for your shares of CPA®:16 Common Stock.

A copy of the relevant provisions of Maryland law appears as Annex D to this Joint Proxy Statement/Prospectus.

Q.

How do I vote without attending the special meetings?

A.

If you are a holder of shares of W. P. Carey Common Stock or shares of CPA®:16 Common Stock on the W. P. Carey Record Date or the CPA®:16 Record Date, as applicable, you may authorize a proxy to vote your shares by completing, signing and promptly returning the proxy card in the self-addressed stamped envelope provided. You may also authorize a proxy to vote your shares by telephone or over the Internet as described in your proxy card. Authorizing a proxy by telephone or over the Internet or by mailing a proxy card will not limit your right to attend the applicable special meeting and vote your shares in person. Those stockholders and stockholders of record who choose to authorize a proxy by telephone or over the Internet must do so no later than [ ], Eastern Time, on [ ], 2014.

Q.

Can I attend the special meetings and vote my shares in person?

A.

Yes. All W. P. Carey Stockholders and CPA®:16 Stockholders are invited to attend the special meetings for the entity in which they hold shares. Stockholders of record at the close of business on the respective record dates of the special meetings of the respective entities are invited to attend and vote at the special meetings of W. P. Carey and CPA®:16 Global. If your shares of W. P. Carey Common Stock are held by a broker, bank or other nominee, then you are not the stockholder of record. Therefore, to vote at the W. P. Carey Special Meeting, you must bring the appropriate documentation from your broker, bank or other nominee confirming your beneficial ownership of the W. P. Carey Common Stock.

Q.

If my shares of W. P. Carey Common Stock are held in "street name" by my broker, bank or other nominee, will my broker, bank or other nominee vote my shares of W. P. Carey Common Stock for me?

A.

No. If your shares of W. P. Carey Common Stock are held in "street name" by your broker, bank or other nominee, you should follow the directions provided by your broker, bank or other nominee. It is important to note that your broker, bank or other nominee will vote your shares of W. P. Carey Common Stock only if you provide instructions on how you would like your shares to

Table of Contents

be voted at the W. P. Carey Special Meeting. Therefore, your failure to provide voting instructions to the broker will have the same effect as a vote against the Merger.

Q.

If my shares of CPA®:16 Global Common Stock are held in broker-controlled accounts by my broker, will my broker vote my shares of CPA®:16 Global Common Stock for me?

A.

No. If your shares of CPA®:16 Global Common Stock are held in broker-controlled accounts, you should follow the directions provided by your broker. It is important to note that your broker will vote your shares of CPA®:16 Global Common Stock only if you provide instructions on how you would like your shares to be voted at the CPA®:16 Special Meeting. Therefore, your failure to provide voting instructions to the broker will have the same effect as a vote against the Merger.

Q.

Once the Merger has been completed, do CPA®:16 Stockholders have to do anything to receive their shares of W. P. Carey Common Stock?

A.

No. Following completion of the Merger, W. P. Carey will cause a third party transfer agent to record the issuance of the shares of W. P. Carey Common Stock to the holders of CPA®:16 Common Stock on its stock records. W. P. Carey will issue shares of W. P. Carey Common Stock to holders of CPA®:16 Common Stock in uncertificated book-entry form. No physical stock certificates representing the shares of W. P. Carey Common Stock will be delivered.

Q.

What do I need to do now?

A.

You should carefully read and consider the information contained in this Joint Proxy Statement/Prospectus, including its annexes and the information incorporated by reference into this document. It contains important information about the factors that the board of directors of each of W. P. Carey and CPA®:16 Global considered in evaluating whether to vote to approve the Merger. You should then complete and sign your proxy card and return it in the enclosed envelope as soon as possible so that your shares will be represented at the applicable special meetings, or authorize your proxy by telephone or over the Internet in accordance with the instructions on your proxy card. If your shares of W. P. Carey Common Stock are held through a broker, bank or other nominee, you should receive a separate voting instruction form with this Joint Proxy Statement/Prospectus.

Similarly, if you hold your CPA®:16 Global Common Stock are held through a broker-controlled account, you should receive a separate voting instruction form with this Joint Proxy Statement/Prospectus.

Q.

Can I change my vote after I have mailed my signed proxy card?

A.

Yes. You can change your vote at any time before your shares are voted at your special meeting. To revoke your proxy, you must either (i) notify the secretary of W. P. Carey or CPA®:16 Global, as applicable, in writing, (ii) mail a new proxy card dated after the date of the proxy you wish to revoke, (iii) submit a later dated proxy by telephone or over the Internet by following the instructions on your proxy card or (iv) attend the applicable special meeting and vote your shares in person. Merely attending the applicable special meeting will not constitute revocation of your proxy. If your shares of W. P. Carey Common Stock are held through a broker, bank, or other nominee, you should contact your broker, bank or other nominee to change your vote.

Q.

Will a proxy solicitor be used?

A.

Yes. The parties expect to utilize some of the officers and employees of W. P. Carey's wholly-owned subsidiary, CAM (who will receive no compensation in addition to their regular salaries for these services), to solicit proxies personally and by telephone. In addition, W. P. Carey has engaged [

Table of Contents

] to assist in the solicitation of proxies for the meeting. W. P. Carey estimates that the fees payable to [ ] will be approximately $[ ]. W. P. Carey has agreed to reimburse [ ] for reasonable out-of-pocket expenses and disbursements incurred in connection with the proxy solicitation and to indemnify [ ] against certain losses, costs and expenses. No portion of the amount that W. P. Carey is required to pay [ ] is contingent upon the closing of the Merger.

Q.

Who can help answer my questions?

A.

If you have more questions about the Merger, or would like additional copies of this Joint Proxy Statement/Prospectus, please contact:

For W. P. Carey Stockholders:

W. P. CAREY INC.
Investor Relations Department
50 Rockefeller Plaza
New York, New York 10020
Telephone: (800) WP-CAREY
Facsimile: (212) 492-8922
Email: IR@wpcarey.com

For CPA®:16 Stockholders:

CORPORATE PROPERTY ASSOCIATES 16 GLOBAL INCORPORATED
Investor Relations Department
50 Rockefeller Plaza
New York, New York 10020
Telephone: (800) WP-CAREY
Facsimile: (212) 492-8922
Email: IR@wpcarey.com

Table of Contents

SUMMARY

This summary highlights selected information from this Joint Proxy Statement/Prospectus and may not contain all of the information that is important to you. You should carefully read this entire Joint Proxy Statement/Prospectus and the other documents to which this Joint Proxy Statement/Prospectus refers to fully understand the Merger. In particular, you should read the annexes attached to this Joint Proxy Statement/Prospectus, including the Merger Agreement, which is attached as Annex A, as it is the legal document that governs the Merger. W. P. Carey encourages you to read the information incorporated by reference into this Joint Proxy Statement/Prospectus, which includes important business and financial information about W. P. Carey that has been filed with the Securities and Exchange Commission. See the section entitled "Where You Can Find More Information." For a discussion of the risk factors that you should carefully consider, see the section entitled "Risk Factors" beginning on page 32.

The Companies

W. P. Carey Inc.
50 Rockefeller Plaza
New York, New York 10020
(212) 492-1100

W. P. Carey is a real estate investment trust ("***REIT***") that seeks to achieve superior, risk-adjusted returns by providing long-term net-lease financing via sale-leaseback and build-to-suit transactions for companies worldwide. We invest primarily in commercial properties domestically and internationally. We earn revenue principally by leasing the properties we own to single corporate tenants, primarily on a triple-net leased basis, which requires each tenant to pay substantially all of the costs associated with operating and maintaining the property. We also earn revenue as the advisor to publicly-owned, non-listed REITs.

We have sponsored a series of sixteen income-generating funds that invest in commercial real estate, under the Corporate Property Associates brand name (the "***CPA® REITs***"). We are currently the advisor to CPA®:16 Global, Corporate Property Associates 17 Global Incorporated and Corporate Property Associates 18 Global Incorporated. We are also the advisor to Carey Watermark Investors Incorporated (***"CWI,"*** and together with the CPA® REITs, the ***"Managed REITs"***), a REIT that invests in lodging and lodging-related properties.

W. P. Carey was formed as a limited liability company under the laws of Delaware on July 15, 1996. On January 1, 1998 the limited partnership interests of nine CPA® partnerships were combined and became listed on the NYSE under the name "Carey Diversified LLC" and the symbol "CDC." In 2000, Carey Diversified LLC merged with W. P. Carey, after which W. P. Carey became listed on the NYSE under the symbol "WPC."

On September 28, 2012, Corporate Property Associates 15 Incorporated ("***CPA®:15***") merged with and into W. P. Carey, with CPA®:15 surviving as an indirect, wholly-owned subsidiary of W. P. Carey. In connection with the CPA®:15 Merger (as defined below), W. P. Carey & Co. LLC, the predecessor of W. P. Carey (the "***Predecessor***"), completed an internal reorganization in order to qualify as a REIT, whereby the Predecessor and its subsidiaries merged with and into W. P. Carey, with W. P. Carey as the surviving corporation, succeeding to and continuing to operate the existing business of the Predecessor ("***REIT Reorganization***"). As a REIT, W. P. Carey is required, among other things, to distribute at least 90% of its net taxable income, excluding net capital gains, to its stockholders and meet certain tests regarding the nature of its income and assets. So long as W. P. Carey meets such requirements, W. P. Carey is not subject to federal income tax with respect to the portion of its income that is distributed annually to its stockholders.

Table of Contents

At October 31, 2013, W. P. Carey employed 246 individuals through its wholly-owned subsidiaries. W. P. Carey's website is www.wpcarey.com. On the website, investors can find press releases, financial filings and other information about W. P. Carey. The SEC website, www.sec.gov, also offers access to reports and documents that W. P. Carey has electronically filed with or furnished to the SEC. These website addresses are not intended to function as hyperlinks, and the information contained on W. P. Carey's website and on the SEC's website is not intended to be a part of this Joint Proxy Statement/Prospectus.

For additional information about W. P. Carey, please see the Company's filings with the SEC which are incorporated by reference into this Joint Proxy Statement/Prospectus and are available at the SEC's website.

Corporate Property Associates 16 Global Incorporated
50 Rockefeller Plaza
New York, New York 10020
(212) 492-1100

CPA®:16 Global is a publicly owned, non-listed REIT that primarily invests in commercial properties leased to companies domestically and internationally. As a REIT, CPA®:16 Global is required, among other things, to distribute at least 90% of its net taxable income, excluding net capital gains, to its stockholders and meet certain tests regarding the nature of its income and assets. So long as CPA®:16 Global meets such requirements, CPA®:16 Global is not subject to federal income tax with respect to the portion of its income that is distributed annually to stockholders.

CPA®:16 Global's core investment strategy is to own and manage a portfolio of properties leased to a diversified group of companies on a single tenant net lease basis. CPA®:16 Global's net leases generally require the tenant to pay substantially all of the costs associated with operating and maintaining the property, such as maintenance, insurance, taxes, structural repairs, and other operating expenses. Leases of this type are referred to as triple-net leases.

CPA®:16 Global is managed by W. P. Carey through certain of its wholly-owned subsidiaries (for purposes of this section, collectively, the "advisor") pursuant to the CPA®:16 Advisory Agreements. CPA®:16 Global pays asset management fees and certain transactional fees to the advisor and also reimburses the advisor for certain expenses incurred in providing services to CPA®:16 Global, including those fees associated with personnel provided for administration of CPA®:16 Global's operations. The advisor also currently serves in this capacity for the other Managed REITs.

CPA®:16 Global was formed as a Maryland corporation in June 2003. CPA®:16 Global commenced its initial public offering in December 2003. Through two public offerings we sold a total of 110,331,881 shares of its common stock for a total of $1.1 billion in gross offering proceeds. CPA®:16 Global completed its second public offering in December 2006. Through September 30, 2013, CPA®:16 Global has also issued 28,944,600 shares ($270.7 million) through the CPA 16 DRIP.

On May 2, 2011, CPA®:16 Global acquired Corporate Property Associates 14 Incorporated ("***CPA®:14***"), which was also advised by the advisor, through a merger (the "***CPA®:14/16 Merger***"). Following the consummation of the CPA®:14/16 Merger, CPA®:16 Global implemented an internal reorganization pursuant to which CPA®:16 Global was reorganized as an umbrella partnership real estate investment trust (an "***UPREIT***," and the reorganization, the "***UPREIT Reorganization***") to hold substantially all of its assets and liabilities in CPA 16 LLC. CPA®:16 Global has 99.985% of the general and limited partnership interests in CPA16 LLC. The remaining 0.015% interest (the "***Special Member Interest***") in CPA16 LLC is held by Merger Sub (the "***Special General Partner***"). CPA®:16 Global has no employees.

Table of Contents

Reasons for the Merger

The board of directors of W. P. Carey has determined that the Merger satisfies many objectives of W. P. Carey for its growth and future return to its stockholders. Some of the material factors considered by W. P. Carey's board of directors include:

- the Merger improves the quality of W. P. Carey's earnings through increased portfolio diversification and by continuing the shift in revenue mix towards more stable real estate rental income;
- the Merger is part of a larger transformation that continues W. P. Carey's evolution from a hybrid limited liability company that derived the majority of its revenue from investment management fees into a leading global net lease REIT, and implements W. P. Carey's overall business strategy of expanding real estate assets under ownership, which in turn is expected to provide a platform for future growth;
- the Merger increases W. P. Carey's scale and liquidity, resulting in a pro forma equity market capitalization of approximately $6.5 billion and a pro forma total enterprise value of approximately $10.0 billion, which in turn provides a basis for an expected continuation of stable dividend growth;
- the Merger is expected to provide income contribution from owned properties, while preserving the investment management business;
- the Merger would simplify W. P. Carey's financial statements by consolidating joint ventures with CPA®:16 Global as well as W. P. Carey's existing ownership interest in CPA®:16 Global;
- the Merger is expected to increase analyst coverage and the combined company's access to diverse, efficiently priced sources of capital by creating a company with increased scale and trading volume and enhanced liquidity;
- the Merger is expected to be immediately accretive to the combined company's adjusted funds from operations ("***AFFO***") per share and cash available for distributions per share and provide for a continuation of stable dividend growth, with an anticipated post-Merger minimum annualized dividend of $3.52 per share;
- given the increased market capitalization of the combined company, the Merger is expected to enhance W. P. Carey's Common Stock as potential acquisition currency and, therefore, expand its growth potential;
- the Merger is expected to result in a combined company with a high quality combined real estate portfolio that is well diversified across tenants, geographies and property types;
- the high likelihood that the Merger will be completed in a timely manner given the commitment of both parties to complete the Merger pursuant to their respective obligations under the Merger Agreement, the absence of any significant closing conditions under the Merger Agreement, other than the stockholder approvals and third-party consents, and the fact that W. P. Carey's obligation to consummate the Merger is not subject to any financing contingency;
- given that W. P. Carey and its affiliates act as CPA®:16 Global's advisor and manage the day-to-day activities of CPA®:16 Global, the Merger would require less real estate due diligence than would otherwise occur with an unrelated third party, which reduces the potential cost of the transaction and make its execution more certain; and

the opinion, dated July 25, 2013, of W. P. Carey's financial advisor, Merrill Lynch, Pierce, Fenner & Smith Incorporated, referred to as BofA Merrill Lynch, to the W. P. Carey board of directors as to the fairness, from a financial point of view and as of such date, to W. P. Carey of

Table of Contents

- the implied Exchange Ratio of 0.1661x, which opinion was based on and subject to the assumptions made, procedures followed, factors considered and limitations on the review undertaken as more fully described in the section entitled "Opinion of W. P. Carey's Financial Advisor."

The board of directors of W. P. Carey also considered a number of potentially negative factors about pursuing the Merger, including:

- the possibility that the Merger may not be completed, or that completion may be unduly delayed, for reasons beyond the control of W. P. Carey or CPA®:16 Global;
- the risk that failure to complete the Merger could negatively affect the price of the W. P. Carey Common Stock;
- the substantial costs to be incurred in connection with the Merger;
- the obligation of W. P. Carey to pay certain expenses upon termination of the Merger if the Merger is terminated under certain conditions;
- the risk that failure to complete the Merger could negatively affect the future business and financial results of W. P. Carey;
- the possibility that the value per share for stockholders of W. P. Carey could be reduced immediately following the Merger as a result of the premium that is expected to be paid to consummate the Merger;
- the risk that the announcement of the Merger and the efforts necessary to complete the Merger could result in a disruption in the operations of W. P. Carey by, among other things, diverting management focus and other resources of W. P. Carey from operational matters, strategic opportunities and its day-to-day business; and
- the other factors described under the section titled "Risk Factors."

At a meeting on July 25, 2013, the independent directors of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee unanimously determined that the Merger is advisable and in the best interests of CPA®:16 Global and the CPA®:16 Stockholders and directed that a proposal to approve the Merger be submitted to the CPA®:16 Stockholders at a special meeting of stockholders. Trevor P. Bond, a director of CPA®:16 Global and W. P. Carey, abstained from voting on the matter. In making their determination, the independent directors of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee considered a variety of factors, including the following:

- the Per Share Merger Consideration and the other terms of the Merger Agreement resulted from arm's length negotiations;
- the Per Share Merger Consideration to be received by the CPA®:16 Stockholders, at a fixed value of $11.25 per share of W. P. Carey Common Stock, (a) represented an approximately 29% premium to CPA®:16 Global's estimated net asset value ("***NAV***") per share of $8.70 as of December 31, 2012; and (b) is subject to a twelve percent (12%) downside protection mechanism;
- the expectation that W. P. Carey will increase its per share dividends after the transaction, which will enable CPA®:16 Stockholders to continue to receive attractive dividends;
- the expectation that the proposed transaction with W. P. Carey will provide liquidity to the CPA®:16 Stockholders, with no lock-ups or other restrictions on transfer;

Table of Contents

- the opportunity for the CPA®:16 Stockholders to benefit from increases in the price of W. P. Carey Common Stock after the Closing Date;

- the receipt of the Per Share Merger Consideration will be tax deferred to CPA®:16 Stockholders, until such time as the shares of W. P. Carey Common Stock received in the Merger are sold;

- the belief that the proposed transaction will be immediately accretive to the combined company's AFFO per share and cash available for distributions per share and provides the opportunity for continuation of stable dividend growth;

- the expectation that the combined company will be among the largest publicly-traded REITs with a pro forma total enterprise value of approximately $10.0 billion and total market capitalization of approximately $6.5 billion, plus over $10 billion in assets under management (including assets owned by the combined company), and greater geographic diversification and greater tenant diversification than CPA®:16 Global on a stand-alone basis, which could provide the combined company with greater cash flow stability;

- the conclusion of the independent directors of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee, after consideration and review with its legal and financial advisors, that the transaction with W. P. Carey was superior to other possible liquidity alternatives;

- the ability of CPA®:16 Global, to seek acquisition proposals from third parties during the "go shop" period and under certain circumstances to engage in negotiations with third parties in response to unsolicited acquisition proposals after the "go shop" period;

- the ability of CPA®:16 Global to terminate the Merger Agreement to accept a superior proposal prior to the time the stockholders approve the Merger, subject to payment of a termination fee of $35 million (1.5% of the equity value of the Merger) for a transaction with a qualified third party pursuant to the "go shop" procedures and $57 million (2.5% of the equity value of the Merger) for a transaction with a third party as a result of an unsolicited offer outside the "go shop" procedures, which amount is fully creditable against the Contractual Payments payable to W. P. Carey;

- the ability of the CPA®:16 Special Committee to withdraw or modify its recommendation of the Merger under certain circumstances, subject to the payment of the applicable termination fee;

- W. P. Carey's agreement to fix the Special GP Amount (as defined herein) fee at $75 million in the event of a transaction with a third party other than W. P. Carey or its affiliates; and

- the financial analyses presented to the CPA®:16 Global Board of Directors and CPA®:16 Special Committee by Barclays Capital Inc. that, as of July 25, 2013 and based upon and subject to the assumptions and limitations set forth in its opinion, the Merger Consideration was fair, from a financial point of view, to CPA®:16 Stockholders (other than W. P. Carey and its affiliates and any other affiliates of CPA®:16 Global).

The independent directors of the Board of Directors of CPA®:16 Global and CPA®:16 Special Committee also considered a number of potentially negative factors about the Merger, including:

- W. P. Carey and its affiliates serve as advisor to other CPA® REITs that have investment and rate of return objectives substantially similar to those of the combined company, and the conflicts of interest that may arise from such advisor's role as well as the possibility that CPA® REITs may compete with the combined company after the Merger with respect to

properties, potential purchasers, sellers and lessees of properties and mortgage financing for properties;

the average lease maturity of the combined company's portfolio would be lowered after the Merger compared to that of CPA®:16 Global, from approximately 9.9 years to approximately

Table of Contents

9.4 years, thereby increasing overall risks related to re-leasing or sale of properties upon expiration of such leases;

the challenges inherent in the combination of two business enterprises the size of CPA®:16 Global and W. P. Carey and the risks and costs to CPA®:16 Global if the Merger does not close;

the risk that a different liquidity alternative or a decision not to enter into a current liquidity transaction could ultimately prove to be more beneficial to the CPA®:16 Stockholders than the proposed transaction with W. P. Carey;

the restrictions in the Merger Agreement on the solicitation of a competing transaction after the "go shop" period and the requirement, under the Merger Agreement, that CPA®:16 Global pay W. P. Carey a termination fee of either $35 million (1.5% of the equity value of the Merger) or $57 million (2.5% of the equity value of the Merger) depending on the circumstances (which, in each case, would be credited against the Contractual Payments), which may deter third parties from making a competing offer for CPA®:16 Global prior to completion of the Merger;

the fact that there is no walk away/termination right below the twelve percent (12%) bottom collar, which means if the price of W. P. Carey Common Stock decreases below the bottom collar the CPA®:16 Stockholders will receive less than $11.25 per share in W. P. Carey Common Stock;

the fact that, given the upper collar, there is no adjustment for or participation in the first twelve percent (12%) increase, if any, in the price of W. P. Carey Common Stock even if such increase results from or is attributable to the announcement of the Merger;

the risk that the anticipated strategic and financial benefits of the Merger may not be fully realized;

the risk that the price of W. P. Carey Common Stock will decline after the closing date;

the expenses to be incurred in connection with pursuing the Merger; and

the restrictions in the Merger Agreement on the conduct of CPA®:16 Global's business between the date of the Merger Agreement and the date of the consummation of the proposed Merger.

For a discussion of the material factors considered by the independent directors of CPA®:16 Global Board of Directors and the CPA®:16 Special Committee in reaching its conclusion and the reasons why the independent directors of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee determined the Merger to be in the best interests of CPA®:16 Global and the CPA®:16 Stockholders, please see "The Merger CPA®:16 Global's Reasons for the Merger" beginning on page 57.

The Merger Agreement

At the Effective Time, each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time will be cancelled and, in exchange for cancellation of such share (other than dissenting shares, if any, and shares held by W. P. Carey and its subsidiaries), be converted automatically into the right to receive that number of validly issued, fully paid and non-assessable shares of W. P. Carey Common Stock (as adjusted at the Closing Date, the "***Per Share Merger Consideration***") equal to the quotient determined by dividing $11.25 (the "***Stock Value***") by the Average W. P. Carey Trading Price (as defined herein) (the "***Exchange Ratio***"), and rounding the result to the nearest 1/10,000 of a share of W. P. Carey Common Stock; provided, however, that (x) if that quotient

Table of Contents

is less than 0.1447, the Exchange Ratio shall be fixed at 0.1447, and (y) if that quotient is greater than 0.1842, the Exchange Ratio shall be fixed at 0.1842.

These limits represent a 12% pricing collar based on the VWAP of W. P. Carey Common Stock on July 22, 2013 and July 23, 2013. As used herein, the term "***Average W. P. Carey Trading Price***" means the volume-weighted average trading price of a share of W. P. Carey Common Stock, as reported on the NYSE, for the five (5) consecutive trading days ending on the third (3rd) trading day preceding the Closing Date.

Each share of CPA®:16 Common Stock that is owned by W. P. Carey or any W. P. Carey Subsidiary immediately prior to the Effective Time shall automatically be canceled and retired and will cease to exist. In addition, neither W. P. Carey nor any W. P. Carey Subsidiary will receive any Per Share Merger Consideration for any share of CPA®:16 Common Stock owned by them. No fractional shares of W. P. Carey Common Stock will be issued under the Merger Agreement. To the extent that a holder of CPA®:16 Common Stock would otherwise be entitled to receive a fraction of a share of W. P. Carey Common Stock, computed on the basis of the aggregate number of shares of CPA®:16 Common Stock held by such holder, such holder shall instead receive a cash payment in lieu of such fractional share in an amount equal to such fraction multiplied by the Average W. P. Carey Trading Price. Shares of CPA®:16 Common Stock that are held by an objecting stockholder, as defined in Subtitle 2 of Title 3 of the MGCL, will not be converted into or represent a right to receive the Per Share Merger Consideration, and the holder thereof will be entitled only to such rights as are granted to a dissenting stockholder by the MGCL. However, if a dissenting stockholder, after the Effective Time, withdraws its demand for appraisal or fails to perfect or otherwise loses the right to receive fair value for the objecting shares pursuant to the MGCL, such objecting shares shall be deemed to be converted, as of the Effective Time, into the right to receive the Per Share Merger Consideration, without interest.

The respective obligations of the parties to the Merger Agreement to complete the Merger and to consummate the other transactions contemplated by the Transaction Documents (as defined in the Merger Agreement) on the Closing Date are subject to the satisfaction or waiver of several conditions on or prior to the Closing Date, including:

- the CPA®:16 Stockholder Approval and the W. P. Carey Stockholder Approval shall have been obtained;
- the registration statement, of which this Joint Proxy Statement/Prospectus forms a part, will have become effective in accordance with the Securities Act and no stop order will have been issued or threatened by the SEC suspending the registration statement and all necessary state securities or blue sky authorizations shall have been received;
- no temporary restraining order, injunction or other legal restraint or prohibition issued by any court of competent jurisdiction or other legal restraint or prohibition preventing the consummation of the Merger will be in effect; and
- all consents, approvals, permits and authorizations required by the Merger Agreement to be obtained from any governmental entity will have been obtained.

The obligations of W. P. Carey and Merger Sub to effect the Merger and to consummate the other transactions contemplated by the Transaction Documents on the Closing Date are further subject to the satisfaction or waiver on the Closing Date of several conditions, including:

- the representations and warranties of CPA®:16 Global will be true and correct on the Closing Date (subject to certain limited exceptions), except as would not in the aggregate reasonably be likely to have a CPA®:16 Material Adverse Effect;
- CPA®:16 Global will have performed in all material respects all covenants and obligations required to be performed by it under the Merger Agreement at or prior to the Effective Time;

- since the date of the Merger Agreement, there will have occurred no changes, events or circumstances which, individually or in the aggregate, constitute a CPA®:16 Material Adverse Effect;

- prior to the Closing Date, W. P. Carey and Merger Sub will have received an opinion from CPA®:16 Global's counsel as to CPA®:16 Global's REIT qualification;

- all necessary consents and waivers from third parties will have been obtained, except as would not reasonably be expected to have a CPA®:16 Material Adverse Effect; and

- W. P. Carey and Merger Sub shall have received an opinion from DLA Piper LLP (US) to the effect that, for federal income tax purposes, the Merger will qualify as a reorganization under Section 368(a) of the Internal Revenue Code, or the "***Code***."

The obligations of CPA®:16 Global to effect the Merger and to consummate the other transactions contemplated by the Transaction Documents on the Closing Date are further subject to the satisfaction or waiver on the Closing Date of several conditions, including:

- the representations and warranties of W. P. Carey and Merger Sub will be true and correct on the Closing Date (subject to certain limited exceptions), except as would not in the aggregate reasonably be likely to have a W. P. Carey Material Adverse Effect;

- W. P. Carey will have performed in all material respects all covenants and obligations required to be performed by it under the Merger Agreement at or prior to the Effective Time;

- the W. P. Carey Common Stock to be issued in the Merger will have been approved for listing on the NYSE, subject to official notice of issuance;

- since the date of the Merger Agreement, there will have occurred no changes, events or circumstances which, individually or in the aggregate, constitute a W. P. Carey Material Adverse Effect;

- prior to the Closing Date, CPA®:16 Global will have received an opinion from DLA Piper LLP (US) as to W. P. Carey's REIT qualification and tax status, and to its predecessor's classification as a partnership for federal income tax purposes; and

- prior to the Closing Date, CPA®:16 Global shall have received an opinion from Clifford Chance US LLP to the effect that for federal income tax purposes the Merger will qualify as a reorganization under Section 368(a) of the Code.

The Merger Agreement can be terminated at any time prior to the Effective Time whether before or after the CPA®:16 Stockholder Approval and the W. P. Carey Stockholder Approval are obtained, as follows:

- by mutual written consent duly authorized by the board of directors of each of W. P. Carey and CPA®:16 Global;

- by either party, if the other party has breached any representation, warranty, covenant or agreement set forth in the Merger Agreement, or if any representation or warranty by the other party has become untrue, in either case, such that either party would be incapable of satisfying its related closing condition by February 28, 2014 (the "***Termination Date***"), provided that CPA®:16 Global shall not be deemed to have breached the Merger Agreement to the extent the actions or inactions of the advisor resulted in such breach;

by either party upon the entry of any judgment, injunction, order, decree or action by any Governmental Entity or other competent authority preventing the consummation of the Merger that has become final and nonappealable;

by either party, if the Merger shall not have been consummated before the Termination Date, subject to certain exceptions; provided, however, that the termination date of February 28, 2014 shall be automatically extended until March 31, 2014 (the "***Extended Termination Date***"), if necessary consents and approvals have not been obtained by February 28, 2014, but are reasonably likely to be obtained by the Extended Termination Date;

by either party, if, upon a vote at a duly held CPA®:16 Special Meeting or any adjournment or postponement thereof, the CPA®:16 Stockholder Approval is not obtained;

by CPA®:16 Global, if the CPA®:16 Special Committee shall have withdrawn its recommendation of the Merger or the Merger Agreement in connection with, or approved or recommended, a CPA®:16 Superior Competing Transaction in accordance with Section 4.5 of the Merger Agreement and CPA®:16 Global has paid the CPA16 Termination Fee (as hereinafter defined);

by W. P. Carey, if (i) prior to the CPA®:16 Special Meeting, the board of directors of CPA®:16 Global or any committee thereof shall have withdrawn or modified in any manner adverse to W. P. Carey its approval or recommendation of the Merger or the Merger Agreement in connection with, or approved or recommended, any CPA®:16 Superior Competing Transaction or (ii) CPA®:16 Global shall have entered into any agreement with respect to any CPA®:16 Superior Competing Transaction; or

by either party, if, upon a vote at a duly held W. P. Carey Special Meeting or any adjournment or postponement thereof, the W. P. Carey Stockholders Approval is not obtained.

If either party terminates the Merger Agreement in a manner described above, all obligations of W. P. Carey and CPA®:16 Global under the Merger Agreement will terminate without any liability or obligation of any party to the other party, except for any liability of a party for willful breaches of the Merger Agreement, failure or refusal by a party to consummate the transactions contemplated by the Merger Agreement, certain expenses and other obligations as provided in the Merger Agreement.

CPA®:16 Global has agreed to pay W. P. Carey's reasonable and documented out-of-pocket expenses incurred in connection with the Merger Agreement and the other transactions contemplated thereby (including, without limitation, all outside attorneys', accountants' and investment bankers' fees and expenses), if the Merger Agreement is terminated by W. P. Carey, due to a breach of any representation, warranty, covenant or agreement on the part of CPA®:16 Global such that the related closing condition is not satisfied by February 28, 2014.

W. P. Carey has agreed to pay CPA®:16 Global's reasonable and documented out-of-pocket expenses incurred in connection with the Merger Agreement and the other transactions contemplated thereby (including, without limitation, all outside attorneys', accountants', investment bankers' and CPA®:16 Global special committee fees and expenses), if the Merger Agreement is terminated by CPA®:16 Global due to a breach of any representation, warranty, covenant or agreement on the part of W. P. Carey such that the related closing condition is not satisfied by February 28, 2014.

In addition, if the Merger Agreement is terminated (i) by CPA®:16 Global because the CPA®:16 Special Committee withdrew its recommendation of the Merger or the Merger Agreement, or approved or recommended a CPA®:16 Superior Competing Transaction, or (ii) by W. P. Carey because (A) prior to the CPA®:16 Special Meeting, the board of directors of CPA®:16 Global or any committee thereof withdrew or modified in any manner adverse to W. P. Carey its approval or recommendation of the Merger or the Merger Agreement in connection with, or approved or recommended, any CPA®:16 Superior Competing Transaction or (B) CPA®:16 Global entered into any agreement with respect to any CPA®:16 Superior Competing Transaction, then in each instance, CPA®:16 Global shall pay to W. P. Carey a termination fee equal to $57 million (the "***CPA16 Termination Fee***").

Table of Contents

In the event that the Merger Agreement is terminated, the CPA16 Termination Fee is paid, and the Contractual Payments are payable as a result thereof, then the amount of such CPA16 Termination Fee shall be credited against the Contractual Payments.

Except as set forth above, W. P. Carey and CPA®:16 Global will each pay their own respective out-of-pocket costs and expenses incurred in connection with the Merger Agreement, the Merger and the other transactions contemplated by the Merger Agreement. W. P. Carey and CPA®:16 Global shall each bear one-half of the costs of filing, printing and mailing this Joint Proxy Statement/Prospectus.

The Merger Agreement contains a "go-shop" provision that allowed CPA®:16 Global to solicit, initiate and pursue alternative acquisition proposals for 30 days following the execution of the Merger Agreement, which period expired on August 24, 2013 with no proposals or offers for a CPA®:16 Competing Transaction having been received. The Merger Agreement contains "no shop" provisions that, subject to limited fiduciary exceptions and the "go-shop" period, restrict CPA®:16 Global's ability to initiate, solicit, encourage or facilitate, discuss, negotiate or accept a competing third party proposal to acquire all or a significant part of CPA®:16. Further, there are a limited number of exceptions that would allow CPA®:16's board of directors to withdraw or change its recommendation to holders of CPA®:16 Common Stock that they vote in favor of the approval and adoption of the Merger Agreement. Although CPA®:16's board of directors is permitted to take these actions if it determines in good faith that these actions are likely to be required to comply with its fiduciary duties, doing so in specified situations could entitle W. P. Carey to terminate the Merger Agreement and to be paid the CPA®:16 Termination Fee.

See "The Merger Agreement" beginning on page 152.

Recommendation of the Board of Directors of W. P. Carey

AT A MEETING ON JULY 25, 2013, W. P. CAREY'S BOARD OF DIRECTORS DETERMINED THAT THE MERGER WAS ADVISABLE AND IN THE BEST INTERESTS OF W. P. CAREY AND RECOMMENDED THAT THE MERGER AND THE OTHER TRANSACTIONS CONTEMPLATED BY THE MERGER AGREEMENT BE SUBMITTED TO THE W. P. CAREY STOCKHOLDERS FOR THEIR APPROVAL. W. P. CAREY'S BOARD OF DIRECTORS RECOMMENDS THAT W. P. CAREY STOCKHOLDERS VOTE FOR THE APPROVAL OF THE MERGER, THE MERGER AGREEMENT AND THE OTHER TRANSACTIONS CONTEMPLATED THEREBY.

Recommendation of the Board of Directors of CPA®:16 Global

AT A MEETING ON JULY 25, 2013, THE INDEPENDENT DIRECTORS OF CPA®:16 GLOBAL'S BOARD OF DIRECTORS, AFTER RECEIVING THE RECOMMENDATION OF THE CPA®:16 GLOBAL SPECIAL COMMITTEE, VOTED UNANIMOUSLY TO APPROVE AND DECLARE ADVISABLE THE MERGER. THE INDEPENDENT DIRECTORS OF CPA®:16 GLOBAL'S BOARD OF DIRECTORS BELIEVE THAT THE MERGER IS IN THE BEST INTERESTS OF CPA®:16 GLOBAL AND ITS STOCKHOLDERS AND RECOMMENDS THAT CPA®:16 STOCKHOLDERS VOTE FOR THE APPROVAL OF THE MERGER, THE MERGER AGREEMENT AND THE OTHER TRANSACTIONS CONTEMPLATED THEREBY. TREVOR P. BOND, A DIRECTOR OF CPA®:16 GLOBAL AND W. P. CAREY, ABSTAINED FROM VOTING ON THE MATTER.

Vote Required

The affirmative vote of the holders of a majority of the outstanding shares of W. P. Carey Common Stock entitled to vote at the W. P. Carey Special Meeting is required to approve the Merger. Each

outstanding share of W. P. Carey Common Stock is entitled to one vote on each proposal submitted to the W. P. Carey Stockholders for consideration. As of the close of business on the W. P. Carey Record Date, there were approximately [ ] shares of W. P. Carey Common Stock outstanding. Abstentions and "broker non-votes" will have the same effect as votes against approval of the Merger since the proposal requires the affirmative vote of a majority of all the votes entitled to be cast by W. P. Carey Stockholders on the matter.

The affirmative vote of the holders of a majority of the outstanding shares of CPA®:16 Common Stock entitled to vote at the CPA®:16 Special Meeting is required to approve the Merger. CPA®:16 Global's organizational documents provide that: (i) its directors and advisor and their affiliates may not vote their shares of CPA®:16 Common Stock on the Merger because it is a transaction between CPA®:16 Global and affiliates of its advisor; and (ii) for purposes of determining whether the requisite percentage of CPA®:16 Common Stock has approved the Merger, the shares held by CPA®:16 Global's directors and advisor and their affiliates will be deemed not entitled to be voted and will not be included in making such determination. Accordingly, shares of CPA®:16 Common Stock owned by W. P. Carey and its affiliates will not be taken into account in determining whether or not the Merger receives the requisite approval.

Except as described in the preceding sentence, each outstanding share of CPA®:16 Common Stock is entitled to one vote on each proposal submitted to the CPA®:16 Stockholders for consideration. As of the close of business on the CPA®:16 Record Date, there were [ ] shares of CPA®:16 Common Stock outstanding, [ ] of which were beneficially owned by CPA®:16 Global's directors and affiliates, including W. P. Carey. Given that the shares of CPA®:16 Common Stock beneficially owned by any of CPA®:16 Global's directors and affiliates, including W. P. Carey, will not be taken into account for purposes of determining whether the requisite stockholder approval has been obtained, the affirmative vote of the holders of a majority of the remaining [ ] shares of CPA®:16 Common Stock is required to approve the Merger. Abstentions and "broker non-votes" will have the same effect as votes against approval of the Merger since the proposal requires the affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast by CPA®:16 Stockholders on the matter.

See "The W. P. Carey Special Meeting" beginning on page 144 and "The CPA®:16 Global Special Meeting" beginning on page 147.

Date, Time, Place and Purpose of Special Meeting

The W. P. Carey Special Meeting will be held at [ ] p.m., Eastern Time, on [ ], 2014, at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104. The purposes of the W. P. Carey Special Meeting are to (i) consider and vote upon a proposal to approve the Merger; and (ii) transact such other business as may properly come before the W. P. Carey Special Meeting or any adjournments or postponements of the special meeting, including, without limitation, a motion to adjourn the special meeting to another time for the purpose of soliciting additional proxies to approve the Merger proposal.

The CPA®:16 Special Meeting will be held at [ ] p.m., Eastern Time, on [ ], 2014, at the offices of DLA Piper LLP (US), 1251 Avenue of the Americas, 27th Floor, New York, New York 10020-1104. The purposes of the CPA®:16 Special Meeting are to (i) consider and vote upon a proposal to approve the Merger; and (ii) transact such other business as may properly come before the CPA®:16 Special Meeting or any adjournments or postponements of the special meeting, including, without limitation, a motion to adjourn the special meeting to another time for the purpose of soliciting additional proxies to approve the Merger proposal.

See "The W. P. Carey Special Meeting" beginning on page 144 and "The CPA®:16 Global Special Meeting" beginning on page 147.

Table of Contents

W. P. Carey Stockholders and CPA®:16 Stockholders Entitled to Vote

W. P. Carey's board of directors has fixed the close of business on [ ], 2013 as the W. P. Carey Record Date. Accordingly, only holders of record of shares of W. P. Carey Common Stock on the W. P. Carey Record Date are entitled to notice of, and to vote at the W. P. Carey Special Meeting. As of the W. P. Carey Record Date, there were approximately [ ] outstanding shares of W. P. Carey Common Stock held by approximately [ ] holders of record. At the W. P. Carey Special Meeting, each share of W. P. Carey Common Stock will be entitled to one vote.

CPA®:16 Global's board of directors has fixed the close of business on [ ], 2013 as the record date for the CPA®:16 Special Meeting. Accordingly, only holders of record of shares of CPA®:16 Common Stock on the CPA®:16 Record Date are entitled to notice of, and to vote at the CPA®:16 Special Meeting. As of the CPA®:16 Record Date, there were [ ] outstanding shares of CPA®:16 Common Stock held by [ ] holders of record. At the CPA®:16 Special Meeting, each outstanding share of CPA®:16 Common Stock is entitled to one vote on the proposals submitted to stockholders for consideration, except that, as described below under "The CPA 16 Special Meeting Vote Required", W. P. Carey, the directors of CPA®:16 Global and their affiliates are not entitled to vote on the Merger.

See "The W. P. Carey Special Meeting" beginning on page 144 and "The CPA®:16 Global Special Meeting" beginning on page 147.

Opinion of Financial Advisor to W. P. Carey

In connection with the Merger, BofA Merrill Lynch delivered a written opinion, dated July 25, 2013, to the W. P. Carey board of directors as to the fairness, from a financial point of view and as of the date of the opinion, to W. P. Carey of the implied Exchange Ratio of 0.1661x. The full text of BofA Merrill Lynch's written opinion, dated July 25, 2013, is attached as Annex B to this Joint Proxy Statement/Prospectus and sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by BofA Merrill Lynch in rendering its opinion. **BofA Merrill Lynch delivered its opinion to the W. P. Carey board of directors for the benefit and use of the W. P. Carey board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the implied Exchange Ratio from a financial point of view to W. P. Carey. BofA Merrill Lynch's opinion did not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to W. P. Carey or in which W. P. Carey might engage or as to the underlying business decision of W. P. Carey to proceed with or effect the Merger. The opinion should not be construed as creating any fiduciary duty on BofA Merrill Lynch's part to any party and BofA Merrill Lynch expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the Merger or any related matter**.

See "The Opinion of Financial Advisor to W. P. Carey" beginning on page 61.

Opinion of Financial Advisor to the Special Committee and Board of Directors of CPA®:16 Global

In connection with the Merger, CPA®:16 Global engaged Barclays Capital Inc., referred to herein as Barclays, to act as financial advisor to the CPA®:16 Special Committee. On July 25, 2013, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the CPA®:16 Special Committee that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the Exchange Ratio is fair from a financial point of view to the stockholders of CPA®:16 Global (other than W. P. Carey and its affiliates and any other affiliates of CPA®:16 Global).

Table of Contents

The full text of Barclays' written opinion, dated as of July 25, 2013, is attached as Annex C to this Joint Proxy Statement/Prospectus. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety. This summary is qualified in its entirety by reference to the full text of the opinion.

See "The Opinion of Financial Advisor to the Special Committee of CPA®:16 Global" beginning on page 70.

CPA®:16 Global Real Estate Portfolio Appraisal

Stanger was engaged by CPA®:16 Global to appraise the CPA®:16 Global real estate portfolio and has delivered its opinion, based upon the review, analysis, scope and assumptions and limitations described in its report and summarized in this Joint Proxy Statement/Prospectus of the market value of the CPA®:16 Global portfolio as of December 31, 2012. CPA®:16 Global engaged Stanger as part of CPA®:16 Global's regular annual determination of its estimated net asset value, and not specifically for purposes of the Merger. CPA®:16 Global selected Stanger to provide the appraisal because of its reputation and experience in valuing assets similar to those in the CPA®:16 Global real estate portfolio.

The appraisal reflects Stanger's valuation of the CPA®:16 Global real estate portfolio as of December 31, 2012 in the context of the information available at or around such date. Events occurring after such date could affect the assumptions used in preparing the appraisal and/or the CPA®:16 Global portfolio value opinion. Stanger has no obligation to update its appraisal on the basis of subsequent events.

See "The Real Estate Portfolio Appraisal By Robert A. Stanger & Co., Inc." beginning on page 84.

Board of Directors and Management of W. P. Carey

The directors and officers of W. P. Carey immediately prior to the effective time of the Merger will continue to be the directors and officers of W. P. Carey after the Merger. During the nine months ended September 30, 2013, the directors of W. P. Carey as a group received cash and equity compensation of $1.4 million.

Regulatory Approvals

Neither W. P. Carey nor CPA®:16 Global is aware of any U.S. federal or state regulatory approvals that must be obtained in connection with the Merger, other than compliance with applicable federal and state securities laws, the filing of articles of merger as required under the MGCL, and obtaining various state governmental authorizations.

Comparison of Rights of CPA®:16 Stockholders and W. P. Carey Stockholders

Both CPA®:16 Global and W. P. Carey are incorporated in Maryland. Upon the effective time of the Merger, CPA®:16 Stockholders will become stockholders of W. P. Carey. The rights of CPA®:16 Stockholders are governed currently by the MGCL, the CPA®:16 Global Charter and the CPA®:16 Global Bylaws. Once CPA®:16 Stockholders become stockholders of W. P. Carey, their rights will continue to be governed by the MGCL, but will be governed by the W. P. Carey Charter and the W. P. Carey Bylaws.

For the material differences between the rights of CPA®:16 Stockholders and the rights of W. P. Carey Stockholders, see "Description of W. P. Carey Shares" and "Comparison of Rights of CPA®:16 Stockholders and W. P. Carey Stockholders."

Table of Contents

Material Federal Income Tax Consequences

As a condition to and prior to the closing of the Merger, (i) CPA®:16 Global shall have received an opinion of DLA Piper LLP (US) to the effect that, at all times since its taxable year ended December 31, 2012, W. P. Carey has been and will continue to be organized and operated in conformity with the requirements for qualification and taxation as a REIT under the Code, (ii) CPA®:16 Global shall have received an opinion from Clifford Chance US LLP to the effect that for federal income tax purposes the Merger will qualify as a reorganization under Section 368(a) of the Code, (iii) W. P. Carey and Merger Sub shall have received an opinion from DLA Piper LLP (US) to the effect that for federal income tax purposes the Merger will qualify as a reorganization under Section 368(a) of the Code, and (iv) CPA®:16 Global shall have received an opinion from DLA Piper LLP (US) to the effect that, during the period beginning January 1, 2009 and ending on September 28, 2012, W. P. Carey & Co. LLC was classified as a partnership and not as an association taxable as a corporation for U.S. federal income tax purposes.

Clifford Chance US LLP, counsel to CPA®:16 Global, and DLA Piper LLP (US), counsel to W. P. Carey, are of the opinion that the Merger will qualify as a reorganization within the meaning of Section 368(a) of the Code. In accordance with this treatment, no gain or loss will be recognized by W. P. Carey, CPA®:16 Global or their stockholders as a result of the Merger except to the extent of cash received in lieu of any fractional shares.

The opinions of Clifford Chance US LLP and DLA Piper LLP (US) regarding the federal income tax treatment of the Merger will rely on customary representations made by CPA®:16 Global, W. P. Carey and Merger Sub and applicable factual assumptions. If any of the factual assumptions or representations relied upon in the opinions of counsel are inaccurate, the opinions may not accurately describe the federal income tax treatment of the Merger, and this discussion may not accurately describe the tax consequences of the Merger. In addition, the federal income tax treatment of the Merger to holders of CPA®:16 Common Stock depends in some instances on determinations of fact and interpretations of complex provisions of federal income tax law for which no clear precedent or authority may be available. In addition, the tax consequences of the Merger to any particular stockholder will depend on your particular tax circumstances. We urge you to consult your tax advisor, particularly if you are a non-U.S. holder, regarding the specific tax consequences, including the federal, state, local and foreign tax consequences, to you in light of your particular investment or tax circumstances of the Merger.

The opinions of CPA®:16 Global's tax counsel and W. P. Carey's tax counsel are based upon the law as it will exist as of the date of the opinion, but the law may change in the future, possibly with retroactive effect. Given the highly complex nature of the rules governing REITs, the ongoing importance of factual determinations, and the possibility of future changes in our circumstances, no assurance can be given by DLA Piper LLP (US) or us that W. P. Carey will qualify as a REIT for any particular year. The opinions of Clifford Chance US LLP and DLA Piper LLP (US) will be expressed as of the date issued. Clifford Chance US LLP and DLA Piper LLP (US) will have no obligation to advise CPA®:16 Global, W. P. Carey or their stockholders of any subsequent change in the matters stated, represented or assumed, or of any subsequent change in the applicable law. Also, the opinions of tax counsel are not binding on either the Internal Revenue Service (the "***IRS***") or a court, and either could take a position different from that expressed by tax counsel.

See "Material Federal Income Tax Considerations" beginning on page 209.

Potential Conflicts

In considering the recommendation of the boards of directors of W. P. Carey and CPA®:16 Global to approve the Merger, W. P. Carey Stockholders and CPA®:16 Stockholders should be aware that potential conflicts of interest exist because W. P. Carey and its affiliates serve as the advisor for

CPA®:16 Global, the companies share common management, and the officers and directors of W. P. Carey and CPA®:16 Global may have certain interests in the proposed transactions that are different from or in addition to the interests of W. P. Carey Stockholders and CPA®:16 Stockholders generally. The boards of directors of W. P. Carey and CPA®:16 Global (including the CPA®:16 Special Committee) knew about these potential conflicts and additional interests, and considered them, when they approved the Merger. Certain of these potential conflicts and interests are set forth below.

W. P. Carey will continue to receive any and all accrued and unpaid fees and distributions pursuant to the CPA®:16 Advisory Agreements. At September 30, 2013, W. P. Carey had accrued and unpaid fees of $3.3 million pursuant to CPA®:16 Advisory Agreements and the CPA16 LLC Agreement through the closing of the Merger, other than the Contractual Payments that W. P. Carey has agreed to waive in connection with the Merger. On a monthly basis, W. P. Carey earns approximately $1.5 million in asset management fees and $1.2 million in special general partner distributions from CPA®:16 Global and CPA16 LLC.

Additionally, pursuant to the terms of the CPA16 LLC Agreement, Merger Sub is entitled to its special general partner profit interests in CPA16 LLC as a result of the Merger. Subject to the terms and conditions of the Merger Agreement, upon the consummation of the Merger, Merger Sub has agreed to waive its right to receive these distributions, and related allocations of profits and losses and to terminate its special general partner interest for no consideration.

See "Conflicts Of Interest" beginning on page 88 and "Certain Relationships and Related Transactions" beginning on page 185.

Shares Owned by Directors and Executive Officers

As of the close of business on the CPA®:16 Record Date, there were [ ] shares of CPA®:16 Common Stock outstanding, [ ] of which were beneficially owned by CPA®:16 Global's directors and affiliates, including W. P. Carey. Given that the shares of CPA®:16 Common Stock beneficially owned by any of CPA®:16 Global's directors and affiliates, including W. P. Carey, will not be taken into account for purposes of determining whether the requisite stockholder approval has been obtained, the affirmative vote of a majority of the remaining [ ] shares of CPA®:16 Common Stock is required to approve the Merger.

Appraisal Rights

Under Subtitle 2 of Title 3 of the MGCL, a copy of which appears as Annex D to this Joint Proxy Statement/Prospectus, CPA®:16 Stockholders have the right to demand payment from W. P. Carey of the fair value of their shares of CPA®:16 Common Stock.

To qualify as an objecting stockholder, a CPA®:16 Stockholder must deliver to the corporate secretary of CPA®:16 Global at 50 Rockefeller Plaza, New York, New York 10020, at or prior to the CPA®:16 Special Meeting, such stockholder's written objection to the Merger. The written objection must be separate from and in addition to any proxy or vote against the Merger. A proxy or vote against the Merger does not by itself constitute a CPA®:16 Stockholder's written objection or demand for appraisal.

In addition, if a CPA®:16 Stockholder wishes to exercise his or her right to demand payment of the fair value of his or her stock, within 20 days following the date the Articles of Merger are accepted for record by the State Department of Assessments and Taxation of Maryland, the CPA®:16 Stockholder must make a written demand on Merger Sub for the payment of such stockholder's CPA®:16 Common Stock stating the number and class of shares for which such stockholder demands payment. In addition to making a written demand for the payment of such stockholder's stock, the CPA®:16 Stockholder must not vote in favor of the Merger. CPA®:16 Stockholders should note that any CPA®:16 Stockholder

Table of Contents

who returns executed but unmarked proxies will be deemed to have voted in favor of the Merger. If a properly executed proxy card is returned or properly submitted by telephone or over the Internet and the CPA®:16 Stockholder has abstained from voting on the Merger, the shares of CPA®:16 Common Stock represented by the proxy will not be considered to have been voted on the Merger. Abstentions will have the same effect as a vote against approval of the Merger.

Once a CPA®:16 Stockholder has filed a demand for payment, such stockholder ceases to have any rights as a CPA®:16 Stockholder, including the right to receive the Per Share Merger Consideration, except for the right to receive payment of the fair value of such stockholder's shares of CPA®:16 Common Stock. Once a CPA®:16 Stockholder makes a demand for payment, such stockholder may withdraw that demand only with the consent of Merger Sub.

Provided that the CPA®:16 Stockholder does not vote in favor of the Merger, or return an executed but unmarked proxy, and assuming that the W. P. Carey Stockholder Approval and the CPA®:16 Stockholder Approval is obtained, then, promptly after the Effective Date, Merger Sub must notify such objecting stockholder in writing of the date the Articles of Merger are accepted for record by the State Department of Assessments and Taxation of Maryland. As part of that notice, Merger Sub may send to such CPA®:16 Stockholder a written offer to pay to such stockholder a specified price deemed by CPA®:16 Global to be the fair value for the shares of CPA®:16 Common Stock owned by the CPA®:16 Stockholder. Each such offer will be accompanied by a balance sheet as of a date not more than six months prior to the offer date, a profit and loss statement for the 12 months ending on the date of the balance sheet, and any other information Merger Sub considers pertinent. Within 50 days after the date the Articles of Merger are accepted for record by the State Department of Assessments and Taxation of Maryland, if a dissenting CPA®:16 Stockholder has not received from Merger Sub the fair value of the shares of CPA®:16 Global held by it, the CPA®:16 Stockholder may file a petition with a court of equity in the county where the principal office of Merger Sub is located for an appraisal to determine the fair value of those shares.

IF YOU DO NOT COMPLY WITH THE PROCEDURES FULLY AND THE MERGER IS APPROVED, YOU MAY LOSE YOUR RIGHT TO DEMAND PAYMENT OF THE FAIR VALUE OF YOUR SHARES OF CPA®:16 COMMON STOCK, AND YOU WILL BE REQUIRED TO ACCEPT THE PER SHARE MERGER CONSIDERATION.

If the court finds you are entitled to an appraisal of your shares of CPA®:16 Common Stock, it will appoint three disinterested appraisers to determine the fair value of your stock. Unless the court permits a longer period, the appraisers have 60 days after their appointment to determine the fair value of your stock and file their report with the court, and within 15 days after the appraisers file their report, any party may object to it and request a hearing. The court may, among other things, accept the report or set its own determination of the fair value, and then direct Merger Sub to pay the appropriate amount. Neither W. P. Carey nor CPA®:16 Global can predict how the court will value the CPA®:16 Common Stock, and the fair value may be higher, lower or equal in value to the Per Share Merger Consideration being paid in the Merger. CPA®:16 Stockholders should note that opinions of investment banking firms as to the fairness, from a financial point of view, of the consideration payable in a sale transaction, such as the Merger, are not opinions as to, and do not otherwise address, fair value under the MGCL. If the court finds that the failure of a stockholder to accept an offer for the stock was arbitrary and vexatious or not in good faith, the court has the right to apportion among all or some of the parties any expenses of any proceeding to demand the fair or appraised value of shares as it deems equitable.

The above description is a summary of the material provisions of Subtitle 2 of Title 3 of the MGCL. For complete information, you should review the text of Subtitle 2, which appears as Annex D to this Joint Proxy Statement/Prospectus.

See "The Merger Agreement Objecting Stockholders' Rights of Appraisal" beginning on page 167.

Table of Contents

SUMMARY FINANCIAL INFORMATION

The following information has been derived from the audited consolidated financial statements of each of W. P. Carey and CPA®:16 Global for the five years ended December 31, 2012 and the unaudited consolidated financial statements of each of W. P. Carey and CPA®:16 Global for the nine months ended September 30, 2013 and 2012. This information is only a summary and should be read in conjunction with the unaudited pro forma financial statements of W. P. Carey included elsewhere herein, and the historical financial statements and related notes thereto for W. P. Carey and CPA®:16 Global included in or incorporated by reference into this Joint Proxy Statement/Prospectus.

Selected Historical and Pro Forma Financial Data of W. P. Carey

The unaudited pro forma consolidated operating data is presented as if the Merger and the CPA®:15 Merger occurred on January 1, 2012. The unaudited pro forma consolidated balance sheet data is presented as if the Merger occurred on September 30, 2013. **THE PRO FORMA INFORMATION BELOW IS HYPOTHETICAL AND DOES NOT NECESSARILY REFLECT THE FINANCIAL PERFORMANCE THAT WOULD HAVE ACTUALLY RESULTED IF THE MERGER HAD BEEN COMPLETED ON THOSE DATES. FURTHERMORE, THIS INFORMATION DOES NOT NECESSARILY REFLECT FUTURE FINANCIAL POSITION AND RESULTS OF OPERATIONS IF THE MERGER ACTUALLY OCCURS.**

See "W. P. Carey Pro Forma Consolidated Financial Statements" and the corresponding Notes to the consolidated financial statements of W. P. Carey included in this Joint Proxy Statement/Prospectus for a more detailed explanation of this analysis.

	Years Ended December 31,					
	Historical W. P. Carey					Pro Forma W. P. Carey
	2012	2011	2010	2009	2008	2012[10]
				(Unaudited)	(Unaudited)	(Unaudited)
	(In thousands except share and per share amounts)					
Operating Data[1]						
Revenues from continuing operations[2][3]	$ 368,865	$ 324,122	$ 257,179	$ 213,801	$ 215,479	$ 811,096
Income from continuing operations[2][3]	90,355	154,062	85,181	61,176	64,542	159,162
Net income[4]	62,779	139,138	74,951	70,568	78,605	N/A
Less: Net (income) loss attributable to noncontrolling interests	(607)	1,864	314	713	950	N/A
Add: Net income attributable to redeemable noncontrolling interests	(40)	(1,923)	(1,293)	(2,258)	(1,508)	N/A
Net income attributable to W. P. Carey	62,132	139,079	73,972	69,023	78,047	N/A
Basic Earnings Per Share:						
Income from continuing operations attributable to W. P. Carey	1.88	3.81	2.12	1.50	1.62	1.51
Net income attributable to W. P. Carey	1.30	3.44	1.86	1.74	1.98	N/A
Shares outstanding	47,389,460	39,819,475	39,514,746	39,019,709	39,202,520	96,534,378
Diluted Earnings Per Share:						
Income from continuing operations attributable to W. P. Carey	1.85	3.78	2.11	1.50	1.60	1.50
Net income attributable to W. P. Carey	1.28	3.42	1.86	1.74	1.95	N/A
Cash distributions declared per share[5]	2.44	2.19	2.03	2.00	1.96	N/A
Shares outstanding	48,078,474	40,098,095	40,007,894	39,712,735	40,221,112	97,223,392
Balance Sheet Data						
Net investments in real estate[6]	$ 3,241,199	$ 1,217,931	$ 946,975	$ 884,460	$ 918,741	$ N/A
Total assets	4,609,042	1,462,623	1,172,326	1,093,336	1,111,136	N/A
Long-term obligations[7]	1,968,397	589,369	396,982	326,330	326,874	N/A
Book value per share[8]	14.03	14.01	13.62	13.79	14.01	N/A
Other Information						
Cash provided by operating activities	$ 80,643	$ 80,116	$ 86,417	$ 74,544	$ 63,247	$ N/A
Cash distributions paid	113,867	85,814	92,591	78,618	87,700	N/A
Payments of mortgage principal[9]	54,964	25,327	14,324	9,534	9,678	N/A

(1) Certain prior year amounts have been reclassified from continuing operations to discontinued operations.

Table of Contents

(2) The year ended December 31, 2012 includes the impact of CPA®:15 being merged with and into W. P. Carey, with CPA®:15 surviving as an indirect, wholly-owned subsidiary of W. P. Carey, which was completed on September 28, 2012.

(3) The year ended December 31, 2011 includes $52.5 million of incentive, termination and subordinated disposition revenue recognized in connection with the CPA®:14/16 Merger in May 2011.

(4) Net income in 2012, 2011, 2010, 2009 and 2008 reflects impairment charges totaling $32.9 million, $10.7 million, $16.8 million, $10.4 million and $1.0 million, respectively.

(5) The year ended December 31, 2009 excludes a special distribution of $0.30 per share paid in January 2010 to stockholders of record at December 31, 2009.

(6) The historical amounts for Net investments in real estate consists of Net investments in properties, Net investments in direct financing leases, Equity investments in real estate and CWI, CPA®:16 Global and CPA®:17 Global, Real estate under construction and Assets held for sale, as applicable. The pro forma Net investments in real estate reflect the elimination of W. P. Carey's equity investments in CPA®:16 Global.

(7) Represents non-recourse mortgage obligations and our credit facility. The year ended December 31, 2012 includes a $175.0 million term loan facility, which was drawn down in full in connection with the CPA®:15 Merger.

(8) Represents total assets; less net intangible assets, total liabilities and total noncontrolling interests; divided by shares of common stock outstanding at the end of the period.

(9) Represents scheduled mortgage principal payments.

(10) The unaudited pro forma consolidated operating data is presented as if the Merger and the CPA®:15 Merger had both occurred on January 1, 2012. Pro forma shares outstanding include adjustments of approximately 21.0 million shares related to those issued in the CPA®:15 Merger and approximately 28.2 million shares expected to be issued in the Merger, each as if they had been outstanding since January 1, 2012. Balance sheet data at December 31, 2012, net income attributable to W. P. Carey Stockholders and cash flow information are not required elements of pro forma presentation and, therefore, are designated as "N/A."

	Nine Months Ended September 30,		
	Historical W. P. Carey		Pro Forma W. P. Carey[7]
	2013	2012	2013
	(Unaudited)		(Unaudited)
	(In thousands except share and per share amounts)		
Operating Data[1]			
Revenues from continuing operations	$ 367,375	$ 202,939	$ 579,628
Income from continuing operations	84,217	59,335	108,152
Net income[2]	83,305	45,125	N/A
Net (income) loss attributable to noncontrolling interests	(7,312)	1,383	N/A
Add: Net loss attributable to redeemable noncontrolling interests	(139)	146	N/A
Net income attributable to W. P. Carey	75,854	46,654	N/A
Basic Earnings Per Share:			
Income from continuing operations attributable to W. P. Carey	1.11	1.49	1.06
Net income attributable to W. P. Carey	1.10	1.14	N/A
Shares outstanding	68,719,264	40,398,433	96,871,264
Diluted Earnings Per Share:			
Income from continuing operations attributable to W. P. Carey	1.09	1.47	1.05
Net income attributable to W. P. Carey	1.08	1.12	N/A
Cash distributions declared per share	2.52	1.78	N/A
Shares outstanding	69,846,320	41,029,578	97,998,320
Balance Sheet Data			

Net investments in real estate[3]	$ 3,365,014	$ 3,293,462	$ 5,420,010
Total assets	4,726,360	4,782,495	8,302,860
Long-term obligations[4]	2,175,556	2,135,880	3,769,943
Book value per share[5]	12.25	13.67	13.76
Other Information			
Cash provided by operating activities	$ 146,327	$ 31,739	$ N/A
Cash distributions paid	160,953	69,180	N/A
Payments of mortgage principal[6]	160,763	12,455	N/A

(1) Certain prior year amounts have been reclassified from continuing operations to discontinued operations.

(2) Net income for the nine months ended September 30, 2013 and 2012 reflects impairment charges totaling $18.1 million and $18.0 million, respectively.

Table of Contents

(3)

The historical amounts for Net investments in real estate consists of Net investments in properties, Net investments in direct financing leases, Equity investments in real estate and CWI, CPA®:16 Global and CPA®:17 Global, Real estate under construction and Assets held for sale, as applicable. The pro forma Net investments in real estate reflect the elimination of W. P. Carey's equity investments in CPA®:16 Global.

(4)

Represents non-recourse mortgage obligations and our credit facility. The year ended December 31, 2012 includes the $175.0 million term loan facility, which was drawn down in full in connection with the CPA®:14/16 Merger.

(5)

Represents total assets; less net intangible assets, total liabilities and total noncontrolling interests; divided by shares of common stock outstanding at the end of the period on a pro form basis. The total shares of common stock included in the pro forma book value per share calculation are approximately 96,406,000.

(6)

Represents scheduled mortgage principal payments.

(7)

The unaudited pro forma consolidated operating data is presented as if the Merger and the CPA®:15 Merger had both occurred on January 1, 2012 and the unaudited pro forma consolidated balance sheet data is presented as if the Merger occurred on September 30, 2013. Pro forma shares outstanding include an adjustment of approximately 28.2 million shares expected to be issued in the Merger, as if they had been outstanding since January 1, 2012. Net income attributable to W. P. Carey Stockholders and cash flow information are not required elements of pro forma presentation and, therefore, are designated as "N/A."

Table of Contents

Selected Historical Financial Data of CPA®:16 Global

The following selected financial data should be read in conjunction with the accompanying unaudited consolidated financial statements of CPA®:16 Global and related Notes to the accompanying unaudited consolidated financial statements of CPA®:16 Global:

	Years Ended December 31,					Nine Months Ended September 30,	
	2012[1]	2011[1]	2010	2009	2008	2013	2012
				(Unaudited)	(Unaudited)	(Unaudited)	
	(In thousands except per share amounts)						
Operating Data[2]							
Revenues from continuing operations	$ 310,280	$ 297,029	$ 220,936	$ 220,660	$ 218,865	$ 233,236	$ 234,121
Income from continuing operations	56,000	29,382	54,622	26,156	42,075	42,572	44,726
Net income[3]	41,450	21,293	59,238	12,959	47,360	40,255	33,985
Add: Net (income) loss attributable to noncontrolling interests	(25,576)	(9,891)	(4,905)	8,050	(339)	(12,116)	(17,785)
Add: Net loss (income) attributable to redeemable noncontrolling interests	2,192	(1,902)	(22,326)	(23,549)	(26,774)	1,015	(1,291)
Net income (loss) attributable to CPA®:16 Stockholders	18,066	9,500	32,007	(2,540)	20,247	29,154	14,909
Earnings (Loss) Per Share:							
Income from continuing operations attributable to CPA®:16 Stockholders	0.17	0.11	0.24	0.01	0.13	0.14	0.13
Net income (loss) attributable to CPA®:16 Stockholders	0.09	0.05	0.26	(0.02)	0.17	0.14	0.07
Cash distributions declared per share	0.67	0.66	0.66	0.66	0.66	0.50	0.50
Balance Sheet Data							
Total assets	$ 3,406,792	$ 3,644,934	$ 2,438,391	$ 2,889,005	$ 2,967,203	$ 3,268,852	$ 3,443,298
Net investments in real estate[4]	2,765,886	2,862,040	2,127,900	2,223,549	2,190,625	2,674,687	2,781,400
Long-term obligations[5]	1,788,937	1,946,170	1,371,949	1,454,851	1,453,901	1,691,550	1,802,132
Book value per share[6]	4.37	4.51	5.58	5.91	6.49	4.39	4.39
Other Information							
Net cash provided by operating activities	$ 190,939	$ 156,927	$ 121,390	$ 116,625	$ 117,435	$ 144,013	$ 143,242
Cash distributions paid	134,649	103,880	82,013	80,778	79,011	102,583	100,817
Payments of mortgage principal[7]	85,990	52,034	21,613	18,747	15,487	32,223	75,693

(1) Results for the years ended December 31, 2012 and 2011 include the impact of the CPA®:14/16 Merger in May 2011.

(2) Certain prior year amounts have been reclassified from continuing operations to discontinued operations.

(3) Net income in 2012, 2011, 2010, 2009, and 2008 reflects impairment charges totaling $22.9 million inclusive of amounts attributable to noncontrolling interests totaling less than $0.1 million, $27.5 million inclusive of amounts attributable to noncontrolling interests totaling $0.2 million, $10.9 million inclusive of amounts attributable to noncontrolling interests totaling $2.5 million, $59.6 million inclusive of amounts attributable to noncontrolling interests totaling $12.8 million, and $4.0 million, respectively.

(4) Net investments in real estate consists of Net investments in properties, Net investments in direct financing leases, Equity investments in real estate, Assets held for sale, and Real estate under construction, as applicable.

(5) Represents non-recourse mortgage obligations, our credit facility, and deferred acquisition fee installments.

(6)

Represents total assets; less net intangible assets, total liabilities and total noncontrolling interests; divided by shares of common stock outstanding at the end of the period.

(7) Represents scheduled mortgage principal payments.

Table of Contents

W. P. CAREY COMMON STOCK HISTORICAL MARKET PRICE AND DISTRIBUTION INFORMATION

Shares of W. P. Carey Common Stock are listed on the NYSE under the ticker symbol "WPC." The following table sets forth, for the periods indicated, the high and low sale prices of the common stock on the NYSE and quarterly cash distributions declared. You should obtain a current stock price quotation for shares of W. P. Carey Common Stock.

	High	Low	Distributions
2011			
First quarter	$ 38.00	$ 29.75	$ 0.512
Second quarter	41.82	34.75	0.550
Third quarter	42.72	32.76	0.560
Fourth quarter	44.71	34.50	0.563
2012			
First quarter	$ 49.70	$ 41.28	$ 0.565
Second quarter	48.39	39.66	0.567
Third quarter	54.24	43.25	0.650
Fourth quarter	54.70	45.94	0.660
2013			
First quarter	$ 68.99	$ 51.60	$ 0.820
Second quarter	79.34	61.90	0.840
Third quarter	72.19	63.20	0.860
Fourth quarter (through October 31, 2013)	67.84	63.82	N/A

On October 31, 2013, the latest practicable date before the printing of this Joint Proxy Statement/Prospectus, the closing sale price of W. P. Carey Common Stock on the NYSE was $66.61 per share.

On September 28, 2012, Corporate Property Associates 15 Incorporated ("***CPA®:15***") merged with and into W. P. Carey, with CPA®:15 surviving as an indirect, wholly-owned subsidiary of W. P. Carey. In connection with the CPA®:15 Merger, W. P. Carey & Co. LLC, the predecessor of W. P. Carey (the "***Predecessor***"), completed an internal reorganization whereby the Predecessor and its subsidiaries merged with and into W. P. Carey, with W. P. Carey as the surviving corporation, succeeding to and continuing to operate the existing business of the Predecessor ("***REIT Reorganization***").

Upon completion of the CPA®:15 Merger and the REIT Reorganization, the shares of the Predecessor were delisted from the NYSE and canceled, and W. P. Carey's Common Stock became listed on the NYSE under the same symbol "***WPC***."

The historical trading prices of W. P. Carey and the Predecessor's listed shares are not necessarily indicative of the future trading prices of W. P. Carey Common Stock because, among other things, the current stock price of W. P. Carey reflects the current market valuation of W. P. Carey's current business and assets and may not reflect the Merger. See the section entitled "Risk Factors" for additional details.

W. P. Carey expects to continue declaring regular quarterly distributions before and after the closing of the Merger. The actual timing and amount of the distributions will be as determined and authorized by the W. P. Carey board of directors and will depend on, among other factors, W. P. Carey's financial condition, earnings, debt covenants, applicable provisions under the MGCL and other possible uses of such funds.

Table of Contents

CPA®:16 GLOBAL COMMON STOCK DISTRIBUTION INFORMATION

There is no established public trading market for shares of CPA®:16 Common Stock. The following table sets forth, for the periods indicated, the quarterly cash distributions paid or payable on CPA®:16 Common Stock.

	Distributions Declared per Share	Annualized Rate (At $10.00 per Share)(1)	Amount per $1,000 Invested
2011			
First quarter	$ 0.1656	6.62%	$ 16.56
Second quarter	$ 0.1656	6.62%	$ 16.56
Third quarter	$ 0.1662	6.65%	$ 16.62
Fourth quarter	$ 0.1668	6.67%	$ 16.68
2012			
First quarter	$ 0.1670	6.68%	$ 16.70
Second quarter	$ 0.1672	6.69%	$ 16.72
Third quarter	$ 0.1674	6.70%	$ 16.74
Fourth quarter	$ 0.1676	6.70%	$ 16.76
2013			
First quarter	$ 0.1678	6.71%	$ 16.78
Second quarter	$ 0.1680	6.72%	$ 16.80
Third quarter	$ 0.1682	6.73%	$ 16.82

(1) Reflects an original investment of $10.00 per share of CPA®:16 Common Stock. The annualized rate equals the quarterly distribution multiplied by four and divided by the per share amount shown.

CPA®:16 Global expects to continue declaring regular quarterly distributions until the closing of the Merger. The actual timing and amount of the distributions will be as determined and authorized by the CPA®:16 Global board of directors and will depend on, among other factors, CPA®:16 Global's financial condition, earnings, debt covenants, applicable provisions under the MGCL and other possible uses of such funds.

Table of Contents

RISK FACTORS

In addition to the other information included and incorporated by reference in this Joint Proxy Statement/Prospectus, including the matters addressed in the section entitled "Cautionary Statement Concerning Forward Looking Information," you should carefully consider the following risk factors relating to the proposed Merger in determining whether or not to vote for the approval of the Merger. You should not consider the list below to be exclusive. New risk factors emerge periodically, and you cannot be completely assured that the factors described below list all material risks at any specific period in time. This section includes or refers to certain forward-looking statements. See the section entitled "Cautionary Statement Concerning Forward-Looking Statements" for the qualifications and limitations of these forward-looking statements. In addition, you should read and consider the risks associated with each of the businesses of W. P. Carey and CPA®:16 Global because these risks also affect the combined company. Risks in relation to W. P. Carey can be found in W. P. Carey's Annual Report on Form 10-K for the year ended December 31, 2012, filed with the SEC on February 26, 2013, and subsequent Quarterly Reports on Form 10-Q, which are incorporated by reference into this Joint Proxy Statement/Prospectus. You should also read and consider the other information in this Joint Proxy Statement/Prospectus and the other documents incorporated by reference into this Joint Proxy Statement/Prospectus. See "Where You Can Find More Information" beginning on page 232. When used in this section, unless otherwise specifically stated or the context otherwise requires, the terms "we," "our" and "us" refer to W. P. Carey and its subsidiaries.

Risks Related to the Merger

Changes in the market price of W. P. Carey Common Stock will affect the Exchange Ratio and the value of the Per Share Merger Consideration, and may result in a Per Share Merger Consideration that has a value below $11.25.

The Exchange Ratio and the value of the Per Share Merger Consideration are based on the market price of W. P. Carey Common Stock, which will fluctuate as a result of a variety of factors (many of which are beyond our control), including the following factors:

- market reaction to the Merger and the prospects of the combined company;
- changes in market assessments of the business, operations, financial position and prospects of either company;
- market assessments of the likelihood that the Merger will be completed;
- interest rates, general market and economic conditions and other factors generally affecting the price of W. P. Carey Common Stock;
- federal, state and local legislation, governmental regulation and legal developments in the businesses in which W. P. Carey and CPA®:16 Global operate;
- general market trading activities; and
- other factors beyond the control of W. P. Carey and CPA®:16 Global, including those described or referred to elsewhere in this "Risk Factors" section.

A decline in the price of W. P. Carey Common Stock may cause the value of the Per Share Merger Consideration to be less than $11.25.

The pricing collar will limit the number of shares of W. P. Carey Common Stock that a CPA®:16 Stockholder receives in the Merger.

If the Average W. P. Carey Trading Price is less than $61.09, and thus the Exchange Ratio would be greater than 0.1842, the Merger Agreement provides that the Exchange Ratio will nonetheless be fixed at 0.1842, even if that results in a Per Share Merger Consideration below $11.25.

32

Table of Contents

CPA®:16 Global does not have the right to terminate the Merger Agreement based on a decline in the market price of W. P. Carey Common Stock.

The W. P. Carey Stockholders and the CPA®:16 Stockholders will be diluted by the Merger in that each group will have less influence over the management and policies of the combined company after the Merger than it currently exercises over the management and policies of W. P. Carey and CPA®:16 Global, as applicable, prior to the Merger.

Currently the W. P. Carey Stockholders and the CPA®:16 Stockholders own all of the outstanding shares of W. P. Carey Common Stock and CPA®:16 Common Stock, respectively, and thus control all of the voting securities of their respective company. Upon the consummation of the Merger, the separate existence of CPA®:16 Global will cease, and each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time shall be cancelled and, in exchange for cancellation of such shares (other than dissenting shares, if any, and shares held by W. P. Carey and the W. P. Carey Subsidiaries), be converted automatically into the right to receive shares of W. P. Carey Common Stock. As of the date of this Joint Proxy Statement/Prospectus, W. P. Carey expects to issue approximately [ ] shares of W. P. Carey Common Stock to the CPA®:16 Stockholders (excluding W. P. Carey and the W. P. Carey Subsidiaries) in connection with the Merger. Upon such issuance, the W. P. Carey Stockholders and the CPA®:16 Stockholders (excluding W. P. Carey and the W. P. Carey Subsidiaries) would own approximately [ ]% and [ ]% of the combined company, respectively.

The Merger would thus have the effect of diluting both the W. P. Carey Stockholders and the CPA®:16 Stockholders in that, upon the consummation of the Merger, neither group would own one hundred percent of the outstanding voting securities of the combined company. Consequently, the W. P. Carey Stockholders and the CPA®:16 Stockholders, as a general matter, will have less influence over the management and policies of the combined company after the Merger than each currently exercises over the management and policies of W. P. Carey and CPA®:16 Global, as applicable, immediately prior to the Merger.

The pendency of the Merger could adversely affect the business and operations of W. P. Carey and CPA®:16 Global.

Between the date that the Merger Agreement was signed and the date that the Merger is consummated, tenants of each of W. P. Carey or CPA®:16 Global may delay or defer certain business decisions, such as whether or not to renew a lease, which could negatively impact the revenues, earnings, cash flows and expenses of W. P. Carey and CPA®:16 Global, regardless of whether or not the Merger is completed. In addition, due to operating covenants in the Merger Agreement, each of W. P. Carey and CPA®:16 Global may be unable, during the pendency of the Merger, to pursue certain strategic transactions, undertake certain significant capital projects, undertake certain significant financing transactions and otherwise pursue other actions that are not in the ordinary course of business, even if such actions would prove beneficial.

The terms of the Merger may not be as favorable to the CPA®:16 Stockholders as they otherwise would have been if only independent representatives were involved in analyzing the various liquidity alternatives and providing information.

While the board of directors of CPA®:16 Global formed a Special Committee and retained separate legal and financial advisors to assist the Special Committee in evaluating the Merger, representatives of W. P. Carey, who also serve as officers of CPA®:16 Global, performed an initial review of potential liquidity alternatives for the CPA®:16 Global board of directors. If only independent representatives of CPA®:16 Global were involved in the review of liquidity alternatives for CPA®:16 Global, the terms of the Merger might have been different. In addition, the CPA®:16 Global Special Committee's financial advisor and the third party valuation firm that performed

Table of Contents

CPA®:16 Global's real estate portfolio valuation as of December 31, 2012 relied, in part, on financial information and property information provided by W. P. Carey in conducting their respective analyses.

Failure to complete the Merger could negatively affect W. P. Carey and CPA®:16 Global.

It is possible that the Merger may not be completed. The parties' respective obligations to complete the Merger are subject to the satisfaction or waiver of specified conditions, some of which are beyond the control of W. P. Carey and CPA®:16 Global. If the Merger is not completed, W. P. Carey and CPA®:16 Global may be subject to a number of material risks, including the following:

- CPA®:16 Stockholders would not have had the opportunity to achieve the liquidity event provided by the Merger and the board of directors of CPA®:16 Global would have to review other alternatives for liquidity, which may not occur in the near future or on terms as favorable as the Merger;

- W. P. Carey and CPA®:16 Global will have incurred substantial costs and expenses related to the Merger, such as legal, accounting and financial advisor fees, which will be payable by W. P. Carey and CPA®:16 Global even if the Merger is not completed, and are only subject to reimbursement under certain limited circumstances;

- CPA®:16 Global may be required to pay a termination fee to W. P. Carey in the amount of $57 million if the Merger Agreement is terminated under certain circumstances; and

- W. P. Carey and CPA®:16 Global may be required to pay the other party's out-of-pocket expenses incurred in connection with the Merger if the Merger Agreement is terminated under certain circumstances.

The Merger Agreement restricts CPA®:16 Global's ability to pursue alternatives to the Merger.

The Merger Agreement contains a "go-shop" provision that allowed CPA®:16 Global to solicit, initiate and pursue alternative acquisition proposals for 30 days following the execution of the Merger Agreement, which period expired on August 24, 2013 with no proposals or offers for a CPA®:16 Competing Transaction having been received. The Merger Agreement contains "no shop" provisions that, subject to limited fiduciary exceptions and the "go-shop" period, restrict CPA®:16 Global's ability to initiate, solicit, encourage or facilitate, discuss, negotiate or accept a competing third party proposal to acquire all or a significant part of CPA®:16 Global. Further, there are a limited number of exceptions that would allow CPA®:16 Global's board of directors to withdraw or change its recommendation to holders of CPA®:16 Common Stock that they vote in favor of the approval of the Merger. Although CPA®:16 Global's board of directors is permitted to take these actions if it determines in good faith that these actions are likely to be required to comply with its fiduciary duties, doing so in specified situations could entitle W. P. Carey to terminate the Merger Agreement and to be paid a termination fee of $57 million.

Although the "go-shop" provision was intended to provide CPA®:16 Global the ability to conduct a reasonable "market check" on the adequacy of the Per Share Merger Consideration payable to CPA®:16 Stockholders in connection with the Merger Agreement, it is possible that the "go-shop" provision or the other provisions of the Merger Agreement could discourage a potential acquiror that might have had an interest in acquiring all or a significant part of CPA®:16 Global from considering or proposing that acquisition, even if it were prepared to pay consideration with a higher per share cash or market value than the consideration W. P. Carey proposes to pay in the Merger or might result in a potential competing acquiror proposing to pay a lower per share price to acquire CPA®:16 Global than it might otherwise have proposed to pay because of the Contractual Payments payable to W. P. Carey and the termination fee that may become payable to W. P. Carey in certain circumstances. However, any termination fee would be fully credited against the Contractual Payments to be made.

If a substantial number of CPA®:16 Stockholders demand appraisal rights, our ability to pay distributions could be adversely affected.

Objecting CPA®:16 Stockholders may have the right to appraisal of the fair value of their CPA®:16 Global shares as described elsewhere in this Joint Proxy Statement/Prospectus. If an objecting stockholder demands payment of the fair value of its CPA®:16 Global shares, the fair value may be determined by a court. If a substantial number of CPA®:16 Stockholders or stockholders holding a substantial number of shares of CPA®:16 Common Stock demand appraisal rights and the court determines that they are entitled to such rights, the combined company would be required to pay cash out-of-pocket to satisfy the objecting stockholders' rights to fair value, who as objecting stockholders will not receive the Per Share Merger Consideration. We cannot predict the amount of cash that we may be required to provide to any objecting stockholder seeking appraisal rights. If such amounts or the number of objecting CPA®:16 Global shares are substantial, it could have a material adverse effect on the combined company's ability to pay distributions. Neither W. P. Carey nor CPA®:16 Global has a right to terminate the Merger Agreement based upon CPA®:16 Stockholders exercising their appraisal rights.

Closing the Merger is subject to a number of conditions which, if not satisfied or waived, could adversely impact W. P. Carey and CPA®:16 Global's ability to complete the Merger.

The Merger, which currently is expected to close during the first quarter of 2014, is subject to certain closing conditions, including, among other things (a) the effectiveness of the registration statement of which this Joint Proxy Statement/Prospectus forms a part, pursuant to which shares of W. P. Carey Common Stock will be issued, (b) the receipt of the requisite stockholder approvals, (c) the accuracy of the other parties' representations and warranties and compliance with covenants, as more thoroughly described in the Merger Agreement, (d) delivery of REIT qualification and other opinions and (e) that neither a CPA®:16 Material Adverse Effect nor a W. P. Carey Material Adverse Effect (as such terms are defined in the Merger Agreement) shall have occurred since the date of the Merger Agreement. There can be no assurance that these conditions will be satisfied or waived, if permitted, or that the occurrence of any effect, event, development or change will not transpire. Therefore, there can be no assurance with respect to the timing of the closing of the Merger or whether the Merger will be completed at all.

If the Merger does not occur, CPA®:16 Global may incur payment obligations to W. P. Carey.

If the Merger Agreement is terminated under the circumstances described in the section titled "The Merger Agreement Expenses" beginning on page 165, CPA®:16 Global may be obligated to pay W. P. Carey a termination fee in the amount of $57 million.

Risk Factors Relating to W. P. Carey Following the Merger

W. P. Carey's level of indebtedness will increase upon completion of the Merger.

In connection with the Merger, W. P. Carey will assume approximately $1.6 billion of CPA®:16 Global indebtedness, as a result of which W. P. Carey will be subject to increased risk that the combined company's cash flow could be insufficient to meet required payments on its debt. As of September 30, 2013, W. P. Carey's total indebtedness was $2.2 billion. Taking into account W. P. Carey's existing indebtedness and its assumption of indebtedness in the Merger, W. P. Carey's pro forma consolidated indebtedness as of September 30, 2013, after giving effect to the Merger, would be approximately $3.8 billion, equal to a leverage ratio (total debt to total assets) of approximately 45%.

Table of Contents

The combined company's increased indebtedness after the Merger, compared to W. P. Carey's level of indebtedness prior to the Merger, could have important consequences to the combined company's stockholders, including:

- increasing the combined company's vulnerability to general adverse economic and industry conditions;
- limiting the combined company's ability to obtain additional financing to fund future working capital, capital expenditures and other general corporate requirements;
- requiring the use of a substantial portion of the combined company's cash flow from operations for the payment of principal and interest on its indebtedness, thereby reducing its ability to use its cash flow to fund working capital, acquisitions, capital expenditures and general corporate requirements;
- limiting the combined company's flexibility in planning for, or reacting to, changes in its business and its industry; and
- putting the combined company at a disadvantage compared to its competitors with comparatively less indebtedness.

The future results of the combined company will suffer if the combined company does not effectively manage its expanded operations following the Merger.

Following the Merger, the combined company may continue to expand its operations through additional acquisitions and other strategic transactions, some of which may involve complex challenges. The future success of the combined company will depend, in part, upon its ability to manage its expansion opportunities, integrate new operations into its existing business in an efficient and timely manner, successfully monitor its operations, costs, regulatory compliance and service quality, and maintain other necessary internal controls. There can be no assurance that the combined company's expansion or acquisition opportunities will be successful, or that the combined company will realize its expected operating efficiencies, cost savings, revenue enhancements, synergies or other benefits.

The property portfolio of the combined company has a high concentration of properties in Germany, making the combined company more vulnerable economically to an economic downturn.

Of the combined property portfolio, over 12% of total rental revenue will come from properties in Germany. As a result, the combined company may be particularly subject to risks inherent in Germany. A downturn in the commercial real estate industry generally could significantly adversely affect the value of the combined company's properties. An economic downturn in Germany could particularly negatively affect lessees' ability to make lease payments to us and the combined company's ability to make distributions to its stockholders.

The stock price of W. P. Carey Common Stock following the Merger could be lower.

W. P. Carey's current or historical share price may not be indicative of how the market will value shares of W. P. Carey Common Stock following the Merger. The stock price of shares of W. P. Carey Common Stock after the Merger could be lower than the current or historical price. One of the factors that may influence the price of W. P. Carey Common Stock after the Merger will be the yield from distributions on W. P. Carey Common Stock compared to yields on other financial instruments. If, for example, an increase in market interest rates results in higher yields on other financial instruments, the market price of our common stock could be adversely affected. In addition, our use of TRSs may cause the market to value our common stock differently than the shares of other REITs, which may not use TRSs as extensively as we currently expect to do so. The market price of W. P. Carey Common Stock

Table of Contents

will also be affected by general market conditions and will be potentially affected by the economic and market perception of REIT securities.

Holders of CPA®:16 Common Stock may be adversely affected if the Merger fails to qualify as a tax-deferred transaction.

It is intended that the Merger qualify as a tax-deferred reorganization under Section 368(a) of the Code. There is no guarantee, however, that the IRS will agree with this treatment. You are advised to review the "Material Federal Tax Considerations" section beginning on page 209 for additional details.

CPA®:16 Global is more leveraged than W. P. Carey, and the combined company may become increasingly leveraged after the consummation of the Merger.

Upon consummation of the Merger, the combined company will be more leveraged than W. P. Carey currently is on a standalone basis because the outstanding debt of CPA®:16 Global will become the obligation of the combined company as a result of the Merger. The combined company's degree of leverage could affect its ability to obtain any additional financing in the future for working capital, capital expenditures, acquisitions, development or other general corporate purposes. The combined company's degree of leverage could also make the combined company more vulnerable to a downturn in business or the economy generally. If the combined company becomes more leveraged in the future, the resulting increase in debt service requirements could cause it to default on its obligations, which could materially and adversely affect the combined company.

After the Merger is completed, CPA®:16 Stockholders will have different rights that may be less favorable than their current rights as CPA®:16 Stockholders.

After the consummation of the Merger, CPA®:16 Stockholders will have different rights than they currently have as CPA®:16 Stockholders. For a detailed discussion of the significant differences between your rights as a stockholder of CPA®:16 Global and your rights as a stockholder of W. P. Carey, see "Comparison of Rights of CPA®:16 Stockholders and W. P. Carey Stockholders" beginning on page 200.

W. P. Carey cannot assure you that it will be able to continue paying dividends at the current rate.

W. P. Carey expects to continue its current dividend practices following the Merger. However, W. P. Carey Stockholders may not receive the same dividends following the Merger for various reasons, including the following:

- as a result of the Merger and the issuance of shares of W. P. Carey Common Stock in connection with the Merger, the total amount of cash required for W. P. Carey to pay dividends at its current rate will increase;

- W. P. Carey may not have enough cash to pay such dividends due to changes in W. P. Carey's cash requirements, capital spending plans, cash flow or financial position;

- decisions on whether, when and in which amounts to make any future distributions will remain at all times entirely at the discretion of the W. P. Carey board of directors, which reserves the right to change W. P. Carey's dividend practices at any time and for any reason; and

- the amount of dividends that W. P. Carey Subsidiaries may distribute to W. P. Carey may be subject to restrictions imposed by state law, restrictions that may be imposed by state regulators and restrictions imposed by the terms of any current or future indebtedness that these subsidiaries may incur.

Table of Contents

The combined company will not be required to meet any diversification standards; therefore, our investments may become subject to concentration of risk.

Subject to the intention to maintain its qualification as a REIT, there are no limitations on the number or value of particular types of investments that the combined company may make. The combined company will not be required to meet any diversification standards, including geographic diversification standards. Therefore, its investments may become concentrated in type or geographic location, which could subject it to significant concentration of risk with potentially adverse effects on its investment objectives.

The inability of a tenant in a single tenant property to pay rent will reduce the combined company's revenues and increase the combined company's expenses.

Following the Merger, most of the properties of the combined company will be occupied by a single tenant, and therefore the success of the combined company's investments is materially dependent on the financial stability of these tenants. Revenues from several of the combined company's tenants/guarantors constitute a significant percentage of its lease revenues. The five largest tenants/guarantors on a combined basis represented approximately 22%, 28%, and 30% of total lease revenues in 2012, 2011, and 2010, respectively. Lease payment defaults by tenants would negatively impact the combined company's net income and reduce the amounts available for distributions to its stockholders. A default of a tenant on its lease payments to the combined company could cause it to lose the revenue from the property and require the combined company to find an alternative source of revenue to meet any mortgage payment and prevent foreclosure if the property is subject to a mortgage. In the event of a default, the combined company may experience delays in enforcing its rights as landlord and may incur substantial costs in protecting its investment and re-leasing the combined company's property. If a lease is terminated, there is no assurance that the combined company will be able to re-lease the property for the rent previously received or sell the property without incurring a loss.

A significant amount of the combined company's leases will expire within the next five years, and the combined company may have difficulty in re-leasing or selling properties if tenants do not renew their leases.

Within the next five years, approximately 18% of the combined company's leases, based on annualized contractual minimum base rent, are due to expire. If these leases are not renewed, or if the properties cannot be re-leased on terms that yield payments comparable to those currently being received, then the combined company's lease revenues could be substantially adversely affected. The terms of any new or renewed leases of these properties may depend on market conditions prevailing at the time of lease expiration. In addition, if properties are vacated by the current tenants, the combined company may incur substantial costs in attempting to re-lease such properties. The combined company may also seek to sell these properties, in which event it may incur losses, depending upon market conditions prevailing at the time of sale.

Real estate investments generally lack liquidity compared to other financial assets, and this lack of liquidity may limit the combined company's ability to quickly change its portfolio in response to changes in economic or other conditions. Some of its net leases are for properties that are specially suited to the particular needs of the tenant. With these properties, the combined company may be required to renovate the property or to make rent concessions in order to lease the property to another tenant. In addition, if the combined company is forced to sell the property, it may have difficulty selling the property to a party other than the tenant due to the special purpose for which the property may have been designed. These and other limitations may affect the combined company's ability to re-lease or sell properties without adversely affecting returns to stockholders.

Table of Contents

Because W. P. Carey and CPA®:16 Global have invested in properties located outside the U.S., the combined company will be exposed to additional risks.

Each of W. P. Carey and CPA®:16 Global has invested in, and following the consummation of the Merger the combined company may continue to invest in, properties located outside the U.S. At September 30, 2013, directly-owned real estate properties located outside of the U.S. on a combined company basis would have represented 33% of the combined company's current annualized contractual minimum base rent, as compared to 31% for W. P. Carey's portfolio on a stand alone basis, and 35% for CPA®:16 Global's portfolio on a stand alone basis. These investments may be affected by factors particular to the laws of the jurisdiction in which the property is located. These investments may expose the combined company to risks that are different from and in addition to those commonly found in the U.S., including:

- changing governmental rules and policies;
- enactment of laws relating to the foreign ownership of property and laws relating to the ability of foreign entities to remove invested capital or profits earned from activities within the country to the U.S.;
- expropriation of investments;
- legal systems under which the combined company's ability to enforce contractual rights and remedies may be more limited than would be the case under U.S. law;
- difficulty in conforming obligations in other countries and the burden of complying with a wide variety of foreign laws, which may be more stringent than U.S. laws, including tax requirements and land use, zoning, and environmental laws, as well as changes in such laws;
- adverse market conditions caused by changes in national or local economic or political conditions;
- tax requirements vary by country and the combined company may be subject to additional taxes as a result of its international investments;
- changes in relative interest rates;
- changes in the availability, cost and terms of mortgage funds resulting from varying national economic policies;
- changes in real estate and other tax rates and other operating expenses in particular countries;
- changes in land use and zoning laws; and
- restrictions and/or significant costs in repatriating cash and cash equivalents held in foreign bank accounts.

In addition, the lack of publicly available information in certain jurisdictions in accordance with accounting principles generally accepted in the U.S. ("GAAP") could impair the combined company's ability to analyze transactions and may cause the combined company to forego an investment opportunity for itself or the CPA® REITs. It may also impair the combined company's ability to receive timely and accurate financial information from tenants necessary to meet its and the CPA® REITs' reporting obligations to financial institutions or governmental or regulatory agencies. Certain of these risks may be greater in emerging markets and less developed countries. W. P. Carey's expertise to date is primarily in the U.S. and Europe, and it has less experience in other international markets. The combined company may not be as familiar with the potential

risks to its and the CPA® REITs' investments outside the U.S. and Europe, and it could incur losses as a result.

Table of Contents

Also, the combined company may engage third-party asset managers in international jurisdictions to monitor compliance with legal requirements and lending agreements with respect to properties it owns or manage on behalf of the CPA® REITs. Failure to comply with applicable requirements may expose the combined company or its operating subsidiaries to additional liabilities.

Moreover, the combined company will be subject to changes in foreign exchange rates due to potential fluctuations in exchange rates between foreign currencies and the U.S. dollar. Its principal currency exposure will be to the euro. The combined company will attempt to mitigate a portion of the risk of currency fluctuation by financing its properties in the local currency denominations, although there can be no assurance that this will be effective. Because the combined company will generally place both our debt obligation to the lender and the tenant's rental obligation to us in the same currency, its results of foreign operations benefit from a weaker U.S. dollar and are adversely affected by a stronger U.S. dollar relative to foreign currencies; that is, absent other considerations, a weaker U.S. dollar will tend to increase both its revenues and its expenses, while a stronger U.S. dollar will tend to reduce both its revenues and its expenses.

If the combined company recognizes impairment charges on its properties or investments following the consummation of the Merger, its net income may be reduced.

On a combined basis, we and CPA®:16 Global have recognized impairment charges totaling $55.8 million, $38.2 million and $27.6 million for the years ended December 31, 2012, 2011 and 2010, respectively. In the future, until the consummation of the Merger, both companies may incur substantial impairment charges, which each of W. P. Carey and CPA®:16 Global are required to recognize whenever they sell a property for less than its carrying value or they determine that the carrying amount of the property is not recoverable and exceeds its fair value; for direct financing leases, whenever the unguaranteed residual value of the underlying property has declined or, for equity investments, the estimated fair value of the investment's underlying net assets in comparison with the carrying value of their interest in the investment has declined on an other-than-temporary basis. By their nature, the timing or extent of impairment charges are not predictable. The combined company may incur non-cash impairment charges in the future, which may reduce its net income.

Goodwill resulting from the consummation of the Merger may adversely affect the combined company's results of operations.

Potential impairment of goodwill resulting from the Merger could adversely affect the combined company's financial condition and results of operations. The combined company will assess its goodwill and other intangible assets and long-lived assets for impairment annually and more frequently when required by GAAP. The combined company will be required to record an impairment charge if circumstances indicate that the asset carrying values exceed their fair values the combined company's assessment of goodwill, other intangible assets, or long-lived assets could indicate that an impairment of the carrying value of such assets may have occurred that could result in a material, non-cash write-down of such assets, which could have a material adverse effect on its results of operations and future earnings. The combined company will also be required to write off a portion of goodwill whenever it disposes of a property that constitutes a business under GAAP from a reporting unit with goodwill. The combined company will allocate a portion of the reporting unit's goodwill to that business in determining the gain or loss on the disposal of the business. The amount of goodwill allocated to the business is based on the relative fair value of the business for the reporting unit.

There will be competition among W. P. Carey and its Managed Entities for Business Opportunities after the Merger.

W. P. Carey currently manages, and may in the future manage, REITs and other entities that have investment and/or rate of return objectives similar to those of W. P. Carey. Those entities may be in

Table of Contents

competition with the combined company after the Merger with respect to properties, potential purchasers, sellers and lessees of properties and mortgage financing for properties.

W. P. Carey has agreed to implement certain procedures to help manage any perceived or actual conflicts among it and its managed entities, including:

- allocating funds based on numerous factors, including cash available, diversification / concentration, transaction size, tax, leverage and fund life;
- all "split transactions" are subject to the approval of the independent directors of the CPA® REITs;
- investment allocations are reviewed as part of the annual advisory contract renewal process of each managed entity; and
- quarterly review of all investment activities of W. P. Carey and the CPA® REITs by the independent directors of the CPA® REITs.

W. P. Carey and CPA®:16 Global currently face, and after the consummation of the Merger the combined company will face, other risks.

The risks listed above are not exhaustive, and you should be aware that, following the Merger, the combined company will face various other risks, including those discussed in reports filed by W. P. Carey or CPA®:16 Global with the SEC. See "Where You Can Find More Information" beginning on page 232.

CAUTIONARY STATEMENT CONCERNING FORWARD-LOOKING STATEMENTS

Certain of the matters discussed in this Joint Proxy Statement/Prospectus constitute forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, both as amended by the Private Securities Litigation Reform Act of 1995. The forward-looking statements include, among other things, statements regarding the intent, belief or expectations and can be identified by the use of words such as "may," "will," "should," "would," "assume," "outlook," "seek," "plan," "believe," "expect," "anticipate," "intend," "estimate," "forecast" and other comparable terms. These forward-looking statements include, but are not limited to, statements regarding the benefits of the proposed Merger, reflected in the "Prospective Financial Information" section beginning on page 81 annualized dividends, funds from operations coverage, integration plans and expected synergies, the expected benefits of the proposed Merger, anticipated future financial and operating performance and results, including estimates of growth, and the expected timing of completion of the proposed Merger. These statements are based on current expectations and the actual results could be materially different from those projected in such forward-looking statements. There are a number of risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Other unknown or unpredictable factors could also have material adverse effects on future results, performance or achievements of the combined company. Discussions of some of these other important factors and assumptions are contained in the "Risk Factors" section beginning on page 32 and W. P. Carey's filings with the SEC which are available at the SEC's website at http://www.sec.gov, including Item 1A. Risk Factors in W. P. Carey's Annual Report on Form 10-K for the year ended December 31, 2012 as filed with the SEC on February 26, 2013, and subsequent Quarterly Reports on Form 10-Q. Discussions of some of these other important factors and assumptions are contained in CPA®:16 Global's filings with the SEC and are available at the SEC's website at http://www.sec.gov, including Item 1A. Risk Factors in CPA®:16 Global's Annual Report on Form 10-K for the year ended December 31, 2012 as filed with the SEC on February 26, 2013. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this filing may not occur. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this filing, unless noted otherwise. Except as required under the federal securities laws and the rules and regulations of the SEC, W. P. Carey and CPA®:16 Global do not undertake any obligation to release publicly any revisions to the forward-looking statements to reflect events or circumstances after the date of this filing or to reflect the occurrence of unanticipated events.

Table of Contents

THE MERGER

This Joint Proxy Statement/Prospectus constitutes a prospectus of W. P. Carey, which is a part of the registration statement on Form S-4 filed by W. P. Carey with the SEC under the Securities Act of 1933, as amended (the "***Securities Act***"), in order to register the shares of W. P. Carey Common Stock to be issued to holders of CPA®:16 Common Stock in connection with the Merger. It also constitutes a proxy statement of (i) W. P. Carey in connection with the solicitation of the approval by W. P. Carey Stockholders of the Merger, and (ii) CPA®:16 Global in connection with the solicitation of the approval by CPA®:16 Stockholders of the Merger.

Merger Consideration

Upon the terms and subject to the conditions set forth in the Merger Agreement, CPA®:16 Global will merge with and into Merger Sub, with Merger Sub surviving the Merger as a wholly-owned indirect subsidiary of W. P. Carey, and the separate corporate existence of CPA®:16 Global will cease. At the Effective Time, each share of CPA®:16 Common Stock issued and outstanding immediately prior to the Effective Time shall be cancelled and, in exchange for cancellation of each such share (other than the dissenting shares, if any, and shares held by W. P. Carey and its subsidiaries), be converted automatically into the right to receive that number of validly issued, fully paid and non-assessable shares of W. P. Carey Common Stock (as adjusted at the Closing Date, the "***Per Share Merger Consideration***") equal to the quotient determined by dividing $11.25 by the Average W. P. Carey Trading Price (the "***Exchange Ratio***"), and rounding the result to the nearest 1/10,000 of a share of W. P. Carey Common Stock; provided, however, that (x) if that quotient is less than 0.1447, the Exchange Ratio shall be fixed at 0.1447, and (y) if that quotient is greater than 0.1842, the Exchange Ratio shall be fixed at 0.1842. These limits represent a 12% pricing collar based on the VWAP of W. P. Carey Common Stock on July 22, 2013 and July 23, 2013. Each share of CPA®:16 Common Stock that is owned by W. P. Carey or any W. P. Carey Subsidiary immediately prior to the Effective Time shall automatically be canceled and retired and will cease to exist. We anticipate that the shares of W. P. Carey Common Stock issued in the Merger will trade on the NYSE under the symbol "WPC." In addition, neither W. P. Carey nor any W. P. Carey Subsidiary will receive any Per Share Merger Consideration for any share of CPA®:16 Common Stock owned by them.

If the Average W. P. Carey Trading Price is between $61.09 and $77.75, the total Per Share Merger Consideration would be valued at approximately $11.25 per share of CPA®:16 Common Stock. If the Merger had closed on October 31, 2013, the last practicable day prior to the filing of this Joint Proxy Statement/Prospectus, the Average W. P. Carey Trading Price would have been $67.11, resulting in total Per Share Merger Consideration valued at approximately $11.25 per share of CPA®:16 Common Stock. The actual Exchange Ratio and Per Share Merger Consideration may be higher or lower depending upon the trading prices of the W. P. Carey Common Stock prior to the consummation of the Merger, subject to the pricing collar.

As of the date of this Joint Proxy Statement/Prospectus, W. P. Carey expects to issue approximately [ ] shares of W. P. Carey Common Stock to the CPA®:16 Stockholders (excluding W. P. Carey and its subsidiaries) in connection with the Merger. Upon such issuance, the W. P. Carey Stockholders and the CPA®:16 Stockholders (excluding W. P. Carey and the W. P. Carey Subsidiaries) would own approximately [ ]% and [ ]% of the combined company, respectively.

Table of Contents

The chart below shows the nominal value of the Per Share Merger Consideration to be issued upon the consummation of the Merger at various Average W. P. Carey Trading Prices:

(1) Average W. P. Carey Trading Price means the VWAP of W. P. Carey Common Stock as reported on the NYSE for the five (5) consecutive trading days ending on the third (3rd) trading day preceding the Closing Date.

Background of the Merger

W. P. Carey was formed as a limited liability company under the laws of Delaware on July 15, 1996. The company commenced operations on January 1, 1998 by combining the limited partnership interests of nine CPA® partnerships, at which time it became listed on the NYSE. The company was formed to provide long-term financing via sale-leaseback and build-to-suit transactions for companies worldwide and manages a global investment portfolio. W. P. Carey invests primarily in commercial properties domestically and internationally that are generally triple-net leased to single corporate tenants, which requires each tenant to pay substantially all of the costs associated with operating and maintaining the property. The company also earns revenue as the advisor to publicly-owned, non-listed REITs, which are sponsored by the company under the CPA® brand name, including CPA®:16 Global, and which invest in similar properties.

Most of W. P. Carey's properties were either acquired as a result of its consolidation with certain affiliated CPA® limited partnerships or subsequently acquired from other CPA® REIT programs in connection with the provision of liquidity to stockholders of those CPA ® REITs. W. P. Carey's advisory agreements with each of the existing CPA® REITs, including its advisory agreement with CPA®:16 Global, require that it use its best efforts to present to the CPA® entity a continuing and suitable program of investment opportunities that meets its investment criteria. Additionally, as the external advisor to each of the CPA® entities, W. P. Carey also reviews potential liquidity alternatives for the CPA® REITs and presents its analyses and recommendations to the boards of directors of the CPA® REITs for their consideration from time to time.

On September 28, 2012, CPA®:15 merged with and into W. P. Carey, with CPA®:15 surviving as an indirect, wholly-owned subsidiary of W. P. Carey. In connection with the CPA®:15 Merger, W. P. Carey & Co. LLC, the predecessor of W. P. Carey, completed an internal reorganization whereby the predecessor and its subsidiaries merged with and into W. P. Carey, with W. P. Carey as the surviving corporation, succeeding to and continuing to operate the existing business of the predecessor. The internal reorganization allowed W. P. Carey to qualify as a REIT for federal income tax purposes. Through the merger with CPA®:15, W. P. Carey acquired a portfolio of full or partial ownership interests in 305 properties, substantially all of which are triple-net leased to 76 tenants, and totaled approximately 27 million square feet, with an occupancy rate of approximately 99% and average

Table of Contents

remaining lease lives of 9.7 years. W. P. Carey also assumed the related property debt with an aggregate fair value of $1.2 billion.

CPA®:16 Global is a publicly registered non-traded REIT formed in 2003. CPA®:16 Global invests in a diversified portfolio of income-producing commercial properties and real estate-related assets, and has a portfolio that consists of 477 properties, substantially all of which are triple-net leased to 140 tenants in 13 countries and 27 industries.

CPA®:16 Global was formed to hold its investments for a number of years; therefore, in the early years of its existence, CPA®:16 Global concentrated on making investments and maximizing the cash flow from its properties, with an intention to begin considering liquidity events for its stockholders generally commencing eight years following the investment of substantially all of the proceeds from its initial public offering, which occurred in December 2005.

In the first quarter of 2013, Carey Asset Management, or CAM, CPA®:16 Global's external advisor and an indirect subsidiary of W. P. Carey, and CPA®:16 Global's board of directors began reviewing possible liquidity alternatives for CPA®:16 Global, including the sale of CPA®:16 Global's portfolio in a single transaction or a series of transactions, the listing of CPA®:16 Global's shares on a national securities exchange, or the acquisition of CPA®:16 Global by another CPA® entity, a third party or W. P. Carey.

On January 8, 2013, members of the W. P. Carey senior management team, in the company's capacity as the external advisor to CPA®:16 Global, made a presentation to the board of directors of CPA®:16 Global regarding various potential liquidity alternatives for CPA®:16 Global, including the sale of CPA®:16 Global's portfolio in a single transaction or a series of transactions, the listing of CPA®:16 Global's shares on a national securities exchange, or the acquisition of CPA®:16 Global by another CPA® entity, a third party, or W. P. Carey. In evaluating the potential alternatives, the management team reviewed various aspects of the previous merger of CPA®:15 with and into a subsidiary of W. P. Carey completed on September 28, 2012. As part of this discussion, the management team highlighted CPA®:16 Global's greater size relative to CPA®:15 and discussed the challenges of liquidating the entity. During the presentation, the management team discussed the potential benefits and risks associated with the various proposed liquidity alternatives.

On January 23, 2013, the board of directors of W. P. Carey held a regularly scheduled meeting at W. P. Carey's offices, together with representatives of management. At the meeting, the management team made a presentation to the board of directors of W. P. Carey reviewing historical and future strategic initiatives and discussing various potential liquidity alternatives for CPA®:16 Global, such as the sale of CPA®:16 Global's portfolio in a single transaction or a series of transactions, the listing of CPA®:16 Global's shares on a national securities exchange, and the acquisition of CPA®:16 Global by another CPA® entity, a third party, or W. P. Carey. The discussion included a review of the potential benefits and risks associated with the various liquidity alternatives for CPA®:16 Global. With respect to the potential acquisition of CPA®:16 Global by W. P. Carey, the board of directors discussed with W. P. Carey's management team various considerations, including potential alternatives for the form of consideration, the availability of funds and the sources of financing, the timing of the transaction with respect to the state of the domestic capital markets, and the potential pro forma financial impact on W. P. Carey attributable to the proposed acquisition of CPA®:16 Global.

On March 13, 2013, members of the W. P. Carey senior management team made a presentation to the board of directors of W. P. Carey at W. P. Carey's offices. At the meeting, members of the W. P. Carey senior management gave an update of recent activity in the public net lease REIT sector and provided an updated analysis of various potential liquidity alternatives for CPA®:16 Global, such as the sale of CPA®:16 Global's portfolio in a single transaction or a series of transactions, the listing of CPA®:16 Global's shares on a national securities exchange, and the acquisition of CPA®:16 Global by another CPA® entity, a third party, or W. P. Carey. As part of its presentation,

Table of Contents

the W. P. Carey management team discussed with the board of directors the potential acquisition of CPA®:16 Global by W. P. Carey and outlined various considerations in connection with this liquidity alternative, including the resulting company's potential long-term valuation outlook and enhanced access to the capital markets, alternatives for the form of consideration, and the structure of the surviving company. Following the presentation there was a discussion period.

On March 13, 2013, Marshall E. Blume, Elizabeth P. Munson, Richard J. Pinola and James D. Price, the independent directors of CPA®:16 Global, held a meeting at the offices of Clifford Chance US LLP, or Clifford Chance, counsel to CPA®:16 Global, to discuss the formation of a Special Committee to evaluate possible liquidity alternatives, including a potential business combination involving W. P. Carey. During this meeting, the independent directors also interviewed several candidates to serve as financial advisor to the Special Committee anticipated to be formed. Representatives from Clifford Chance participated in the meeting.

On March 18, 2013, CPA®:16 Global's Board of Directors received a letter, dated March 18, 2013, or the CAM Letter, from CAM requesting a meeting to commence discussions regarding various liquidity alternatives available to CPA®:16 Global. The CAM Letter did not set forth any specific transaction proposal.

The independent directors of CPA®:16 Global held a telephonic meeting on March 19, 2013 to discuss the CAM Letter and the formal retention of financial and legal advisors to the Special Committee. Representatives from Clifford Chance and Pepper Hamilton LLP, or Pepper Hamilton, as legal advisor to the independent directors, participated in the meeting.

On March 27, 2013, the senior management team of W. P. Carey held a meeting at the offices of W. P. Carey with representatives from W. P. Carey's financial advisor, BofA Merrill Lynch, and legal advisor, DLA Piper LLP (US), or DLA Piper, to discuss various potential liquidity alternatives for CPA®:16 Global, including a potential acquisition of CPA®:16 Global by W. P. Carey.

On April 2, 2013, CPA®:16 Global's Board of Directors formed a Special Committee, or the CPA®:16 Special Committee, and delegated to it the authority to review possible liquidity alternatives. The CPA®:16 Special Committee was delegated the sole authority to negotiate the terms of a transaction and to make a recommendation to the full Board, which could include a recommendation to approve or reject any transaction. The CPA®:16 Special Committee was authorized to retain, at CPA®:16 Global's expense, its own legal, financial and other advisors. The Board of Directors appointed all of its independent directors to the CPA®:16 Special Committee, namely, Marshall E. Blume, Elizabeth P. Munson, Richard J. Pinola and James D. Price.

Also on April 2, 2013, the CPA®:16 Special Committee held a meeting at the offices of Clifford Chance. Representatives of Clifford Chance, Pepper Hamilton and Barclays Capital Inc., or Barclays, participated. The CPA®:16 Special Committee discussed with Barclays the CAM Letter, in which CAM requested that the CPA®:16 Special Committee commence discussions on liquidity alternatives. The CPA®:16 Special Committee discussed the appropriateness of considering strategic alternatives in light of the letter from CAM and the current industry dynamics. The CPA®:16 Special Committee then discussed with Barclays possible liquidity alternatives, including the acquisition of CPA®:16 Global by a third party and process generally. The CPA®:16 Special Committee instructed Barclays to begin its due diligence and valuation work on CPA®:16 Global, including analyses regarding potential strategic alternatives. After those discussions concluded, representatives of W. P. Carey, namely, Trevor P. Bond, President and Chief Executive Officer, John J. Park, Managing Director Strategic Planning, and Catherine D. Rice, Chief Financial Officer and Managing Director, and a representative of DLA Piper LLP joined the meeting. Representatives of W. P. Carey, Barclays and the CPA®:16 Special Committee discussed possible liquidity alternatives. After the representatives from W. P. Carey and DLA Piper departed the meeting, the CPA®:16 Special Committee, and representatives from Pepper Hamilton and Barclays engaged in a discussion about Barclays' relationships with W. P. Carey

and its affiliates, and the CPA®:16 Special Committee concluded that Barclays was independent for the purposes of serving as the CPA®:16 Special Committee financial advisor. The CPA®:16 Special Committee thereafter approved the retention of Pepper Hamilton as its legal advisor and Barclays as its financial advisor.

On April 8, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a telephonic meeting. Representatives from Barclays discussed the status of their due diligence and valuation work.

On April 15, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a telephonic meeting. Representatives from Barclays discussed the status of their due diligence and valuation work and provided an update on the REIT market generally.

On April 15, 2013, representatives from the W. P. Carey management team met with BofA Merrill Lynch to discuss strategy in connection with communications with CPA®:16 Global, and financial matters relating to of CPA®:16 Global. BofA Merrill Lynch also provided an update on discussions, on behalf of W. P. Carey, with representatives of CPA®:16 Global.

On April 17, 2013, representatives from the W. P. Carey management team, in their role as external advisor to CPA®:16 Global, met with Barclays to discuss specifics concerning CPA®:16 Global's portfolio and various aspects of the business plan for CPA®:16 Global.

On April 22, 2013, the CPA®:16 Special Committee held a telephonic meeting with its legal and financial advisors to discuss updates since the previous meeting. Representatives from Barclays provided an update on the market and the status of their valuation work.

On May 1, 2013, representatives from the W. P. Carey management team met with BofA Merrill Lynch for an update regarding communications, on behalf of W. P. Carey, with CPA®:16 Global, and financial matters relating to CPA®:16 Global.

The CPA®:16 Special Committee met again on May 2, 2013, at the offices of Clifford Chance. Representatives from Barclays, Clifford Chance and Pepper Hamilton attended. Representatives from Barclays presented their preliminary valuation of CPA®:16 Global, including the valuation methodologies employed and an analysis of the market. Barclays also reviewed various alternatives potentially available to CPA®:16 Global, including an initial public offering, or an acquisition by W. P. Carey or a third party, and the process going forward. The CPA®:16 Special Committee and the advisors engaged in a lengthy discussion of these matters. Following the discussion, the CPA®:16 Special Committee determined to notify CAM and W. P. Carey that the CPA®:16 Special Committee had completed its preliminary valuation of CPA®:16 Global, and that, if CAM or W. P. Carey were prepared to propose a potential liquidity alternative, the CPA®:16 Special Committee would be prepared to receive and consider it. In addition, the CPA®:16 Special Committee requested that Barclays continue to analyze other liquidity alternatives and report back to the CPA®:16 Special Committee following completion of this analysis. The CPA®:16 Special Committee also instructed Clifford Chance to draft a confidentiality agreement, or the Confidentiality Agreement, to cover the confidentiality obligations of W. P. Carey relating to the disclosure of information in connection with the evaluation of a potential transaction involving CPA®:16 Global.

On May 7, 2013, Clifford Chance sent DLA Piper a draft of the Confidentiality Agreement. From May 7, 2013 through May 16, 2013, the CPA®:16 Special Committee and Clifford Chance negotiated with W. P. Carey and DLA Piper regarding the terms of the Confidentiality Agreement and the terms of a non-disclosure agreement, which DLA Piper had prepared, covering the confidentiality obligations of CPA®:16 Global relating to the disclosure of information in connection with the evaluation of a potential transaction involving CPA®:16 Global, or the Non-Disclosure Agreement.

On May 13, 2013, the CPA®:16 Special Committee held a telephonic meeting with its legal and financial advisors. Barclays provided an update on the market and gave an overview of initial public

Table of Contents

offering and listing options as potential liquidity alternatives available to CPA®:16 Global. Following approval by the CPA®:16 Special Committee, both the Confidentiality Agreement and the Non-Disclosure Agreement were finalized and executed on May 16, 2013.

On May 16, 2013, W. P. Carey provided Barclays with a preliminary outline of selected transaction terms for a proposed acquisition of CPA®:16 Global by W. P. Carey via an exchange offer, or the Preliminary Term Sheet. The Preliminary Term Sheet set forth a proposed exchange ratio of 0.1414, which represented an implied value of $11.00 per CPA®:16 Global share, based on W. P. Carey's closing share price of $77.77 on May 15, 2013, and a 26% premium on CPA®:16 Global's estimated NAV per share of $8.70 as of December 31, 2012. The Preliminary Term Sheet also provided for a 30-day go-shop period during which CPA®:16 Global would be able to solicit competing bids and provided for a termination fee of $45 million (2% of equity value) if CPA®:16 Global were to terminate the merger agreement with W. P. Carey in favor of a superior proposal obtained during the go-shop period and a termination fee of $67 million (3% of equity value) if CPA®:16 Global were to terminate the merger agreement with W. P. Carey in favor of a superior proposal obtained after the go-shop period. The Preliminary Term Sheet also stated that W. P. Carey would commit to raising its annualized dividend from $3.28 per share to $3.50 per share at closing, and that there would be no resale restrictions on the W. P. Carey shares that would be issued to the stockholders of CPA®:16 Global.

On May 17, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a teleconference to discuss the Preliminary Term Sheet. The CPA®:16 Special Committee instructed Barclays to seek clarity on the proposed transaction terms and to continue its due diligence on the potential transaction, its valuation work on both CPA®:16 Global and W. P. Carey and its analyses regarding potential strategic alternatives available to CPA®:16 Global.

On May 21, 2013, the W. P. Carey management team held a telephonic meeting with the executive committee of the board of directors of W. P. Carey in order to provide an update to the executive committee on the discussions and negotiations between W. P. Carey and CPA®:16 Global.

On May 23, 2013, representatives from the W. P. Carey management team, in their role as external advisor to CPA®:16 Global, met with Barclays to discuss specifics concerning W. P. Carey's portfolio and various aspects of the business plan for W. P. Carey.

For the next several weeks, W. P. Carey and CPA®:16 Global, with the assistance of their respective external legal and financial advisors, continued to discuss various considerations concerning the proposed transaction. During this time, W. P. Carey and DLA Piper worked to refine the internal draft of the proposed Merger Agreement.

On June 3, 2013, representatives from the CPA®:16 Special Committee, Barclays, Clifford Chance and Pepper Hamilton met at the offices of Clifford Chance. Representatives from Barclays presented the results of its due diligence on W. P. Carey and an analysis of the Preliminary Term Sheet. The presentation included a discussion of the proposed exchange ratio of 0.1414 which, in light of the decrease in W. P. Carey's stock price between the date of the Preliminary Term Sheet and June 3, 2013, represented an implied value of $9.58 per CPA®:16 Global share, rather than $11.00 per share based on the closing price of W. P. Carey stock on May 15, 2013. The CPA®:16 Special Committee discussed with Barclays current market conditions, including the performance of net lease companies and recent consolidations in the net lease space. Barclays presented an analysis of W. P. Carey's portfolio, capitalization and net asset value as well as historical trading price metrics. Barclays also provided a preliminary analysis of W. P. Carey and CPA®:16 Global as a combined company, including analyses of portfolio synergies, implied exchange ratios, capital structure, leverage metrics and accretion/dilution metrics. Barclays indicated that the dividend adjustment set forth in the Preliminary Term Sheet would result in a decrease of the implied pro forma dividend for CPA®:16 Stockholders from $0.67 to $0.49

Table of Contents

per share. The CPA®:16 Special Committee and Barclays discussed other potential acquirers and the desirability of a go-shop period in any definitive merger agreement. In particular, Barclays and the CPA®:16 Special Committee considered the following fees and expenses that would be incurred in a transaction with a party other than W. P. Carey: (i) the subordinated disposition fee under the Amended and Restated Advisory Agreement, dated as of September 28, 2012, by and among CPA®:16 Global, CPA16 LLC and CAM, or the Advisory Agreement, and the Asset Management Agreement, dated as of May 2, 2011, by and between CPA®:16 Global and W. P. Carey & Co. B.V., or the Asset Management Agreement; (ii) a distribution of capital proceeds upon a change of control event and related allocation of profits and losses under the Second Amended and Restated Operating Agreement of CPA 16 LLC, dated as of July 31, 2011, by and among CPA16 LLC, CPA®:16 Global and WPC REIT Merger Sub Inc. (as successor to Carey REIT III, Inc.), or the Operating Agreement; and (iii) the repurchase of W. P. Carey's special general partner interest, or the Special GP Amount, under the Operating Agreement. The fees and expenses noted in (i), (ii) and (iii) are collectively referred to as the Contractual Payments. The CPA®:16 Special Committee noted that CPA®:16 Global was not under any current or near-term obligation to complete a liquidity event, and discussed the potential benefits and drawbacks to stockholders of liquidating assets over time. After a discussion of alternatives, the CPA®:16 Special Committee determined that the preferred approach to maximize value for CPA®:16 Stockholders, if a sale transaction were to be undertaken currently and the terms offered by W. P. Carey could be improved, would be to pursue a definitive merger agreement with W. P. Carey and then engage in a go-shop process to determine if a superior third-party proposal could be obtained. The CPA®:16 Special Committee then instructed Barclays to pursue a fixed price for the proposed transaction, rather than a fixed exchange ratio.

On June 10, 2013, the CPA®:16 Special Committee held a telephonic meeting with its legal and financial advisors during which representatives from Barclays summarized their discussions with BofA Merrill Lynch regarding the Preliminary Term Sheet. Barclays reported that BofA Merrill Lynch would discuss certain aspects of the Preliminary Term Sheet, including the exchange ratio, with W. P. Carey.

On June 13, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a telephonic meeting. Barclays provided an update on the latest discussions with BofA Merrill Lynch regarding the Preliminary Term Sheet. Barclays and the CPA®:16 Special Committee discussed the possibility of including a fixed price/floating exchange ratio collar. Barclays and the CPA®:16 Special Committee also discussed seeking to quantify the Contractual Payments payable to W. P. Carey that would be incurred in a transaction with a party other than W. P. Carey in order to facilitate a go-shop process.

The CPA®:16 Special Committee held a telephonic meeting on June 18, 2013 with Barclays, Clifford Chance and Pepper Hamilton to discuss a potential counterproposal to the Preliminary Term Sheet. The CPA®:16 Special Committee noted its preference for the potential exchange offer to provide as much certainty of value as possible and identified a potential value per share of $11.75 per share, subject to a 15% fixed price/floating exchange ratio collar, with the exchange ratio being fixed outside of the collar. Barclays discussed the mechanics of the fixed-price collar, which would grant protection from fluctuations in the W. P. Carey stock price within a defined range during the course of the proposed transaction. Barclays and the CPA®:16 Special Committee discussed the interplay between go-shop provisions and termination fees, as well as the benefits of quantifying the Contractual Payments payable to W. P. Carey to facilitate a go-shop process. The CPA®:16 Special Committee proposed to fix the Contractual Payments owed to W. P. Carey upon a liquidity event at 3% of the equity value of CPA®:16 Global. Finally, Barclays and the CPA®:16 Special Committee discussed including a termination right in CPA®:16 Global's counterproposal which would allow CPA®:16 Global to terminate the proposed transaction should the consideration fall below an agreed upon amount. The CPA®:16 Special Committee instructed Barclays to present the terms of this counterproposal to BofA Merrill Lynch.

Table of Contents

On June 18, 2013, the W. P. Carey management team held a telephonic meeting with the executive committee of the board of directors of W. P. Carey in order to provide an update on the discussions and negotiations between W. P. Carey and CPA®:16 Global and their respective advisors. The members of the executive committee discussed various related topics, including, among other things, the combined company's business plan, dividend policy, investment allocation policy, leverage policy, capital raising plans and conflict resolution policies, and instructed W. P. Carey's management and advisors to continue negotiations of the terms of the potential transaction with CPA®:16 Global.

On June 19, 2013, the W. P. Carey management met with the board of directors of W. P. Carey at a regularly scheduled meeting in order to provide an update on the discussions and negotiations between W. P. Carey and CPA®:16 Global.

For the next several weeks, W. P. Carey and CPA®:16 Global, with the assistance of their respective external legal and financial advisors, continued to discuss various considerations concerning the proposed transaction. During this time, members of the senior W. P. Carey management team met, telephonically and in person, with certain members of the W. P. Carey board of directors to inform them of the status of discussions regarding the proposed transaction. The W. P. Carey management team continued to discuss the potential benefits and risks associated with the proposed Merger, analyzed the strengths and weaknesses of W. P. Carey's current and proposed future business models, and reviewed strategic options for W. P. Carey. Additionally, during this time, W. P. Carey, CPA®:16 Global and their respective advisors continued negotiating the terms of the potential acquisition of CPA®:16 Global by W. P. Carey, including the exchange ratio and a proposed collar.

On June 19, 2013, the CPA®:16 Special Committee received a letter, dated June 19, 2013, from the advisors to a third-party, or Party A, expressing an interest in exploring a transaction whereby Party A would acquire 100% of the outstanding common stock of CPA®:16 Global, or the Party A Letter. No other terms were set forth in the Party A Letter. The Party A Letter proposed that the parties sign a mutual non-disclosure agreement and commence discussions immediately.

The CPA®:16 Special Committee held a telephonic meeting on June 21, 2013 with representatives from Barclays, Clifford Chance and Pepper Hamilton to discuss W. P. Carey's response to the counter proposal discussed during the previous meeting. Barclays explained that W. P. Carey offered a fixed-value floating exchange ratio of $11.00 per share, with a 10% collar, and no termination right on the part of CPA®:16 Global if the consideration fell below a specified amount per share. W. P. Carey agreed to reduce the termination fee to $35 million (1.5% of equity value) if CPA®:16 Global were to terminate the merger agreement with W. P. Carey in favor of a superior proposal obtained during the go-shop period and a termination fee of $57 million (2.5% of equity value) if CPA®:16 Global were to terminate the merger agreement with W. P. Carey in favor of a superior proposal obtained after the go-shop period. W. P. Carey also expressed willingness to discuss fixing the repurchase price for the Special GP Amount. In addition, the termination fee would be fully creditable against the Contractual Payments payable to W. P. Carey. The CPA®:16 Special Committee considered these terms, determined that the overall value was not acceptable, and discussed the interplay of termination fees and Contractual Payments payable to W. P. Carey. The CPA®:16 Special Committee also considered the possibility of seeking to have a portion of the transaction consideration paid in cash. The CPA®:16 Special Committee, Barclays, Clifford Chance and Pepper Hamilton then discussed the Party A Letter. Barclays disclosed to the CPA®:16 Special Committee that their firm had a current advisory relationship with Party A on matters unrelated to W. P. Carey and CPA®:16 Global, and confirmed that Barclays had not provided advice to Party A respecting the Party A Letter or its interest in CPA®:16 Global. The CPA®:16 Special Committee determined to defer consideration of responses to W. P. Carey and Party A until its meeting to be held on June 24, 2013.

On June 24, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a telephonic meeting. Representatives from Barclays presented their

analysis of the incorporation of cash consideration into the proposed transaction with W. P. Carey. Barclays discussed the effect of adding a cash component on leverage, accretion/dilution metrics and the mechanics of the collar. The CPA®:16 Special Committee noted the desire to obtain an increased price, reiterated the importance of the go-shop and discussed fixing the repurchase price for the Special GP Amount at $75 million. The CPA®:16 Special Committee instructed Barclays to relay a revised proposal to BofA Merrill Lynch reflecting a price of $11.75 per CPA®:16 Global share, with 20% of the consideration in cash and 80% in W. P. Carey Common Stock, with a 10% collar, and with the Special GP Amount fixed at $75 million. The CPA®:16 Special Committee discussed the Party A Letter and determined that, given the focus on obtaining value and certainty, the CPA®:16 Special Committee would continue to negotiate exclusively with W. P. Carey and then engage with Party A in the context of the go-shop. After representatives of Barclays departed the meeting, Pepper Hamilton and the CPA®:16 Special Committee discussed the relationship between Barclays and Party A, which had been disclosed to the CPA®:16 Special Committee at the June 21, 2013 meeting. The CPA®:16 Special Committee requested that Pepper Hamilton confer with Barclays as to appropriate steps, if any, for the CPA®:16 Special Committee and Barclays to take regarding that relationship.

On June 25, 2013, Pepper Hamilton sent a letter to Party A informing Party A that the CPA®:16 Special Committee was not in a position at that time to engage in the discussions Party A suggested. In addition, the letter informed Party A that the CPA®:16 Special Committee would inform Party A if and when that position changed.

On July 1, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a telephonic meeting. Barclays provided an update on the Special Committee's latest proposal relayed to BofA Merrill Lynch of a fixed value of $11.75 per CPA®:16 Global share, with 20% of the consideration in cash and 80% in W. P. Carey Common Stock, subject to a 10% collar. BofA Merrill Lynch responded that W. P. Carey had indicated that $11.75 was outside an acceptable price range and that W. P. Carey instead proposed $11.00 per CPA®:16 Global share, a 10% collar and a willingness to discuss fixing the Special GP Amount at $75 million and crediting any termination fees against the total payments due to W. P. Carey resulting from a liquidity event with a third party. BofA Merrill Lynch also indicated that W. P. Carey had stated that it was not open to including a cash component to the deal. Representatives from Barclays discussed current market conditions, including a recent increase in the W. P. Carey stock price. The CPA®:16 Special Committee discussed pricing and potential negotiation alternatives and directed Barclays to continue negotiations with BofA Merrill Lynch. The CPA®:16 Special Committee continued its discussion about the relationship between Barclays and Party A, and noted information which had been provided by Barclays summarizing its relationships with other potential bidders that were identified by Barclays. Representatives from Pepper Hamilton advised the CPA®:16 Special Committee that Barclays had agreed that members of its team advising the CPA®:16 Special Committee would not perform services for Party A (even though such services are not related to CPA®:16 Global) so long as Party A remained a possible bidder for CPA®:16 Global. Barclays further confirmed that it was able to effectively represent CPA®:16 Global if it were to enter into a definitive merger agreement with W. P. Carey and then solicit additional bids from any of the other potential bidders, including Party A. The CPA®:16 Special Committee concluded, on the basis of that information, to continue to utilize the services of Barclays as its independent financial advisor.

On July 8, 2013, the CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton held a telephonic meeting. Representatives from Barclays reported that, BofA Merrill Lynch relayed a counter-proposal from W. P. Carey of $11.25 per share (up from $11.00 per share) with a 10% collar, and that W. P. Carey would likely increase its dividend by not less than $0.15 after the transaction. Richard J. Pinola provided an update on a discussion he had with W. P. Carey regarding the proposed transaction. During this discussion, W. P. Carey was not willing to increase the proposed price per share but was willing to consider a broadened collar range of 12% to

Table of Contents

12.5%. The CPA®:16 Special Committee instructed Barclays to seek a higher price per share or a broadened collar range.

On July 9, 2013, Richard J. Pinola and John J. Park held a telephonic meeting during which an agreement was reached to continue negotiating the transaction at a nominal value of $11.25 per share with a 12.0% collar.

On July 10, 2013, DLA Piper circulated a draft Merger Agreement for review by Clifford Chance. Between July 10, 2013 and July 24, 2013, several drafts of the Merger Agreement were exchanged. Various members of the W. P. Carey senior management team, with the assistance of DLA Piper and BofA Merrill Lynch, worked with Clifford Chance and Barclays to negotiate mutually agreeable terms.

On July 15, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with representatives from Barclays, Clifford Chance and Pepper Hamilton as well as representatives from the senior management of W. P. Carey. The representatives from W. P. Carey gave a presentation on the future business strategy of W. P. Carey and expected synergies post-merger. The CPA®:16 Special Committee and W. P. Carey discussed W. P. Carey's expected dividend payments, short-term and long-term strategies and the likelihood of obtaining approval for the proposed transaction from the W. P. Carey Board of Directors. The representatives from W. P. Carey then departed the meeting and representatives from Venable LLP, or Venable, counsel to CPA®:16 Global and to the CPA®:16 Special Committee with respect to Maryland law, joined the meeting. The CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton discussed the current terms of the proposal. Barclays reported that the termination fee percentages were consistent with current market conditions, and the CPA®:16 Special Committee noted that the termination fees would be fully credited against the Contractual Payments payable to W. P. Carey. Barclays next reviewed the potential go-shop process, and identified a number of potential strategic and financial buyers for solicitation. Representatives from Clifford Chance then led a discussion relating to access to information during the go-shop process, which would include setting up a virtual data room to be managed by Barclays that would be separate from W. P. Carey. The CPA®:16 Special Committee voted in favor of these measures. Representatives from Venable then provided the CPA®:16 Special Committee with a description of the CPA®:16 Board of Director's duties under Maryland law and the CPA®:16 Global charter. After that description, the CPA®:16 Special Committee determined that its legal advisors should work to finalize the draft Merger Agreement, which would remain subject to final review and recommendation by the CPA®:16 Special Committee, a favorable fairness opinion from Barclays and formal approval from the Board of Directors of CPA®:16 Global.

On July 22, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with representatives from Barclays, Clifford Chance, Pepper Hamilton and Venable. Representatives from Barclays provided an overview of the key terms of the go-shop, including timing, process, access to information and the Contractual Payments. Barclays presented the list of third parties to which solicitations would be made during the go-shop, noting that, in addition to potential strategic buyers in the net lease space, certain private equity and other financial entities would also be approached to ensure the breadth and completeness of the go-shop. The representatives from Barclays, Clifford Chance and Pepper Hamilton discussed with the CPA®:16 Special Committee the process with respect to proposals for superior competing transactions, including the calculation and crediting of termination fees against the Contractual Payments payable to W. P. Carey and W. P. Carey's proposed matching rights contained in the draft Merger Agreement. Clifford Chance discussed with the CPA®:16 Special Committee the proposed confidentiality protocol with W. P. Carey, under which certain W. P. Carey employees, subject to confidentiality restrictions, would serve as the primary contacts for information requests from third parties during the go-shop process. Representatives from Clifford Chance then provided the CPA®:16 Special Committee with an update on the status of the Merger Agreement, including W. P. Carey's request for the ability, prior to closing of any transaction with CPA®:16 Global, to opportunistically undertake a public equity offering if market conditions were attractive.

Table of Contents

After discussion, which included a concern about the potential impact of such an offering on the price of W. P. Carey common stock, the CPA®:16 Special Committee instructed its advisors to reject W. P. Carey's public equity offering request.

Thereafter, the CPA®:16 Special Committee determined to continue its consideration of the transaction on the terms discussed, subject to the receipt of Barclay's fairness opinion and finalization of the Merger Agreement.

On July 24, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with representatives from Barclays, Clifford Chance and Pepper Hamilton. A representative from Clifford Chance updated the CPA®:16 Special Committee on the status of the negotiations of the Merger Agreement and reported that W. P. Carey agreed with the CPA®:16 Special Committee's requirement that W. P. Carey not have a right to conduct an equity offering prior to closing the Merger without the consent of CPA®:16 Global. Representatives from Barclays, Clifford Chance and the CPA®:16 Special Committee discussed planning and process issues associated with the go-shop right, including the W. P. Carey designees who would be available to participate on a confidential basis in the related due diligence process.

On July 25, 2013, the CPA®:16 Special Committee met with its legal and financial advisors at the offices of Clifford Chance. Barclays provided the CPA®:16 Special Committee with its financial analysis of the merger consideration, including a summary of the key financial terms and analyses of market conditions, valuation, and the portfolio and pro forma financial combination. Barclays then delivered to the CPA®:16 Special Committee its oral opinion, to the effect that, as of that date and based on and subject to various assumptions and limitations described in the opinion, the merger consideration was fair, from a financial point of view to CPA®:16 Stockholders (other than W. P. Carey and W. P. Carey's affiliates and any other affiliates of CPA®:16 Global). Barclays further advised the CPA®:16 Special Committee that it was prepared to confirm its opinion in writing. Following this, a representative from Barclays provided an overview of the go-shop process and listed the strategic and financial entities which would be contacted. A representative from Clifford Chance then reviewed with the CPA®:16 Special Committee the principal terms and conditions of the Merger Agreement. The CPA®:16 Special Committee then considered the positive and negative factors which it had taken into consideration in its deliberations respecting the proposed transaction with W. P. Carey, which are further described below under "CPA®:16 Global's Reasons for the Merger." The CPA®:16 Special Committee next determined that the Merger, the Merger Agreement and the transactions contemplated thereby were advisable, fair to, and in the best interests of CPA®:16 Stockholders. By unanimous vote, the CPA®:16 Special Committee adopted resolutions recommending to the Board of Directors of CPA®:16 Global that it approve and submit to the CPA®:16 Stockholders for approval the Merger and that it enter into the Merger Agreement and other related transaction documents.

Immediately following the CPA®:16 Special Committee meeting on July 25, 2013, the Board of Directors of CPA®:16 Global held a meeting to approve the proposed transaction with W. P. Carey, at which the financial and legal advisors of the CPA®:16 Special Committee were also present. Representatives from Clifford Chance confirmed that the members of the Board had received and reviewed in advance of the meeting final versions of the Merger Agreement and other related transaction documents. Clifford Chance then described the resolutions that had been adopted by the CPA®:16 Special Committee at the meeting prior to the Board meeting. The CPA®:16 Special Committee informed the Board that it would be able to rely on Barclays' written fairness opinion. Following deliberations, the independent directors of the Board, by unanimous vote, determined that the Merger Agreement, the Merger and the other related transactions contemplated thereby were advisable for, fair to, and in the best interests of, CPA®:16 Global and its stockholders, and resolved, among other things, to approve and submit to the CPA®:16 Stockholders for approval the Merger and the other transactions contemplated by the Merger Agreement. Trevor P. Bond, a director of CPA®:16 Global and W. P. Carey, abstained from voting on the matter.

Table of Contents

On July 25, 2013, W. P. Carey's board of directors met with representatives of W. P. Carey's management team and legal and financial advisors at the offices of W. P. Carey. W. P. Carey's management and representatives of DLA Piper reviewed with the board of directors the principal terms and conditions of the Merger Agreement. Also at this meeting, BofA Merrill Lynch reviewed with the W. P. Carey board of directors its financial analysis of the implied Exchange Ratio of 0.1661x and delivered to the W. P. Carey board of directors an oral opinion, confirmed by delivery of a written opinion dated July 25, 2013, to the effect that, as of that date and based on and subject to various assumptions and limitations described in the opinion, such implied Exchange Ratio was fair, from a financial point of view, to W. P. Carey. After discussion, the board of directors of W. P. Carey determined that the Merger was advisable and in the best interests of W. P. Carey and recommended that the Merger and the other transactions contemplated by the Merger Agreement be submitted to the W. P. Carey Stockholders for their approval.

On July 25, 2013, after the close of the U.S. stock markets, W. P. Carey and CPA®:16 Global executed and delivered the Merger Agreement and certain ancillary documents.

On July 25, 2013, W. P. Carey issued a press release announcing the proposed transaction.

On July 26, 2013, CPA®:16 Global issued a press release announcing the proposed transaction.

Commencing on July 26, 2013, representatives from Barclays, under the direction of the CPA®:16 Special Committee, contacted a total of 20 strategic and financial entities that might have an interest in submitting a proposal to acquire CPA®:16 Global during the go-shop period. These contacts resulted in 11 parties negotiating and entering into confidentiality agreements with CPA®:16 Global and receiving access to the diligence materials in the virtual data room.

On July 29, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with representatives from Barclays, Clifford Chance and Pepper Hamilton. Representatives from Barclays provided an update on the market reaction to the announcement of the proposed transaction and reviewed with the CPA®:16 Special Committee the status of the go-shop process.

On August 5, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with representatives from Barclays, Clifford Chance and Pepper Hamilton. Representatives from Barclays provided a detailed report on the status of the go-shop process. A representative from Barclays noted that one possible alternative bidder, or Party B, had indicated that it would require a waiver from W. P. Carey under an existing agreement not specifically related to CPA®:16 in order to consider a transaction with CPA®:16 Global. A representative from Barclays also noted that Barclays had discussed with W. P. Carey whether W. P. Carey would be willing to grant a waiver if Party B expressed an interest in a transaction with CPA®:16 Global and W. P. Carey indicated that it would not be willing to do so. The CPA®:16 Special Committee decided that it was not likely that Party B would be able to make a proposal that would be comparable or superior to the transaction with W. P. Carey in light of Party B's size and valuation relative to CPA®:16 Global and Party B's indication that the consideration which would be offered in any transaction proposed by it would consist entirely of its stock. After discussion, the CPA®:16 Special Committee concluded that continuing to pursue a waiver from W. P. Carey was not in the best interest, of CPA®:16 Global and its stockholders, and asked that the representatives from Barclays so inform Party B.

On August 12, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with its legal and financial advisors. Representatives from Barclays provided a detailed report on the status of the go-shop process.

On August 19, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with its legal and financial advisors. Representatives from Barclays provided a detailed report on the status of the go-shop process. Barclays noted that the go-shop period would end on August 24, 2013 and the

Table of Contents

CPA®:16 Special Committee scheduled a meeting on August 25, 2013 in order to make determinations regarding the go-shop process and the parties solicited during the go-shop period.

On August 22, 2013, Barclays received a letter addressed to the CPA®:16 Special Committee, dated August 22, 2013, or the Party A-1 Letter, from an affiliate of Party A, or Party A-1, indicating that, if W. P. Carey waived the Contractual Payments that would be incurred in a transaction with a party other than W. P. Carey, Party A-1 would be prepared to make a proposal for CPA®:16 Global. However, the Party A-1 Letter did not provide any indication of the value Party A-1 would be willing to offer.

On August 23, 2013, at Mr. Pinola's direction, Barclays informed BofA Merrill Lynch about the Party A-1 Letter (without identifying the party) and, on behalf of the CPA®:16 Special Committee, requested that W. P. Carey waive the Contractual Payments. W. P. Carey denied the request.

On August 25, 2013, the CPA®:16 Special Committee held a telephonic meeting, together with its legal and financial advisors. Representatives from Barclays provided a report on the final results of the go-shop process. Barclays reported that no offers or proposals for a CPA16 Competing Transaction, as defined in the Merger Agreement, had been received. The CPA®:16 Special Committee and representatives from Barclays, Clifford Chance and Pepper Hamilton then discussed the Party A-1 letter and W. P. Carey's denial of the request to waive the Contractual Payments. Mr. Pinola specifically noted the absence of any proposed terms by Party A-1 in the Party A-1 Letter for a CPA16 Competing Transaction. Following a discussion about the go-shop process and the Party A-1 Letter, the CPA®:16 Special Committee unanimously determined that CPA®:16 Global did not receive a proposal or offer for a CPA16 Competing Transaction during the go-shop process, directed its legal advisors to request, pursuant to the confidentiality agreements between CPA®:16 Global and the potential bidders who participated in the go-shop process, that the potential bidders return or destroy confidential information received in connection with their access to the diligence materials in the virtual data room, and to inform Party A-1 that the CPA®:16 Special Committee concluded that the Party A-1 Letter did not qualify as a CPA16 Competing Transaction.

W. P. Carey's Reasons For the Merger

After careful consideration, W. P. Carey's board of directors, by a vote at a meeting held on July 25, 2013, determined that the Merger is advisable and in the best interests of W. P. Carey and its stockholders, approved the Merger and recommended that the Merger be submitted to the W. P. Carey Stockholders for their approval. In its evaluation, the W. P. Carey board of directors consulted with W. P. Carey's senior management and legal and financial advisors, and considered a number of factors that the board of directors believed supported its decision, including the following material factors:

- the Merger improves the quality of W. P. Carey's earnings through increased portfolio diversification and by continuing the shift in revenue mix towards more stable real estate rental income;

- the Merger is part of a larger transformation that continues W. P. Carey's evolution from a hybrid limited liability company that derived the majority of its revenue from investment management fees into a leading global net lease REIT, and implements W. P. Carey's overall business strategy of expanding real estate assets under ownership, which in turn is expected to provide a platform for future growth;

- the Merger increases W. P. Carey's scale and liquidity, resulting in a pro forma equity market capitalization of approximately $6.5 billion and a pro forma total enterprise value of approximately $10.0 billion, which in turn provides a basis for an expected continuation of stable dividend growth;

- the Merger is expected to provide income contribution from owned properties, while preserving the investment management business;

Table of Contents

- the Merger would simplify W. P. Carey's financial statements by consolidating joint ventures with CPA®:16 Global as well as W. P. Carey's existing ownership interest in CPA®:16 Global;

- the Merger is expected to increase analyst coverage and the combined company's access to diverse, efficiently priced sources of capital by creating a company with increased scale and trading volume and enhanced liquidity;

- the Merger is expected to be immediately accretive to the combined company's adjusted funds from operations ("***AFFO***") per share and cash available for distributions per share and provide for a continuation of stable dividend growth, with an anticipated post Merger minimum annualized dividend of $3.52 per share;

- given the increased market capitalization of the combined company, the Merger is expected to enhance W. P. Carey Common Stock as potential acquisition currency and, therefore, expand its growth potential;

- the Merger is expected to result in a company with a high quality combined real estate portfolio that is well diversified across tenants, geographies and property types;

- the high likelihood that the Merger will be completed in a timely manner given the commitment of both parties to complete the Merger pursuant to their respective obligations under the Merger Agreement, the absence of any significant closing conditions under the Merger Agreement, other than the stockholder approvals and third-party consents, and the fact that W. P. Carey's obligation to consummate the Merger is not subject to any financing contingency;

- given that W. P. Carey and its affiliates act as CPA®:16 Global's advisor and manage the day-to-day activities of CPA®:16 Global, the Merger would require less real estate due diligence than would otherwise occur with an unrelated third party, which reduces the potential cost of the transaction and make its execution more certain; and

- the opinion, dated July 25, 2013, of BofA Merrill Lynch to the W. P. Carey board of directors as to the fairness, from a financial point of view and as of such date, to W. P. Carey of the implied Exchange Ratio of 0.1661x, which opinion was based on and subject to the assumptions made, procedures followed, factors considered and limitations on the review undertaken as more fully described in the section entitled "Opinion of W. P. Carey's Financial Advisor."

W. P. Carey's board of directors also considered the following potentially negative factors in its deliberations concerning the Merger:

- the possibility that the Merger may not be completed, or that completion may be unduly delayed, for reasons beyond the control of W. P. Carey or CPA®:16 Global;

- the risk that failure to complete the Merger could negatively affect the price of the W. P. Carey Common Stock;

- the substantial costs to be incurred in connection with the Merger;

- the obligation of W. P. Carey to pay certain expenses upon termination of the Merger if the Merger is terminated under certain conditions;

- the risk that failure to complete the Merger could negatively affect the future business and financial results of W. P. Carey;

the possibility that the value per share for stockholders of W. P. Carey could be reduced immediately following the Merger as a result of the premium that is expected to be paid to consummate the Merger;

- the risk that the announcement of the Merger and the efforts necessary to complete the Merger could result in a disruption in the operations of W. P. Carey by, among other things, diverting management focus and other resources of W. P. Carey from operational matters, strategic opportunities and its day-to-day business; and

- the other factors described under the section titled "Risk Factors."

W. P. Carey did not quantify any anticipated cost savings with respect to the Merger since they were expected to be relatively immaterial in light of the size of the overall proposed transaction given that CPA®:16 Global is managed by W. P. Carey, does not have any employees, and has very little in terms of operational costs or overhead aside from the advisory fees paid to W. P. Carey. The foregoing discussion of the factors considered by the W. P. Carey board of directors is not intended to be exhaustive but rather summarizes the material factors considered by the W. P. Carey board of directors.

CPA®:16 Global's Reasons for the Merger

At a meeting on July 25, 2013, the independent directors of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee unanimously determined that the Merger is advisable and in the best interests of CPA®:16 Global and the CPA®:16 Stockholders and directed that a proposal to approve the Merger be submitted to CPA®:16 Stockholders at a special meeting of stockholders. Trevor P. Bond, a director of CPA®:16 Global and W. P. Carey abstained from voting on the matter. In making their determination, the independent directors of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee considered a variety of factors, including the following:

- the Per Share Merger Consideration and the other terms of the Merger Agreement resulted from arm's length negotiations between the CPA®:16 Special Committee and W. P. Carey, with the assistance of their respective advisors;

- the Per Share Merger Consideration to be received by CPA®:16 Stockholders, at a fixed value of $11.25 per share of W. P. Carey Common Stock, (a) represented an approximately 29% premium to CPA®:16 Global's estimated NAV per share of $8.70 as of December 31, 2012; and (b) is subject to a twelve percent (12%) downside protection mechanism based on the volume-weighted average trading price per share of W. P. Carey Common Stock, as reported on the NYSE, for the five (5) consecutive trading days ending on the third (3rd) trading day preceding the closing date;

- the expectation that W. P. Carey will increase its per share dividends after the transaction, which will enable CPA®:16 Stockholders to continue to receive attractive dividends;

- the expectation that the proposed transaction with W. P. Carey will provide liquidity to CPA®:16 Stockholders by delivering to them shares in a publicly-traded listed company with a broad stockholder base, and with no lock-ups or other restrictions on transfer;

- the fact that there is no active public trading market for CPA®:16 Global Common Stock;

- the fact that CPA®:16 Global's redemption plan includes numerous restrictions that limit CPA®:16 Stockholders' ability to sell their shares to CPA®:16 Global, and the price received for any CPA®:16 Global Common Stock pursuant to CPA®:16 Global's redemption plan (assuming such redemption is available) would be at a 7% discount to CPA®:16 Global's estimated NAV per share of $8.70 as of December 31, 2012;

- the opportunity for CPA®:16 Stockholders to benefit from increases in the price of W. P. Carey Common Stock after the closing date;

Table of Contents

- the receipt of the Merger Consideration will be tax deferred to CPA®:16 Stockholders, until such time as the shares of W. P. Carey Common Stock received in the Merger are sold by them;

- the fact that the combined company will be self-managed, thereby eliminating the external advisory structure under which CPA®:16 Global presently operates;

- the belief of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee that the proposed transaction will be immediately accretive to the combined company's AFFO per share and cash available for distributions per share and provides the opportunity for continuation of stable dividend growth;

- the expectation that the combined company will be among the largest publicly-traded REITs with a pro forma total enterprise value of approximately $10.0 billion and total market capitalization of approximately $6.5 billion, plus over $10 billion in assets under management (including assets owned by the combined company) and a more diversified portfolio of approximately 700 properties with 86 million square feet of corporate real estate leased to approximately 230 companies around the world. As a result of its larger size and enhanced balance sheet, the combined company is expected to have greater operating and financial flexibility and better access to capital markets with a lower cost of capital than CPA®:16 Global on a stand-alone basis;

- after the proposed transaction, the combined company would have greater geographic diversification and greater tenant diversification than CPA®:16 Global on a stand-alone basis, which could provide the combined company with greater cash flow stability;

- the conclusion of the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee, after consideration and review with its legal and financial advisors, that the transaction with W. P. Carey was (i) fair and reasonable to CPA16 Stockholders, (ii) on terms at least as favorable as terms prevailing for comparable transactions made on an arm's length basis and (iii) superior to other possible liquidity alternatives for a number of reasons, including their view that:

  - the current opportunities for an initial public offering or a public offering listing are not favorable, particularly for REITs that are externally managed;

  - it could be challenging to retain a management team in order to pursue a listing as an internally-managed REIT;

  - a sale of CPA®:16 Global's entire portfolio to unrelated third parties may involve difficulties in obtaining consents from lenders and would require Contractual Payments;

  - there was a low probability that a third party would have the desire or ability to merge with CPA®:16 Global or otherwise acquire its entire portfolio and related debt at a value comparable to the proposed Merger (but a "go shop" period would be available to test the validity of that assumption);

  - if a liquidation is not conducted all at once, since certain of the fixed operating expenses of CPA®:16 Global are not tied to the size of its asset base, such expenses would become a larger percentage of cash flow and revenues over time if the portfolio assets were to be liquidated in increments, thereby reducing the total net amount realized from the liquidation; and

the costs associated with separate sales of each property could become significant, thus decreasing returns to CPA®:16 Stockholders.

the ability of CPA®:16 Global, under the Merger Agreement, during the "go shop" period to seek acquisition proposals from third parties;

Table of Contents

the ability of CPA®:16 Global, under the Merger Agreement, after the "go shop" period to engage in negotiations with third parties in response to unsolicited acquisition proposals under certain circumstances;

the ability of CPA®:16 Global to terminate the Merger Agreement to accept a superior proposal prior to the time the stockholders approve the Merger, subject to payment of a termination fee of $35 million (1.5% of the equity value of the Merger) for a transaction with a qualified third party pursuant to the "go shop" procedures and $57 million (2.5% of the equity value of the Merger) for a transaction with a third party as a result of an unsolicited offer outside the "go shop" procedures;

the fact that, in the event the Merger Agreement is terminated in connection with a CPA®:16 Global superior competing transaction, the termination fee is fully creditable against the Contractual Payments payable to W. P. Carey;

the ability of the CPA®:16 Special Committee to withdraw or modify its recommendation of the Merger under certain circumstances, subject to the payment of the applicable termination fee;

W. P. Carey's agreement to fix the Special GP Amount fee at $75 million in the event of a transaction with a third party other than W. P. Carey or its affiliates;

the high likelihood that the Merger will be completed in a timely manner;

CPA®:16 Global's right under the Merger Agreement to seek to enforce specifically the terms of the Merger Agreement, including the Merger;

the financial analyses presented to the CPA®:16 Global Board of Directors and CPA®:16 Special Committee by Barclays Capital Inc. that, as of July 25, 2013 and based upon and subject to the assumptions and limitations set forth in its opinion, the Merger Consideration was fair, from a financial point of view, to CPA®:16 Stockholders (other than W. P. Carey and its affiliates and any other affiliates of CPA®:16 Global); and

the Merger is subject to the approval of CPA®:16 Stockholders who therefore have the option to reject the Merger. In addition, CPA®:16 Stockholders have the right to demand appraisal of their shares in accordance with the procedures established by Maryland law. See "The Merger Agreement Objecting Stockholders' Rights of Appraisal."

The Board of Directors of CPA®:16 Global and CPA®:16 Special Committee also considered a number of potentially negative factors about the Merger, including:

W. P. Carey and its affiliates serve as advisor to other CPA® REITs that have investment and rate of return objectives substantially similar to those of the combined company, and there are conflicts of interest that may arise from such advisor's role as well as the possibility that CPA® REITs may compete with the combined company after the Merger with respect to properties, potential purchasers, sellers and lessees of properties and mortgage financing for properties;

the average lease maturity of the combined company's portfolio would be lowered after the Merger compared to that of CPA®:16 Global. The average lease maturity of CPA®:16 Global's portfolio is currently approximately 10.1 years. The average lease maturity in the combined company's portfolio will be approximately 9.5 years, thereby increasing overall risks related to re-leasing or sale of properties upon expiration of such leases;

the challenges inherent in the combination of two business enterprises the size of CPA®:16 Global and W. P. Carey and the risks and costs to CPA®:16 Global if the Merger does not close;

Table of Contents

- the possibility that the transaction with W. P. Carey would not be completed or may be delayed, and the possible adverse effects on the future liquidity options for CPA®:16 Global that might result if the proposed transaction with W. P. Carey were announced and not completed;

- the risk that a different liquidity alternative or a decision not to enter into a current liquidity transaction could ultimately prove to be more beneficial to CPA®:16 Stockholders than the proposed transaction with W. P. Carey;

- the restrictions in the Merger Agreement on the solicitation of a competing transaction after the "go shop" period and the requirement, under the Merger Agreement, that CPA®:16 Global pay W. P. Carey a termination fee of either $35 million (1.5% of the equity value of the Merger) or $57 million (2.5% of the equity value of the Merger) depending on the circumstances (which, in each case, would be credited against the advisory agreement break fee and the general partnership special interest payment of $75 million), which may deter third parties from making a competing offer for CPA®:16 Global prior to completion of the Merger;

- the fact that there is no walk away/termination right below the twelve percent (12%) bottom collar, which means if the price of W. P. Carey Common Stock decreases below the bottom collar CPA®:16 Stockholders will receive less than $11.25 per share in W. P. Carey Common Stock;

- the fact that, given the upper collar, there is no adjustment for or participation in the first twelve percent (12%) increase, if any, in the price of W. P. Carey Common Stock even if such increase results from or is attributable to the announcement of the Merger;

- the risk that the anticipated strategic and financial benefits of the Merger may not be fully realized;

- the risk that the price of W. P. Carey common stock will decline after the closing date;

- the expenses to be incurred in connection with pursuing the Merger; and

- the restrictions in the Merger Agreement on the conduct of CPA®:16 Global's business between the date of the Merger Agreement and the date of the consummation of the proposed Merger.

The foregoing discussion of the factors considered by the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee is not intended to be exhaustive but rather summarizes the material factors considered by the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee. In view of the wide variety of factors considered, the CPA®:16 Global Board of Directors and the CPA®:16 Special Committee did not find it practicable to quantify or otherwise assign relative weights to the foregoing factors. In addition, individual directors may have given different weights to different factors. The CPA®:16 Global Board of Directors and the CPA®:16 Special Committee considered the positive and negative factors relating to the Merger and the related transactions and believed the negative factors to be materially outweighed by the positive factors.

Table of Contents

OPINION OF FINANCIAL ADVISOR TO W. P. CAREY

W. P. Carey has retained BofA Merrill Lynch to act as W. P. Carey's financial advisor in connection with the Merger. At a July 25, 2013 meeting of the W. P. Carey board of directors held to evaluate the Merger, BofA Merrill Lynch rendered to the W. P. Carey board of directors an oral opinion, confirmed by delivery of a written opinion dated July 25, 2013, to the effect that, as of that date and based on and subject to various assumptions and limitations described in the opinion, the implied Exchange Ratio of 0.1661x was fair, from a financial point of view, to W. P. Carey.

The full text of BofA Merrill Lynch's written opinion, dated July 25, 2013, is attached as Annex B to this Joint Proxy Statement/Prospectus and is incorporated herein by reference. The written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations on the review undertaken by BofA Merrill Lynch in rendering its opinion. The following summary of BofA Merrill Lynch's opinion is qualified in its entirety by reference to the full text of the opinion. **BofA Merrill Lynch delivered its opinion to the W. P. Carey board of directors for the benefit and use of the W. P. Carey board of directors (in its capacity as such) in connection with and for purposes of its evaluation of the implied Exchange Ratio from a financial point of view to W. P. Carey. BofA Merrill Lynch's opinion did not address any other aspect of the Merger and no opinion or view was expressed as to the relative merits of the Merger in comparison to other strategies or transactions that might be available to W. P. Carey or in which W. P. Carey might engage or as to the underlying business decision of W. P. Carey to proceed with or effect the Merger. The opinion should not be construed as creating any fiduciary duty on BofA Merrill Lynch's part to any party and BofA Merrill Lynch expressed no opinion or recommendation as to how any stockholder should vote or act in connection with the Merger or any related matter.**

In connection with its opinion, BofA Merrill Lynch, among other things:

- reviewed certain publicly available business and financial information relating to W. P. Carey and CPA®:16 Global;

- reviewed certain internal financial and operating information with respect to the business, operations and prospects of CPA®:16 Global furnished to or discussed with BofA Merrill Lynch by W. P. Carey as the parent of CPA®:16 Global's external manager, including certain financial forecasts relating to CPA®:16 Global prepared by such external manager and further discussed with BofA Merrill Lynch by W. P. Carey's management, referred to as the CPA®:16 Global forecasts;

- reviewed certain internal financial and operating information with respect to the business, operations and prospects of W. P. Carey furnished to or discussed with BofA Merrill Lynch by W. P. Carey's management, including certain financial forecasts relating to W. P. Carey prepared by W. P. Carey's management, referred to as the W. P. Carey forecasts;

- discussed the past and current business, operations, financial condition and prospects of CPA®:16 Global and W. P. Carey and certain trends and recent developments in, and prospects for, the commercial real estate market and related credit and financial markets with members of senior management of W. P. Carey;

- reviewed the potential pro forma financial impact of the Merger on the future financial performance of W. P. Carey, including the potential effect on W. P. Carey's estimated adjusted funds from operations per share, referred to as AFFO, and estimated cash available for distribution per share, referred to as CAD;

- reviewed the trading history of, and indexed total returns relating to, W. P. Carey common stock and a comparison of such indexed total returns with those of other companies BofA Merrill Lynch deemed relevant;

Table of Contents

compared certain financial information of CPA®:16 Global and certain financial and stock market information of W. P. Carey with similar information of other companies BofA Merrill Lynch deemed relevant;

compared certain financial terms of the Merger to financial terms, to the extent publicly available, of other transactions BofA Merrill Lynch deemed relevant;

compared the relative contributions of CPA®:16 Global and W. P. Carey to certain financial metrics of the pro forma combined company;

reviewed the Merger Agreement; and

performed such other analyses and studies and considered such other information and factors as BofA Merrill Lynch deemed appropriate.

In arriving at its opinion, BofA Merrill Lynch assumed and relied upon, without independent verification, the accuracy and completeness of the financial and other information and data publicly available or provided to or otherwise reviewed by or discussed with it and relied upon the assurances of W. P. Carey's management that it was not aware of any facts or circumstances that would make such information or data inaccurate or misleading in any material respect. With respect to the CPA®:16 Global forecasts, BofA Merrill Lynch was advised by W. P. Carey as the ultimate parent of CPA®:16 Global's external manager, and assumed, with W. P. Carey's consent, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of such external manager and W. P. Carey's management as to the future financial performance of CPA®:16 Global. With respect to the W. P. Carey forecasts, BofA Merrill Lynch assumed, at W. P. Carey's direction, that they were reasonably prepared on bases reflecting the best currently available estimates and good faith judgments of W. P. Carey's management as to the future financial performance of W. P. Carey. At W. P. Carey's direction, BofA Merrill Lynch relied upon the assessments of W. P. Carey's management as to the potential impact on CPA®:16 Global and W. P. Carey of certain trends and recent developments in, and prospects for, the commercial real estate market and related credit and financial markets.

BofA Merrill Lynch did not make and, except for a third-party appraisal relating to CPA®:16 Global's real estate portfolio, was not provided with any independent evaluation or appraisal of the assets or liabilities (contingent or otherwise) of CPA®:16 Global, W. P. Carey or any other entity, nor did BofA Merrill Lynch make any physical inspection of the properties or assets of CPA®:16 Global, W. P. Carey or any other entity. BofA Merrill Lynch also did not make an analysis of, nor did it express any opinion or view as to, the adequacy or sufficiency of allowances for credit losses with respect to leases or any other matters and BofA Merrill Lynch was advised and therefore assumed that any such allowances for losses were, and on a pro forma basis would be, in the aggregate appropriate to cover such losses. BofA Merrill Lynch further did not evaluate the solvency or fair value of CPA®:16 Global, W. P. Carey or any other entity under any state, federal or other laws relating to bankruptcy, insolvency or similar matters. BofA Merrill Lynch assumed, at W. P. Carey's direction, that the Merger would be consummated in accordance with its terms, without waiver, modification or amendment of any material term, condition or agreement and that, in the course of obtaining the necessary governmental, regulatory and other approvals, consents, releases and waivers for the Merger, no delay, limitation, restriction or condition, including any divestiture requirements or amendments or modifications, would be imposed that would have an adverse effect on CPA®:16 Global, W. P. Carey or the Merger (including the contemplated benefits thereof). BofA Merrill Lynch also assumed, at W. P. Carey's direction, that the Merger would qualify for federal income tax purposes as a reorganization under the provisions of Section 368(a)(1)(A) of the Code. BofA Merrill Lynch was advised that CPA®:16 Global and W. P. Carey each has operated in conformity with the requirements for qualification as a REIT for federal income tax purposes since its formation as a REIT and that the Merger would not adversely affect such status or operations.

Table of Contents

BofA Merrill Lynch expressed no view or opinion as to any terms or other aspects or implications of the Merger (other than the implied Exchange Ratio of 0.1661x to the extent expressly specified in its opinion), including, without limitation, the form or structure of the Merger or any terms, aspects or implications of any other arrangements, agreements or understandings entered into in connection with or related to the Merger or otherwise. BofA Merrill Lynch's opinion was limited to the fairness, from a financial point of view, to W. P. Carey of such implied Exchange Ratio and no opinion or view was expressed with respect to any consideration received in connection with the Merger by the holders of any class of securities, creditors or other constituencies of any party. In addition, no opinion or view was expressed with respect to the fairness (financial or otherwise) of the amount, nature or any other aspect of any compensation to any officers, directors or employees of any party to the Merger, or class of such persons, relative to the implied Exchange Ratio or otherwise. BofA Merrill Lynch expressed no view or opinion with respect to, and relied, with W. P. Carey's consent, upon the assessments of W. P. Carey's representatives regarding, legal, regulatory, accounting, tax and similar matters relating to CPA®:16 Global, W. P. Carey, any related entity and the Merger (including the contemplated benefits thereof) as to which BofA Merrill Lynch understood that W. P. Carey obtained such advice as it deemed necessary from qualified professionals. BofA Merrill Lynch further did not express any opinion as to what the value of W. P. Carey common stock actually would be when issued or the prices at which W. P. Carey common stock would trade at any time.

BofA Merrill Lynch's opinion was necessarily based on financial, economic, monetary, market and other conditions and circumstances as in effect on, and the information made available to BofA Merrill Lynch as of, the date of its opinion. The credit, financial and stock markets have been experiencing unusual volatility and BofA Merrill Lynch expressed no opinion or view as to any potential effects of such volatility on W. P. Carey, CPA®:16 Global or the Merger. It should be understood that subsequent developments may affect BofA Merrill Lynch's opinion, and BofA Merrill Lynch does not have any obligation to update, revise or reaffirm its opinion. The issuance of BofA Merrill Lynch's opinion was approved by BofA Merrill Lynch's Americas Fairness Opinion Review Committee. Except as described in this summary, W. P. Carey imposed no other instructions or limitations on the investigations made or procedures followed by BofA Merrill Lynch in rendering its opinion.

The following represents a brief summary of the material financial analyses presented by BofA Merrill Lynch to the W. P. Carey board of directors in connection with its opinion, dated July 25, 2013. **The financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses performed by BofA Merrill Lynch, the tables must be read together with the text of each summary. The tables alone do not constitute a complete description of the financial analyses performed by BofA Merrill Lynch. Considering the data set forth in the tables below without considering the full narrative description of the financial analyses, including the methodologies and assumptions underlying the analyses, could create a misleading or incomplete view of the financial analyses performed by BofA Merrill Lynch.** Implied per share equity value reference ranges derived for CPA®:16 Global and W. P. Carey from the analyses described below generally were rounded to the nearest $0.10. For purposes of BofA Merrill Lynch's opinion and analyses described below, the implied Exchange Ratio of 0.1661x was calculated utilizing the Merger consideration of $11.25 per share for each outstanding share of CPA®:16 Global common stock and the closing price of W. P. Carey common stock of $67.72 on July 24, 2013.

CPA®:16 Global Selected Companies Analysis Relative to W. P. Carey Selected Companies Analysis. BofA Merrill Lynch performed separate selected companies analyses of CPA®:16 Global and W. P. Carey in which BofA Merrill Lynch reviewed financial and stock market information of the following nine selected publicly traded net lease REITs, referred to as the selected REITs (with W. P. Carey considered a selected REIT for purposes of the selected companies analysis of CPA®:16 Global):

Realty Income Corporation

Table of Contents

American Realty Capital Properties, Inc.

Spirit Realty Capital, Inc.

W. P. Carey

National Retail Properties, Inc.

Lexington Realty Trust

Entertainment Properties Trust

Select Income REIT

Getty Realty Corp.

Financial data of the selected REITs were based on Wall Street research consensus estimates, public filings and other publicly available information. Financial data of CPA®:16 Global and W. P. Carey were based on the CPA®:16 Global forecasts and the W. P. Carey forecasts.

CPA®:16 Global. In performing a selected companies analysis of CPA®:16 Global, BofA Merrill Lynch reviewed, among other things, enterprise values of the selected REITs, calculated as equity values based on closing stock prices on July 24, 2013 plus debt less cash and other adjustments, as a multiple of calendar year 2013 estimated earnings before interest, taxes, depreciation and amortization, referred to as EBITDA. BofA Merrill Lynch also reviewed closing stock prices of the selected REITs on July 24, 2013 as a multiple of calendar year 2013 estimated AFFO per share. BofA Merrill Lynch further reviewed annualized quarterly dividends of the selected REITs as a percentage of the closing stock prices of the selected REITs on July 24, 2013, referred to as dividend yields. The overall observed low to high calendar year 2013 estimated EBITDA and calendar year 2013 estimated AFFO multiples for the selected REITs were 11.6x to 21.3x (with a mean of 17.0x and a median of 18.1x) and 10.7x to 19.0x (with a mean of 15.5x and a median of 16.0x), respectively, and overall observed low to high dividend yields for the selected REITs were 3.7% to 6.8% (with a mean of 5.4% and a median of 5.0%). BofA Merrill Lynch then applied a selected range of calendar year 2013 estimated EBITDA and calendar year 2013 estimated AFFO multiples of 15.5x to 17.5x and 13.0x to 16.0x, respectively, derived from the selected REITs to corresponding data of CPA®:16 Global and a selected range of dividend yields of 5.0% to 6.0% derived from the selected REITs to CPA®:16 Global's annualized quarterly dividend. This analysis indicated approximate implied per share equity value reference ranges for CPA®:16 Global based on calendar year 2013 estimated EBITDA multiples, AFFO multiples and dividend yields of $10.70 to $13.10, $10.60 to $13.00 and $11.20 to $13.40, respectively.

W. P. Carey. In performing a selected companies analysis of W. P. Carey, BofA Merrill Lynch reviewed financial and stock market information of W. P. Carey, the selected REITs referred to above

Table of Contents

under "Selected Companies Analyses CPA®:16 Global" (except for W. P. Carey) and the following 19 selected publicly traded asset managers, referred to as the selected asset managers:

Blackrock, Inc.	Federated Investors, Inc.
Franklin Resources, Inc.	Janus Capital Group Inc.
T. Rowe Price Group, Inc.	WisdomTree Investments, Inc.
Invesco Ltd.	Manning and Napier Inc.
Affiliated Managers Group, Inc.	Cohen & Steers, Inc.
AllianceBernstein Holding L.P.	Virtus Investment Partners Inc.
Eaton Vance Corp.	GAMCO Investors, Inc.
Waddell & Reed Financial, Inc.	Calamos Asset Management, Inc.
Legg Mason, Inc.	Pzena Investment Management, Inc.

Artisan Partners Limited Partnership

BofA Merrill Lynch reviewed, among other things, enterprise values of the selected REITs and the selected asset managers, calculated as equity values based on closing stock prices on July 24, 2013 plus debt less cash and other adjustments, as a multiple of calendar year 2013 estimated EBITDA. BofA Merrill Lynch also reviewed closing stock prices on July 24, 2013 of the selected REITs as a multiple of calendar year 2013 estimated AFFO per share and of the selected asset managers as a multiple of calendar year 2013 estimated earnings per share, referred to as EPS. BofA Merrill Lynch further reviewed dividend yields as a percentage of the closing stock prices of the selected REITs on July 24, 2013. The overall observed low to high calendar year 2013 estimated EBITDA multiples for the selected REITs and selected asset managers were 11.6x to 19.7x (with a mean of 16.2x and a median of 16.5x) and 7.8x to 15.8x (with a mean of 11.3x and a median of 11.1x), respectively, the overall observed low to high calendar year 2013 estimated AFFO multiples for the selected REITs and calendar year 2013 estimated EPS multiples of the selected asset managers were 10.7x to 19.0x (with a mean of 15.3x and a median of 15.5x) and 14.0x to 23.3x (with a mean of 18.1x and a median of 18.5x), respectively, and the overall observed low to high dividend yields for the selected REITs were 3.7% to 6.8% (with a mean of 5.5% and a median of 5.5%). BofA Merrill Lynch then applied a selected range of calendar year 2013 estimated EBITDA multiples of 17.5x to 19.5x derived from the selected REITs and calendar year 2013 estimated EBITDA multiples of 8.0x to 10.0x derived from the selected asset managers to W. P. Carey's calendar year 2013 estimated EBITDA attributed to its real estate business and asset management business, respectively. BofA Merrill Lynch also applied a selected range of calendar year 2013 estimated AFFO multiples of 17.0x to 20.0x derived from the selected REITs and calendar year 2013 estimated EPS multiples of 15.0x to 17.0x derived from the selected asset managers to W. P. Carey's calendar year 2013 estimated earnings, consisting of W. P. Carey's calendar year 2013 estimated AFFO attributed to its real estate business and estimated net earnings attributed to its asset management business, respectively. In addition, BofA Merrill Lynch applied a selected range of dividend yields of 4.5% to 5.5% to W. P. Carey's annualized quarterly dividend. This analysis indicated approximate implied per share equity value reference ranges for W. P. Carey based on calendar year 2013 estimated EBITDA multiples, earnings multiples and dividend yields of $51.50 to $60.30, $61.00 to $71.70 and $61.10 to $74.70, respectively.

Table of Contents

Based on the approximate implied per share equity value reference ranges for CPA®:16 Global and W. P. Carey described above, BofA Merrill Lynch calculated the following implied exchange ratio reference ranges, as compared to the implied Exchange Ratio of 0.1661x:

Implied Exchange Ratio Reference Ranges Based On:			
AFFO	**EBITDA**	**Dividend Yield**	**Implied Exchange Ratio**
0.1478x - 0.2131x	0.1774x - 0.2544x	0.1499x - 0.2193x	0.1661x

No company used in these analyses is identical or directly comparable to CPA®:16 Global or W. P. Carey. Accordingly, an evaluation of the results of these analyses is not entirely mathematical. Rather, these analyses involve complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the public trading or other values of the companies to which CPA®:16 Global and W. P. Carey were compared.

CPA®:16 Global Discounted Cash Flow Analysis Relative to W. P. Carey Discounted Cash Flow Analysis. BofA Merrill Lynch performed separate discounted cash flow analyses of CPA®:16 Global and W. P. Carey by calculating the estimated present value of the standalone unlevered, after-tax free cash flows that CPA®:16 Global and W. P. Carey were each forecasted to generate during the second half of the calendar year ending December 31, 2013 through the full calendar year ending December 31, 2017 based on the CPA®:16 Global forecasts and the W. P. Carey forecasts, respectively. BofA Merrill Lynch calculated terminal values for CPA®:16 Global by applying to CPA®:16 Global's and W. P. Carey's respective 2017 terminal year estimated forward EBITDA a range of terminal value EBITDA multiples of 15.0x to 17.0x for CPA®:16 Global and 17.0x to 19.0x for W. P. Carey. The cash flows and terminal values were then discounted to present value (as of June 30, 2013) using discount rates ranging from 8.0% to 9.0% for CPA®:16 Global and 7.5% to 8.5% for W. P. Carey. This analysis indicated an approximate implied per share equity value reference range for CPA®:16 Global of $9.40 to $11.70 and an approximate implied per share equity value reference range for W. P. Carey of $55.60 to $76.00.

Based on the approximate implied per share equity value reference ranges derived for CPA®:16 Global and W. P. Carey described above, BofA Merrill Lynch calculated the following implied exchange ratio reference range, as compared to the implied Exchange Ratio of 0.1661x:

Implied Exchange Ratio Reference Range	Implied Exchange Ratio
0.1324x - 0.2104x	0.1661x

Relative Contribution Analysis. BofA Merrill Lynch reviewed the relative financial contributions of CPA®:16 Global and W. P. Carey to the combined company based on CPA®:16 Global's and W. P. Carey's respective calendar year 2013 and calendar year 2014 estimated (i) EBITDA, (ii) AFFO and (iii) CAD. Financial data of CPA®:16 Global and W. P. Carey were based on the CPA®:16 Global forecasts and the W. P. Carey forecasts. BofA Merrill Lynch calculated overall aggregate equity ownership percentages of CPA®:16 Global and W. P. Carey in the combined company based on these relative contributions after taking into account the respective debt, cash and outstanding common shares of CPA®:16 Global and W. P. Carey. Based on CPA®:16 Global's and W. P. Carey's relative contributions to the combined company of the financial metrics described above of approximately 34.8% to 43.4%, BofA Merrill Lynch calculated the following implied exchange ratio reference range, as compared to the implied Exchange Ratio of 0.1661x:

Implied Exchange Ratio Reference Range	Implied Exchange Ratio
0.1807x - 0.2594x	0.1661x

Table of Contents

CPA®:16 Global Selected Precedent Transactions Analysis. BofA Merrill Lynch reviewed, to the extent publicly available, financial information relating to the following six selected precedent transactions involving companies in the net lease REIT sector, which we refer to as the selected transactions:

Announcement Date	**Acquiror**	**Target**
July 1, 2013	American Realty Capital Properties, Inc.	American Realty Capital Trust IV, Inc.
May 28, 2013	CapLease, Inc.	American Realty Capital Properties, Inc.
January 22, 2013	Spirit Realty Capital, Inc.	Cole Credit Property Trust II, Inc.
December 17, 2012	American Realty Capital Properties, Inc.	American Realty Capital Trust III, Inc.
September 6, 2012	Realty Income Corporation	American Realty Capital Trust, Inc.
February 21, 2012	W. P. Carey & Co. LLC	Corporate Property Associates 15 Incorporated

BofA Merrill Lynch reviewed transaction values, calculated as the enterprise value implied for the target company based on the consideration payable in the selected transaction, as a multiple of the target company's one-year forward estimated AFFO. The overall observed low to high one-year forward estimated AFFO multiples for the selected transactions were 13.3x to 16.9x (with a mean of 15.2x and a median of 15.1x). BofA Merrill Lynch then applied a selected range of calendar year 2013 estimated AFFO multiples of 13.0x to 16.0x derived from the selected transactions to corresponding data of CPA®:16 Global. This analysis indicated an approximate implied per share equity value reference range for CPA®:16 Global of $10.60 to $13.00, as compared to the Merger consideration of $11.25 per share. Estimated financial data of the selected transactions were based on publicly available information. Financial data of the selected transactions were based on public filings and other publicly available information. Financial data of CPA®:16 Global was based on the CPA®:16 Global forecasts.

No company, business or transaction used in this analysis is identical or directly comparable to CPA®:16 Global or the Merger. Accordingly, an evaluation of the results of this analysis is not entirely mathematical. Rather, this analysis involves complex considerations and judgments concerning differences in financial and operating characteristics and other factors that could affect the acquisition or other values of the companies, business segments or transactions to which CPA®:16 Global and the Merger were compared.

Other Factors. BofA Merrill Lynch also observed certain additional factors that were not considered part of BofA Merrill Lynch's financial analyses with respect to its opinion but were referenced for informational purposes, including, among other things, the following:

- historical trading performance of W. P. Carey common stock during the 52-week period ended July 24, 2013, which reflected low and high closing stock prices for W. P. Carey common stock during such period of $43.50 to $78.60 per share;

- publicly available Wall Street research analyst reports relating to W. P. Carey, which indicated a stock price target range for W. P. Carey common stock of approximately $77.00 to $81.00 per share;

- a third-party appraisal on CPA®:16 Global obtained by CPA®:16 Global from Robert A. Stanger & Co., Inc. as of December 31, 2012, upon which W. P. Carey estimated a net asset value per share for CPA®:16 Global of $8.70, and approximate implied estimated net asset

Table of Contents

value per share for W. P. Carey of $5.61 based on the number of outstanding shares of W. P. Carey common stock and the appraised values or initial offering stock prices of W. P. Carey's externally managed REITS; and

potential pro forma financial effects of the Merger on, among other things, W. P. Carey's calendar years 2014 and 2015 estimated AFFO per share and CAD per share based on internal estimates of the CPA®:16 Global forecasts and the W. P. Carey forecasts, which indicated that, based on the Merger consideration of $11.25 per share (utilizing the implied Exchange Ratio of 0.1661x and the closing price of W. P. Carey common stock on July 24, 2013), the Merger could be accretive to W. P. Carey's calendar years 2014 and 2015 estimated AFFO per share and estimated CAD per share. The actual results achieved by the combined company may vary from forecasted results and the variations may be material.

Miscellaneous

As noted above, the discussion set forth above is a summary of the material financial analyses presented by BofA Merrill Lynch to the W. P. Carey board of directors in connection with its opinion and is not a comprehensive description of all analyses undertaken or factors considered by BofA Merrill Lynch in connection with its opinion. The preparation of a financial opinion is a complex analytical process involving various determinations as to the most appropriate and relevant methods of financial analysis and the application of those methods to the particular circumstances and, therefore, a financial opinion is not readily susceptible to partial analysis or summary description. BofA Merrill Lynch believes that the analyses summarized above must be considered as a whole. BofA Merrill Lynch further believes that selecting portions of its analyses considered or focusing on information presented in tabular format, without considering all analyses or the narrative description of the analyses, could create a misleading or incomplete view of the processes underlying BofA Merrill Lynch's analyses and opinion. The fact that any specific analysis has been referred to in the summary above is not meant to indicate that such analysis was given greater weight than any other analysis referred to in the summary.

In performing its analyses, BofA Merrill Lynch considered industry performance, general business and economic conditions and other matters, many of which are beyond the control of W. P. Carey and CPA®:16 Global. The estimates of the future performance of W. P. Carey and CPA®:16 Global in or underlying BofA Merrill Lynch's analyses are not necessarily indicative of actual values or actual future results, which may be significantly more or less favorable than those estimates or those suggested by BofA Merrill Lynch's analyses. These analyses were prepared solely as part of BofA Merrill Lynch's analysis of the fairness, from a financial point of view, to W. P. Carey of the implied Exchange Ratio of 0.1661x and were provided to the W. P. Carey board of directors in connection with the delivery of BofA Merrill Lynch's opinion. The analyses do not purport to be appraisals or to reflect the prices at which a company might actually be sold or acquired or the prices at which any securities have traded or may trade at any time in the future. Accordingly, the estimates used in, and the ranges of valuations resulting from, any particular analysis described above are inherently subject to substantial uncertainty and should not be taken to be BofA Merrill Lynch's view of the actual value of W. P. Carey or CPA®:16 Global.

The type and amount of consideration payable in the Merger was determined through negotiations between W. P. Carey and CPA®:16 Global, rather than by any financial advisor, and was approved by the W. P. Carey board of directors. The decision to enter into the Merger Agreement was solely that of the W. P. Carey board of directors. As described above, BofA Merrill Lynch's opinion and analyses were only one of many factors considered by the W. P. Carey board of directors in its evaluation of the Merger and should not be viewed as determinative of the views of W. P. Carey's board of directors, management or any other party with respect to the Merger or the implied Exchange Ratio.

Table of Contents

In connection with BofA Merrill Lynch's services as W. P. Carey's financial advisor, W. P. Carey has agreed to pay BofA Merrill Lynch an aggregate fee of $7.5 million, a portion of which was payable upon delivery of the opinion and $6.5 million of which is contingent upon consummation of the Merger. W. P. Carey also has agreed to reimburse BofA Merrill Lynch for its expenses, including fees and expenses of BofA Merrill Lynch's legal counsel, incurred in connection with BofA Merrill Lynch's engagement and to indemnify BofA Merrill Lynch and related persons against liabilities, including liabilities under the federal securities laws, arising out of BofA Merrill Lynch's engagement.

BofA Merrill Lynch and its affiliates comprise a full service securities firm and commercial bank engaged in securities, commodities and derivatives trading, foreign exchange and other brokerage activities and principal investing as well as providing investment, corporate and private banking, asset and investment management, financing and financial advisory services and other commercial services and products to a wide range of companies, governments and individuals. In the ordinary course of business, BofA Merrill Lynch and its affiliates may invest on a principal basis or on behalf of customers or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of W. P. Carey, CPA®:16 Global and certain of their respective affiliates.

BofA Merrill Lynch and its affiliates in the past have provided, currently are providing, and in the future may provide, investment banking, commercial banking and other financial services to W. P. Carey and certain of its affiliates and have received or in the future may receive compensation for the rendering of these services, including (i) having acted as financial advisor to W. P. Carey in connection with its prior acquisition of CPA®:15 and related conversion to a REIT, (ii) having acted or acting as administrative agent, arranger and bookrunner for, and/or as a lender (including a letter of credit lender and swing line lender) under, certain credit facilities, term loans, real estate loans and letters of credit of W. P. Carey and certain of its affiliates, (iii) having provided or providing certain foreign exchange trading and interest rate hedging services to W. P. Carey and certain of its affiliates and (iv) having provided or providing certain treasury management services and products to W. P. Carey and certain of its affiliates. From July 1, 2011 through June 30, 2013, BofA Merrill Lynch and its affiliates derived aggregate revenues of approximately $16 million from W. P. Carey and certain affiliated entities for commercial, corporate or investment banking services unrelated to the Merger.

BofA Merrill Lynch is an internationally recognized investment banking firm which is regularly engaged in providing financial advisory services in connection with mergers and acquisitions. W. P. Carey selected BofA Merrill Lynch as its financial advisor in connection with the Merger on the basis of BofA Merrill Lynch's experience in similar transactions, its reputation in the investment community and its familiarity with W. P. Carey and its business.

Table of Contents

OPINION OF FINANCIAL ADVISOR TO THE SPECIAL COMMITTEE OF CPA®:16 GLOBAL

In connection with the merger, CPA®:16 Global engaged Barclays Capital Inc., or Barclays, to act as a financial advisor to the CPA®:16 Special Committee.

On July 25, 2013, Barclays rendered its oral opinion (which was subsequently confirmed in writing) to the CPA®:16 Special Committee that, as of such date and based upon and subject to the qualifications, limitations and assumptions stated in its opinion, the Exchange Ratio is fair from a financial point of view to the stockholders of CPA®:16 Global (other than W. P. Carey and its affiliates and any other affiliates of CPA®:16 Global).

The full text of Barclays' written opinion, dated as of July 25, 2013, is attached as Annex C to this Joint Proxy Statement/Prospectus. Barclays' written opinion sets forth, among other things, the assumptions made, procedures followed, factors considered and limitations upon the review undertaken by Barclays in rendering its opinion. You are encouraged to read the opinion carefully in its entirety. The following is a summary of Barclays' opinion and the methodology that Barclays used to render its opinion. This summary is qualified in its entirety by reference to the full text of the opinion.

Barclays' opinion, the issuance of which was approved by Barclays' Fairness Opinion Committee, is addressed to the CPA®:16 Special Committee and was relied upon as well by the Board of Directors of CPA®:16 Global, addresses only the fairness, from a financial point of view, of the Exchange Ratio and does not constitute a recommendation to any stockholder of CPA®:16 Global as to how such stockholder should vote with respect to, or whether to accept the consideration to be offered to the stockholders in connection with, the proposed merger. The terms of the proposed merger were determined through arm's-length negotiations between CPA®:16 Global and W. P. Carey and were unanimously approved by the CPA®:16 Special Committee, as well as approved by the Board of Directors of CPA®:16 Global. Barclays was not requested to address, and its opinion does not in any manner address, CPA®:16 Global's underlying business decision to proceed with or effect the proposed merger or the likelihood of consummation of the proposed merger. In addition, Barclays expressed no opinion on, and it does not in any manner address, the fairness of the amount or the nature of any compensation to any officers, directors or employees of any parties to the proposed merger, or any class of such persons, relative to the consideration to be offered to the stockholders of CPA®:16 Global in the proposed merger. No limitations were imposed by the CPA®:16 Global Special Committee upon Barclays with respect to the investigations made or procedures followed by it in rendering its opinion.

In arriving at its opinion, Barclays, among other things:

- reviewed and analyzed a draft of the merger agreement and the specific terms of the proposed merger;
- reviewed and analyzed certain publicly available agreements entered into by CPA®:16 Global, including the Amended and Restated Advisory Agreement dated as of September 28, 2012, by and among CPA®:16 Global and Carey Asset Management Corp., or Carey Asset Management, the Asset Management Agreement, dated as of May 2, 2011, by and among W. P. Carey & Co. B.V. and the Second Amended and Restated Operating Agreement of CPA 16 LLC, dated as of July 2011, by and among CPA®:16 Global and Carey REIT III, Inc.;
- reviewed and analyzed publicly available information concerning CPA®:16 Global and W. P. Carey that Barclays believed to be relevant to its analysis, including each of their most recent Annual Reports on Form 10-K and Quarterly Reports on Form 10-Q;

Table of Contents

- reviewed and analyzed financial and operating information with respect to the business, operations and prospects of CPA®:16 Global furnished to it by CPA®:16 Global, including financial projections of CPA®:16 Global prepared by Carey Asset Management, an affiliate of W. P. Carey, acting in its capacity as external manager of CPA®:16 Global, or, in such capacity, CPA®:16 Global Management, as approved for Barclays' use by CPA®:16 Global (referred to herein as the CPA®:16 Global projections) and estimates of the fees or other amounts to be paid to W. P. Carey or incurred as transaction costs that were prepared by the CPA®:16 Global Management;

- reviewed and analyzed financial and operating information with respect to the business, operations and prospects of W. P. Carey, including financial projections of W. P. Carey prepared by the management of W. P. Carey, as approved for Barclays' use by W. P. Carey (referred to herein as the W. P. Carey projections);

- reviewed and analyzed a trading history of W. P. Carey's common stock from January 1, 2013 to July 23, 2013 and a comparison of that trading history with those of other companies that Barclays deemed relevant;

- reviewed and analyzed a comparison of the historical financial results and present financial condition of CPA®:16 Global and W. P. Carey with each other and with those of other companies that Barclays deemed relevant;

- reviewed and analyzed a comparison of the financial terms of the merger with the financial terms of certain other transactions that Barclays deemed relevant;

- had discussions with the CPA®:16 Global Management and the management of W. P. Carey concerning CPA®:16 Global's and W. P. Carey's business, operations, assets, liabilities, financial condition and prospects; and

- undertook such other studies, analyses and investigations as Barclays deemed appropriate.

In arriving at its opinion, Barclays assumed and relied upon the accuracy and completeness of the financial and other information used by Barclays without any independent verification of such information (and Barclays did not assume responsibility or liability for any independent verification of such information). Barclays also relied upon the assurances of the CPA®:16 Global Management that they were not aware of any facts or circumstances that would make such information inaccurate or misleading. With respect to financial projections of CPA®:16 Global or of W. P. Carey, upon advice of CPA®:16 Global, Barclays assumed that such projections were reasonably prepared on a basis reflecting the best currently available estimates and judgments of the CPA®:16 Global Management and the management of W. P. Carey (including as to the fees or other amounts to be paid or not paid to W. P. Carey or incurred as transaction costs) as to the future financial performance of CPA®:16 Global and W. P. Carey and that CPA®:16 Global and W. P. Carey will perform substantially in accordance with such projections. Barclays assumes no responsibility for and expresses no view as to any such projections or estimates or the assumptions on which they are based. In arriving at its opinion, Barclays has not conducted a physical inspection of the properties and facilities of CPA®:16 Global or of W. P. Carey and has not made or obtained any evaluations or appraisals of the assets or liabilities of CPA®:16 Global or of W. P. Carey. In addition, while the CPA®:16 Special Committee did not authorize Barclays to solicit, and Barclays did not solicit, any indications of interest from any third party with respect to the purchase of all or a part of CPA®:16 Global's business prior to July 25, 2013, the CPA®:16 Special Committee requested that Barclays solicit third party indication of interests in a possible acquisition of all or a part of CPA®:16 Global's business for a specified period after the execution of the merger agreement as permitted by the provisions of such agreement. Barclays' opinion was necessarily based upon market, economic and other conditions as they existed on, and could be evaluated as of, July 25, 2013. Barclays assumed no responsibility for updating or revising its opinion

based on events or circumstances that may have occurred, or may occur, after July 25, 2013. Barclays expressed no opinion as to the prices at which shares of common stock of CPA®:16 Global or W. P. Carey would trade following the announcement of the proposed merger or at which shares of common stock of W. P. Carey would trade following consummation of the proposed Merger. Barclays' opinion should not be viewed as providing any assurance that the market value of the shares of common stock of W. P. Carey to be held by the stockholders of CPA®:16 Global after the consummation of the proposed merger will be in excess of the market value of CPA®:16 Global common stock owned by such stockholders at any time prior to the announcement or consummation of the proposed merger.

Barclays assumed that the executed merger agreement conformed in all respects to the last draft reviewed by it. Additionally, Barclays assumed the accuracy of the representations and warranties contained in the merger agreement and all agreements related thereto. Barclays also assumed, upon the advice of CPA®:16 Global, that all material governmental, regulatory and third party approvals, consents and releases for the proposed merger would be obtained within the constraints contemplated by the merger agreement and that the proposed merger would be consummated in accordance with the terms of the merger agreement without waiver, modification or amendment of any material term, condition or agreement thereof. Barclays did not express any opinion as to any tax or other consequences that might result from the proposed merger, nor did Barclays' opinion address any legal, tax, regulatory or accounting matters, as to which Barclays understood that CPA®:16 Global had obtained such advice as it deemed necessary from qualified professionals.

In connection with rendering its opinion, Barclays performed certain financial, comparative and other analyses as summarized below. In arriving at its opinion, Barclays did not ascribe a specific range of values to the shares of CPA®:16 Global common stock but rather made its determination as to fairness, from a financial point of view, to CPA®:16 Stockholders (other than W. P. Carey and its affiliates and any other affiliates of CPA®:16 Global) of the Exchange Ratio on the basis of various financial and comparative analyses. The preparation of a fairness opinion is a complex process and involves various determinations as to the most appropriate and relevant methods of financial and comparative analyses and the application of those methods to the particular circumstances. Therefore, a fairness opinion is not readily summarized.

In arriving at its opinion, Barclays did not attribute any particular weight to any single analysis or factor considered by it but rather made qualitative judgments as to the significance and relevance of each analysis and factor relative to all other analyses and factors performed and considered by it and in the context of the circumstances of the particular transaction. Accordingly, Barclays believes that its analyses must be considered as a whole, as considering any portion of such analyses and factors, without considering all analyses and factors as a whole, could create a misleading or incomplete view of the process underlying its opinion.

The following is a summary of the material financial analyses used by Barclays in preparing its opinion to the CPA®:16 Special Committee. Certain financial analyses summarized below include information presented in tabular format. In order to fully understand the financial analyses used by Barclays, the tables must be read together with the text of each summary, as the tables alone do not constitute a complete description of the financial analyses. In performing its analyses, Barclays made numerous assumptions with respect to industry performance, general business and economic conditions and other matters, many of which are beyond the control of CPA®:16 Global, W. P. Carey or any other parties to the merger agreement. None of CPA®:16 Global, W. P. Carey, Barclays or any other person assumes responsibility if future results are materially different from those discussed. Any estimates contained in these analyses are not necessarily indicative of actual values or predictive of future results or values, which may be significantly more or less favorable than as set forth below. In addition, analyses relating to the value of the businesses do not purport to be appraisals or reflect the prices at which the businesses may actually be sold.

Table of Contents

Selected Publicly Traded Company Analysis

Barclays reviewed and compared specific financial and operating data relating to CPA®:16 Global and W. P. Carey with selected publicly traded companies that Barclays deemed comparable to CPA®:16 Global and W. P. Carey based on its experience in the real estate industry and considering similarity in company portfolio, size, asset type, primary lease structure and geographic exposure.

Barclays reviewed various financial ratios and multiples for the following selected publicly traded companies:

- Realty Income Corp.
- American Realty Capital Properties, Inc.
- Spirit Realty Capital
- National Retail Properties, Inc.
- Lexington Realty Trust
- Select Income REIT

In addition to the companies listed above, Barclays added W. P. Carey to the list of selected publicly traded companies for the CPA®:16 Global analysis.

As part of its selected publicly traded company analysis, Barclays calculated and analyzed each company's ratio of its current stock price to its estimated funds from operations per share, which we refer to as FFO per share, for calendar year 2013 and to its estimated adjusted FFO per share, which we refer to as AFFO per share, for calendar year 2013. Estimated FFO per share and estimated AFFO per share for the selected publicly traded companies were based on Wall Street research consensus estimates, public filings and other publicly available information. Barclays also reviewed annualized quarterly and monthly dividends, as applicable, of the selected publicly traded companies as a percentage of the current stock prices of the selected publicly traded companies, which we refer to as dividend yield.

FFO and AFFO are generally accepted by the REIT industry to be more accurate measures of residual cash flow than other metrics. Barclays notes that while FFO and AFFO are a recognizable measure of operating performance and residual cash flow for REITs created by the REIT industry, measures of FFO and AFFO may not be directly in accordance with GAAP and therefore should not be considered an alternative to net earnings as an indication of operating performance, or to net cash flow from operating activities as determined by GAAP, as a measure of liquidity, and neither FFO nor AFFO are necessarily indicative of cash available to fund cash needs.

All of these calculations were performed, and based, on publicly available financial data and closing prices as of July 23, 2013. Barclays selected the publicly traded companies listed above because their businesses and operating profiles are reasonably similar to that of CPA®:16 Global, as all the selected companies are REITs that operate predominantly on a triple net lease basis with operations that, for the purposes of the analysis of Barclays, may be considered similar to those of CPA®:16 Global, but none of the selected companies are identical to CPA®:16 Global.

Table of Contents

CPA®: 16. Using the list of selected publicly traded companies for CPA®:16 Global (including W. P. Carey), these analyses resulted in the following mean and median multiples and dividend yields for the selected publicly traded companies:

	2013 FFO Multiple	2013 AFFO Multiple	Dividend Yield
Maximum	24.9x	19.6x	6.8%
Minimum	9.4x	10.7x	4.4%
Mean	16.5x	15.9x	5.5%
Median	16.3x	16.9x	4.8%

Because of the inherent differences between the business, operations and prospects of CPA®:16 Global and those of the selected publicly traded companies, Barclays believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected publicly traded company analysis. Accordingly, Barclays also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of CPA®:16 Global and the selected publicly traded companies that could affect the public trading values of each in order to provide a context in which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, levels of management experience, profitability levels, leverage, asset type, asset age, tenant credit quality and degree of operational risk between CPA®:16 Global and the companies included in the selected publicly traded company analysis.

Based upon these judgments, Barclays selected multiple ranges of 12.0x to 15.0x for estimated 2013 FFO, 11.0x to 14.5x for estimated 2013 AFFO and a dividend yield range of 7.0% to 5.5% and applied such ranges to the CPA®:16 Global projections to calculate a range of implied prices per share of CPA®:16 Global. The following summarizes the result of these calculations:

	Implied Price Per Share
Estimated 2013 FFO	$7.87 - $9.84
Estimated 2013 AFFO	$8.89 - $11.72
Dividend Yield	$9.59 - $12.20

Barclays noted that the $11.25 value per CPA®:16 Global share of the merger consideration (which is the value implied by the Exchange Ratio using the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement) exceeded, or was within, each of the ranges of price per share implied by the foregoing analysis.

W. P. Carey. Using the list of selected publicly traded companies for CPA®:16 Global (excluding W. P. Carey), these analyses resulted in the following mean and median multiples and dividend yields for the selected publicly traded companies:

	2013 FFO Multiple	2013 AFFO Multiple	Dividend Yield
Maximum	19.5x	19.6x	6.8%
Minimum	9.4x	10.7x	4.4%
Mean	14.8x	15.6x	5.6%
Median	13.5x	16.6x	5.6%

Because of the inherent differences between the business, operations and prospects of W. P. Carey and those of the selected publicly traded companies, Barclays believed that it was inappropriate to, and therefore did not, rely solely on the quantitative results of the selected publicly traded company analysis. Accordingly, Barclays also made qualitative judgments concerning differences between the business, financial and operating characteristics and prospects of W. P. Carey and the selected publicly traded companies that could affect the public trading values of each in order to provide a context in

Table of Contents

which to consider the results of the quantitative analysis. These qualitative judgments related primarily to the differing sizes, growth prospects, levels of management experience, profitability levels, leverage, asset type, asset age, tenant credit quality and degree of operational risk between W. P. Carey and the companies included in the selected publicly traded company analysis.

Based upon these judgments, Barclays selected multiple ranges of 17.0x to 21.0x for estimated 2013 FFO, 15.0x to 19.0x for estimated 2013 AFFO and a dividend yield range of 6.0% to 4.5% and applied such ranges to the W. P. Carey projections to calculate a range of implied prices per share of W. P. Carey. The following summarizes the result of these calculations:

	Implied Price Per Share
Estimated 2013 FFO	$47.25 - $58.37
Estimated 2013 AFFO	$60.79 - $77.00
Dividend Yield	$56.00 - $74.67

Barclays noted that the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement of $69.42 exceeded, or was within, each of the ranges of the price per share implied by the foregoing analysis.

Implied Exchange Ratios. Using the range of implied prices per share of CPA®:16 Global and W. P. Carey resulting from the foregoing analyses, Barclays calculated a range of implied exchange ratios by (1) dividing the lowest implied total price per share of CPA®:16 Global common stock for a given valuation method by the highest implied price per share for W. P. Carey common stock for such valuation method to arrive at the low end of the implied exchange ratio range for such valuation method, and (2) dividing the highest implied total price per share of CPA®:16 Global common stock for a given valuation method by the lowest implied price per share for W. P. Carey common stock for such valuation method to arrive at the high end of the implied exchange ratio range for such valuation method. The following summarizes the result of these calculations:

	Implied Exchange Ratio
Estimated 2013 FFO	0.135x - 0.208x
Estimated 2013 AFFO	0.116x - 0.193x
Dividend Yield	0.128x - 0.218x

Barclays noted that on the basis of the selected comparable company analysis, the range of Exchange Ratios that could be used in the merger (0.1447x to 0.1842x) was within the range of implied exchange ratios calculated above.

Selected Precedent Transaction Analysis

Barclays reviewed and compared the purchase prices and financial metrics paid in selected other publicly announced transactions that Barclays deemed relevant, based on its experience with merger and acquisition transactions. Barclays chose such transactions based on, among other things, the similarity of the applicable target in each transaction to CPA®:16 Global and W. P. Carey with respect to similarities in company portfolio, size, asset type, lease structure and geographic exposure, and other characteristics that Barclays deemed relevant.

The following list sets forth the transactions analyzed based on such characteristics:

- American Realty Capital Properties, Inc.'s merger with American Realty Capital Trust IV, Inc. (pending stockholder approval)

Table of Contents

American Realty Capital Properties, Inc.'s merger with CapLease, Inc. (pending stockholder approval)

Spirit Realty Capital, Inc.'s merger with Cole Credit Property Trust II, Inc.

American Realty Properties, Inc.'s merger with American Realty Capital Trust III, Inc.

Realty Income Corporation's merger with American Realty Capital Trust, Inc.

W. P. Carey's merger with Corporate Property Associates 15 Incorporated

CPA®:16 Global's merger with Corporate Property Associates 14 Incorporated

Using publicly available information, Barclays analyzed the ratio of the per share purchase price paid in each transaction to the estimated AFFO per share for the target company for the fiscal year following the one in which the applicable transaction closed. Barclays also analyzed the ratio (expressed as a percentage) of the annualized net operating income, or NOI, for each of the target companies to the adjusted enterprise value, which we refer to as implied cap rate. The results of the selected precedent transaction analysis are summarized below:

	AFFO Multiple	Implied Cap Rate
Maximum	16.1x	9.5%
Minimum	12.4x	5.8%
Mean	14.3x	7.0%
Median	14.7x	6.6%

The reasons for and the circumstances surrounding each of the selected precedent transactions analyzed were diverse and there are inherent differences between the businesses, operations, financial conditions and prospects of CPA®:16 Global, W. P. Carey and the companies and assets included in the selected precedent transaction analysis. Accordingly, Barclays believed that a selected precedent transaction analysis based solely on quantitative results would not be particularly meaningful in the context of considering the merger. Barclays therefore made qualitative judgments concerning differences between the characteristics of the selected precedent transactions and the merger which would affect the acquisition values of the selected target companies, CPA®:16 Global and W. P. Carey.

Based upon these judgments, with respect to CPA®:16 Global, Barclays selected a multiple range of 11.0x to 13.5x estimated 2013 AFFO. Barclays then applied this range to CPA®:16 Global's estimated 2013 AFFO to calculate an implied equity value range for CPA®:16 Global. With respect to W. P. Carey, Barclays selected a multiple range of 12.0x to 16.0x estimated 2013 AFFO. Barclays then applied this range to W. P. Carey's estimated 2013 AFFO to calculate an implied equity value range for W. P. Carey. The resulting equity values for each company were then used to calculate a range of implied prices by dividing by the shares of common stock outstanding for CPA®:16 Global or W. P. Carey, as applicable.

Additionally, with respect to CPA®:16 Global, Barclays selected an implied cap rate range of 9.0% to 7.5% of estimated 2013 NOI. Barclays then applied this range to CPA®:16 Global's 2013 estimated NOI to calculate an implied real estate value for CPA®:16 Global. With respect to W. P. Carey, Barclays selected an implied cap rate range of 8.5% to 6.5% of estimated 2013 NOI. Barclays then applied this range to W. P. Carey's 2013 estimated NOI to calculate an implied real estate value for W. P. Carey. The resulting real estate values were then used to calculate a range of implied prices per share by subtracting outstanding indebtedness (assuming marked to market utilizing estimated market rates for similar types of indebtedness), adjusting for other tangible assets and liabilities and then by dividing by the number of shares of common stock outstanding for CPA®:16 Global or W. P. Carey, as applicable.

Table of Contents

Using the ranges of implied prices per share of CPA®:16 Global and W. P. Carey resulting from the foregoing analyses, Barclays then calculated a range of implied exchange ratios by (1) dividing the lowest implied total price per share of CPA®:16 Global common stock for a given valuation method by the highest implied price per share for W. P. Carey common stock for such valuation method to arrive at the low end of the implied exchange ratio range for such valuation method, and (2) dividing the highest implied total price per share of CPA®:16 Global common stock for a given valuation method by the lowest implied price per share for W. P. Carey common stock for such valuation method to arrive at the high end of the implied exchange ratio range for such valuation method.

The following summarizes the result of these calculations:

	Implied Price Per Share for CPA®:16 Global	**Implied Price Per Share for W. P. Carey**	**Implied Exchange Ratio**
Estimated 2013 AFFO	$8.89 - $10.92	$48.63 - $64.84	0.137x - 0.224x
Implied Cap Rate	$8.72 - $12.17	$43.66 - $60.35	0.144x - 0.279x

Barclays noted that (1) the $11.25 value per CPA®:16 Global share of the merger consideration (which is the value implied by the Exchange Ratio using the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement) exceeded, or was within, each of the range of prices per share implied by the foregoing analysis, and (2) the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement of $69.42 exceeded each of the ranges of the price per share implied by the foregoing analysis. In addition, Barclays noted that, on the basis of the selected precedent transaction analysis, the range of Exchange Ratios that could be used in the merger (0.1447x to 0.1842x) was within each of the ranges of implied exchange ratios calculated above.

Net Asset Value Analysis

Barclays performed a net asset valuation of CPA®:16 Global's and W. P. Carey's real estate portfolios using a net operating income capitalization rate analysis. In this analysis, Barclays calculated enterprise values by dividing calendar year 2013 estimated NOI generated from each company's portfolio, based on the CPA®:16 Global projections or W. P. Carey projections, as applicable, by a range of capitalization rates from 10.0% to 6.5%. Each company's assets were divided into four categories based on the manner in which W. P. Carey has historically categorized the tenants and leases of each company in light of tenant credit quality, length of lease and real estate quality. Selected other assets for each of CPA®:16 Global and W. P. Carey (e.g., non-traditional net lease assets such as hotels or storage properties, W. P. Carey's asset management business and assets with other characteristics not conducive to traditional valuation methods such as significant vacancies, over-leverage, above market rent or near term lease maturities) were separately valued using capitalization rates or multiples deemed appropriate for assets of their type and quality by Barclays in its judgment and experience.

Ranges of low, medium and high capitalization rates were applied to each asset category to calculate enterprise values. The capitalization rates applied to each lease category were selected based on the credit quality and based on Barclays' expertise and experience with the REIT industry and its analysis of triple-net lease selected companies listed above under " Selected Publicly Traded Companies Analysis." Barclays also took into account for purposes of such analysis CPA®:16 Global's and W. P. Carey's other tangible assets and liabilities estimated as of March 31, 2013, excluding intangibles and other non-cash GAAP-specific balance sheet items.

Table of Contents

The resulting enterprise values were used to calculate a range of implied prices per share by subtracting outstanding indebtedness for the applicable company (assuming marked to market utilizing estimated market rates for similar types of indebtedness) from these values and dividing by the number of shares of common stock outstanding for CPA®:16 Global or W. P. Carey, as applicable. The following table presents the results of these analyses:

Company	Implied Price Per Share	
	Low	**High**
CPA®: 16 Global	$ 9.04	$ 11.23
W. P. Carey	$ 39.98	$ 52.19

Barclays noted that (1) the $11.25 value per CPA®:16 Global share of the merger consideration (which is the value implied by the Exchange Ratio using the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement) exceeded the range of prices per share implied by the foregoing analysis, and (2) the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement of $69.42 exceeded the range of the prices per share implied by the foregoing analysis.

Using the ranges of implied equity values of CPA®:16 Global and W. P. Carey resulting from the foregoing analysis, Barclays calculated a range of implied exchange ratios by (1) dividing the lowest implied total price per share of CPA®:16 Global common stock by the highest implied price per share for W. P. Carey common stock to arrive at the low end of the implied exchange ratio range, and (2) dividing the highest implied total price per share of CPA®:16 Global common stock by the lowest implied price per share for W. P. Carey common stock to arrive at the high end of the implied exchange ratio range for such valuation method.

Based on this implied per share equity value range for CPA®:16 Global and W. P. Carey, Barclays calculated an implied exchange ratio range of 0.173x to 0.281x. Barclays noted that on the basis of this net asset valuation analysis, the range of Exchange Ratios that could be used in the merger (0.1447x to 0.1842x) was less than or within the range of implied exchange ratios calculated in this analysis.

Discounted Cash Flow Analysis

Barclays performed a discounted cash flow analysis of CPA®:16 Global and W. P. Carey. A discounted cash flow analysis is a traditional valuation methodology used to derive a valuation of an asset by calculating the "present value" of estimated future cash flows of the asset. "Present value" refers to the current value of future cash flows or amounts and is obtained by discounting those future cash flows or amounts by a discount rate that takes into account macroeconomic assumptions and estimates of risk, the opportunity cost of capital, expected returns and other appropriate factors.

To calculate the estimated enterprise value of CPA®:16 Global and W. P. Carey using the discounted cash flow method, Barclays added each of CPA®:16 Global's and W. P. Carey's respective (i) discounted net present values of the company's projected after-tax unlevered free cash flows for fiscal years 2013 through 2017 based on the CPA®:16 Global projections or the W. P. Carey projections, as applicable, to (ii) the discounted net present value of the "terminal value" at the end of 2017 for CPA®:16 Global or W. P. Carey, as applicable. The residual value of CPA®:16 Global and W. P. Carey, respectively, at the end of the forecast period, or "terminal value," was estimated by applying a range of capitalization rates of 9.0% to 7.0% to the unlevered free cash flow projections of 2017 (the last fiscal year of the forecast periods) for CPA®:16 Global and 8.0% to 7.0% to the unlevered free cash flow projections of 2017 for W. P. Carey. The cash flows and terminal values were then discounted to present value as of December 31, 2012 using discount rates ranging from 8.5% to 9.5% for CPA®:16 Global and 7.5% to 8.5% for W. P. Carey. The range of after-tax discount rates

Table of Contents

was selected based on an analysis of the weighted average cost of capital of CPA®:16 Global and W. P. Carey, respectively. Barclays then calculated a range of implied prices per share of CPA®:16 Global and W. P. Carey by subtracting estimated net debt as of December 31, 2012, from the estimated enterprise value using the discounted cash flow method and dividing such amount by the number of outstanding shares of common stock of CPA®:16 Global or W. P. Carey, as applicable.

The following summarizes the result of these calculations:

	Implied Price Per Share
CPA®:16 Global	$ 7.92 - $11.24
W. P. Carey	$42.94 - $55.99

Barclays noted that (1) the $11.25 value per CPA®:16 Global share of the merger consideration (which is the value implied by the Exchange Ratio using the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement) exceeded the range of prices per share implied by the foregoing analysis, and (2) the volume weighted average trading price for W. P. Carey common stock for the two days preceding execution of the merger agreement of $69.42 exceeded the range of the prices per share implied by the foregoing analysis.

Using the ranges of implied equity values of CPA®:16 Global and W. P. Carey resulting from the foregoing analysis, Barclays calculated a range of implied exchange ratios by (1) dividing the lowest implied total price per share of CPA®:16 Global common stock by the highest implied price per share for W. P. Carey common stock to arrive at the low end of the implied exchange ratio range, and (2) dividing the highest implied total price per share of CPA®:16 Global common stock by the lowest implied price per share for W. P. Carey common stock to arrive at the high end of the implied exchange ratio range for such valuation method.

Based on this implied per share equity value range for CPA®:16 Global and W. P. Carey, Barclays calculated an implied exchange ratio range of 0.141x to 0.262x. Barclays noted that on the basis of this net asset valuation analysis, the range of Exchange Ratios that could be used in the merger (0.1447x to 0.1842x) was within the range of implied exchange ratios calculated in this analysis.

Review of Historical Share Price

To illustrate the trend in the historical trading prices of W. P. Carey common stock, Barclays reviewed historical data with regard to the trading prices of W. P. Carey common stock for the period from July 23, 2012 to July 23, 2013 and compared such data with the relative stock price performances of other companies that Barclays deemed relevant during the period from January 1, 2013 to July 23, 2013. Because CPA®:16 Global is not listed on a national securities exchange, an analysis of its historical share price was not conducted.

Barclays noted that for the 52 weeks preceding July 23, 2013, the per share closing price of W. P. Carey common stock ranged from $43.53 to $78.58.

Review of Research Price Targets

Barclays considered publicly available research on per share price targets for W. P. Carey common stock provided by equity research firms. The price targets published by the equity research firms do not necessarily reflect current market trading prices for W. P. Carey common stock and these estimates are subject to uncertainties, including the future financial performance of W. P. Carey and future financial market conditions. Because CPA®:16 Global is not listed on a national securities exchange, no equity research firms have published any research specifically on CPA®:16 Global; accordingly, an analysis of its publicly available research on per share price targets was not conducted.

Table of Contents

The analysis showed that the range of target prices from the analysts following W. P. Carey was $77.00 to $81.00 per share of W. P. Carey common stock and the range of net asset values per share from the selected analysts reviewed was $53.25 to $54.60 per share.

General

Barclays is an internationally recognized investment banking firm and, as part of its investment banking activities, is regularly engaged in the valuation of businesses and their securities in connection with mergers and acquisitions, investments for passive and control purposes, negotiated underwritings, competitive bids, secondary distributions of listed and unlisted securities, private placements and valuations for estate, corporate and other purposes. The CPA®:16 Special Committee selected Barclays because of its qualifications, reputation and experience in the valuation of businesses and securities in connection with mergers and acquisitions generally, as well as substantial experience in transactions comparable to the proposed merger.

Barclays is acting as financial advisor to the CPA®:16 Special Committee in connection with the proposed merger. As compensation for its services in connection with the proposed merger, CPA®:16 Global paid Barclays a fee of $1.0 million upon the delivery of Barclays' opinion and an estimated fee of approximately $6.75 million will be payable upon completion of the proposed merger against which the amounts paid for the opinion will be credited. In addition, CPA®:16 Global has agreed to reimburse Barclays for expenses incurred in connection with the proposed merger and to indemnify Barclays for certain liabilities that may arise out of its engagement by the CPA®:16 Special Committee and the rendering of Barclays' opinion. Barclays has performed various investment banking and financial services for CPA®:16 Global, W. P. Carey and their respective affiliates in the past and has received customary fees for such services. Specifically, in the past two years, Barclays has performed the following investment banking and financial services, for which it received customary fees: Barclays acted as lender, and subsequently arranged for a CMBS securitization of such debt, with respect to (i) an $8.3 million loan to a subsidiary of W. P. Carey on September 23, 2013 (securitization pending); (ii) a $5.7 million loan to a subsidiary of W. P. Carey on July 23, 2013; (iii) a $9.5 million loan to a subsidiary of CPA®:17 Global on January 14, 2013; (iv) a $32.5 million loan to an entity owned by W. P. Carey and CPA®:16 Global on January 2, 2013; (v) a $7 million loan to a subsidiary of W. P. Carey on November 1, 2012; (vi) a $140 million loan to a subsidiary of CPA®:15 on September 19, 2012; (vii) an $8.5 million loan to a subsidiary of CPA®:15 on August 1, 2012; and (viii) an $11 million loan to an entity owned by W. P. Carey and CPA®:16 Global on April 5, 2012. The compensation to Barclays from the origination of the loans referenced in the immediately preceding sentence was approximately $5 million. In addition, Barclays may perform investment banking and financial banking services for W. P. Carey, CPA®:16 Global or their respective affiliates in the future and would expect to receive customary fees for such services. In addition, W. P. Carey is currently exploring the potential refinancing of certain of its existing credit facilities and has approached a syndicate of lenders, which includes Barclays, with regard to their interest in participating in such a transaction. If W. P. Carey consummates such transaction and the syndicate is selected, Barclays would be entitled to receive customary fees, which Barclays currently estimates to be no more than $1 million.

Barclays and its affiliates engage in a wide range of businesses from investment and commercial banking, lending, asset management and other financial and non-financial services. In the ordinary course of its business, Barclays and its affiliates may actively trade and effect transactions in the equity, debt and/or other securities (and any derivatives thereof) and financial instruments (including loans and other obligations) of CPA®:16 Global and W. P. Carey for its own account and for the accounts of its customers and, accordingly, may at any time hold long or short positions and investments in such securities and financial instruments.

Table of Contents

PROSPECTIVE FINANCIAL INFORMATION

W. P. Carey does not as a matter of course make public long-term projections as to future revenues, earnings or other results due to, among other reasons, the uncertainty of the underlying assumptions and estimates. Certain unaudited prospective financial information, including estimated EBITDA, FFO and AFFO (each as defined below), for both W. P. Carey and CPA®:16 Global was provided to W. P. Carey's board of directors and CPA®:16 Global's Special Committee and board of directors. This unaudited prospective financial information also was provided to the respective financial advisors to W. P. Carey and CPA®:16 Global's Special Committee. The unaudited prospective financial information presents, to the best knowledge and belief of W. P. Carey and CPA®:16 Global, their expected results. Neither W. P. Carey nor CPA®:16 Global can give you any assurance that their forecasted results will be achieved. There will likely be differences between W. P. Carey's and CPA®:16 Global's forecasts and actual results, and those differences could be material.

The unaudited prospective financial information was, in general, prepared solely for internal use and is subjective in many respects. As a result, there can be no assurance that the prospective results will be realized or that actual results will not be significantly higher or lower than estimated. Since the unaudited prospective financial results cover multiple years, such information by its nature becomes less predictive with each successive year.

Management's per share 2013 estimates of CPA®:16 Global's FFO is approximately 12% to 5% lower than actual results in 2012 and 2011, respectively. Management's estimate of CPA®:16 Global's 2013 AFFO is approximately 1 to 2% higher than actual results for 2012 and 2011, respectively. Management's estimate of FFO and AFFO for 2013 are not comparable to 2011 actual results due to the fact that there was a large increase in the asset base of CPA®:16 Global due to the acquisition of CPA®:14 in May 2011. Management's 2013 estimates of W. P. Carey's FFO and AFFO range from approximately 13% to 8% higher than actual results in 2012 and approximately 39% and 14% lower than 2011. Management's 2013 estimates of W. P. Carey's FFO and AFFO are not comparable to actual 2012 results primarily because in 2012, W. P. Carey acquired CPA®:15, another managed fund in W. P. Carey family of funds, with properties worth more than $2 billion in a merger that became effective on September 28, 2012. Management's 2013 estimates of W. P. Carey's FFO and AFFO are also not comparable to 2011 actual results primarily because in 2011, W. P. Carey received significant advisory fees and increased its asset base in connection with the merger of CPA®:14 with CPA®:16 Global, which became effective on May 2, 2011. In connection with that liquidation, W. P. Carey acquired a portfolio of assets from CPA®:14 and increased its investment in CPA®:16 Global from approximately 6% to approximately 18%. W. P. Carey notes that there have been no material changes in W. P. Carey's operations or performance or in any of the projections prepared by management or assumptions upon which such projections were based since July 25, 2013 (the date on which the W. P. Carey board of directors approved the Merger).

The following table presents selected unaudited prospective financial data for the fiscal years ending December 31, 2013 through December 31, 2017 for W. P. Carey on a standalone basis.

($ in millions)	**2013**	**2014**	**2015**	**2016**	**2017**
EBITDA as adjusted	$ 313	$ 348	$ 393	$ 454	$ 512
Funds from Operations (FFO)	$ 194	$ 218	$ 245	$ 295	$ 343
Adjusted Funds from Operations (AFFO)	$ 283	$ 318	$ 349	$ 407	$ 462

Table of Contents

The following table presents selected unaudited prospective financial data for the fiscal years ending December 31, 2013 through December 31, 2017 for CPA®:16 Global on a standalone basis.

($ in millions)	2013	2014	2015	2016	2017
EBITDA as adjusted	$ 249	$ 246	$ 244	$ 247	$ 247
Funds from Operations (FFO)	$ 135	$ 138	$ 138	$ 144	$ 146
Adjusted Funds from Operations (AFFO)	$ 166	$ 169	$ 169	$ 175	$ 177

For purposes of this "Prospective Financial Information" section, for each of W. P. Carey and CPA®:16 Global, earnings before interest expense, income tax expense, depreciation and amortization ("***EBITDA***") excludes non-recurring or non-cash charges including impairments, gains or losses on real estate and unrealized or realized gains or losses on foreign exchange and derivatives. The EBITDA calculation is further adjusted to capture the EBITDA contribution from jointly owned properties including equity investments and tenancy-in-common, and to exclude EBITDA attributable to minority interest in properties on a pro rata economic ownership basis. The EBITDA calculation presented in this "Prospective Financial Information" section differs from the "Adjusted EBITDA" definition used in each of W. P. Carey and CPA®:16 Global's respective supplemental reports previously filed with the SEC.

Each of W. P. Carey and CPA®:16 Global uses the definition of FFO adopted by the National Association of Real Estate Investment Trusts, which is referred to in this Joint Proxy Statement/Prospectus as NAREIT, as interpreted by the SEC. FFO is a non-GAAP measure defined by NAREIT as net income or loss (computed in accordance with GAAP), excluding depreciation and amortization expense from real estate assets, impairment charges on real estate, gains or losses from sales of depreciated real estate assets and extraordinary items; however, FFO related to assets held for sale, sold or otherwise transferred and included in the results of discontinued operations are included. These adjustments also incorporate the pro rata share of unconsolidated subsidiaries. FFO includes each of W. P. Carey's and CPA®:16 Global's share of FFO of unconsolidated real estate ventures and discontinued operations and excludes minority interests in real estate depreciation and amortization expenses. Each of W. P. Carey and CPA®:16 Global believes that FFO is a meaningful measure as a supplement to net earnings because net earnings assumes that the values of real estate assets diminish predictably over time as reflected through depreciation and amortization expenses. Each of W. P. Carey and CPA®:16 Global believes that the values of real estate assets fluctuate due to market conditions. W. P. Carey's and CPA®:16 Global calculation of FFO may not be comparable to similarly titled measures reported by other companies because not all companies calculate FFO in the same manner.

W. P. Carey modifies the NAREIT computation of FFO to include other adjustments to GAAP net income for certain non-cash charges, where applicable, such as non-cash charges such as amortization of intangibles, deferred income tax benefits and expenses, straight-line rents, stock compensation, gains or losses from extinguishment of debt and deconsolidation of subsidiaries and unrealized foreign currency exchange gains and losses. W. P. Carey refers to its modified definition of FFO as AFFO and employs AFFO as one measure of its operating performance when it formulates corporate goals and evaluates the effectiveness of its strategies. CPA®:16 Global modifies the NAREIT computation of FFO in accordance with the guidelines and definition of MFFO of the IPA, an industry trade group. In calculating MFFO, CPA®:16 Global excludes acquisition-related expenses, amortization of above- and below-market leases, fair value adjustments or derivative financial instruments, deferred rent receivables and the adjustments of such items related to noncontrolling interests. CPA®:16 Global refers to its modified definition of FFO as MFFO and employs MFFO as one measure of its operating performance when it formulates corporate goals and evaluates the effectiveness of its strategies. Each of W. P. Carey and CPA®:16 Global excludes these items from GAAP net income as they are not the primary drivers in its decision-making process. Each of W. P. Carey's and CPA®:16 Global's assessment of its respective operations is focused on long-term sustainability and not on such non-cash

Table of Contents

items, which may cause short-term fluctuations in net income but have no impact on cash flows. As a result, W. P. Carey believes that AFFO, and CPA®:16 Global believes MFFO, is a useful supplemental measure for investors to consider because it will help them to better understand and measure the performance of W. P. Carey's and CPA®:16 Global's respective business over time without the potentially distorting impact of these short-term fluctuations.

The unaudited prospective financial information for W. P. Carey and CPA®:16 Global has been prepared by and is the responsibility of W. P. Carey's management and was prepared based on a number of estimates and assumptions regarding, among other things, actual tenant lease terms based on expected performance under those leases and in-place fixed rate debt. In determining the expected performance under a lease, W. P. Carey's management made certain assumptions. These assumptions were based primarily on contractual clauses that provide for increases in rent over the term of the lease. As a general matter, these increases are fixed or tied generally to increases in indices such as the Consumer Price Index ("***CPI***") or other similar index in the jurisdiction in which the property is located, but may contain caps or other limitations, either on an annual or overall basis. However, in some jurisdictions (notably Germany), these clauses must provide for rent adjustments based on increases or decreases in the relevant index. In addition, with respect to retail stores and hotels, the assumptions were based in part on the terms of the lease which may provide for participation in gross revenues of the tenant at the property above a stated level, or percentage rent. The prospective unaudited financial information included in this Joint Proxy Statement/Prospectus has been prepared by, and is the responsibility of, W. P. Carey's management. PricewaterhouseCoopers LLP has neither examined, compiled nor performed any procedures with respect to the accompanying unaudited prospective financial information and, accordingly, PricewaterhouseCoopers LLP does not express an opinion or any other form of assurance with respect thereto. The PricewaterhouseCoopers LLP reports either incorporated by reference into or included in this Joint Proxy Statement/Prospectus relates to W. P. Carey's historical financial information. It does not extend to the unaudited prospective financial information and should not be read to do so. Furthermore, the unaudited prospective financial information does not take into account any circumstances or events occurring after the respective dates on which they were prepared. Readers of this Joint Proxy Statement/Prospectus are cautioned not to place undue reliance on the unaudited prospective financial information set forth herein. This unaudited prospective financial information was not prepared with a view toward compliance with published guidelines of the SEC or the guidelines established by the American Institute of Certified Public Accountants for preparation and presentation of prospective financial information.

The assumptions made in preparing the above unaudited prospective financial information may not accurately reflect future conditions. The estimates and assumptions underlying the unaudited prospective financial information involve judgments with respect to, among other things, future economic, competitive, regulatory and financial market conditions and future business decisions which may not be realized and that are inherently subject to significant business, economic, competitive and regulatory uncertainties and contingencies, including, among others, risks and uncertainties described under "Risk Factors" beginning on page 32 and "Cautionary Statement Concerning Forward-Looking Statements" beginning on page 42, all of which are difficult to predict and many of which are beyond the control of W. P. Carey and will be beyond the control of the combined company. The projected results and underlying assumptions may not be realized and actual results likely will differ, and may differ materially, from those reflected in the unaudited prospective financial information, whether or not the Merger is completed.

W. P. CAREY DOES NOT INTEND TO UPDATE OR OTHERWISE REVISE THE ABOVE UNAUDITED PROSPECTIVE FINANCIAL RESULTS TO REFLECT CIRCUMSTANCES EXISTING AFTER THE DATE WHEN MADE OR TO REFLECT THE OCCURRENCE OF FUTURE EVENTS, EVEN IN THE EVENT THAT ANY OR ALL OF THE ASSUMPTIONS UNDERLYING SUCH UNAUDITED PROSPECTIVE FINANCIAL RESULTS ARE NO LONGER APPROPRIATE, EXCEPT AS MAY BE REQUIRED BY APPLICABLE LAW.

Table of Contents

REAL ESTATE PORTFOLIO APPRAISAL BY ROBERT A. STANGER & CO., INC.

Robert A. Stanger & Co., Inc. ("***Stanger***") was engaged by CPA®:16 Global to appraise the CPA®:16 Global real estate portfolio and has delivered its opinion, based upon the review, analysis, scope and limitations described in its report and summarized below, of the market value of the CPA®:16 Global portfolio as of December 31, 2012. CPA®:16 Global engaged Stanger as part of CPA®:16 Global's regular annual determination of CPA®:16 Global's estimated NAV, and not specifically for purposes of the Merger. CPA®:16 Global selected Stanger to provide the appraisal because of its experience and reputation.

Experience of Stanger

Stanger provides consulting and valuation services for real estate assets and investment portfolios owned by institutions. Stanger's valuation services relate principally to real estate portfolio valuations, single property appraisals, and the valuation of general partner and limited partner interests. Stanger has valued over $30.0 billion of real estate assets and currently provides confirming opinions or appraisals annually on over $5.0 billion of properties. Properties reviewed are located throughout North America, Europe and Asia and include office, industrial, retail, multifamily, hotels, self-storage, net lease, land and other property types. Stanger maintains a wide range of industry contacts and a database of asset performance information, industry publications, and information on real estate markets.

Summary of Methodology

Pursuant to its engagement agreement with CPA®:16 Global, Stanger provided its opinion of the market value of the real estate portfolio of CPA®:16 Global as of December 31, 2012 based on the income method of valuation, specifically a discounted cash flow analysis. The income method is a customary valuation method for income-producing properties, such as the corporate tenant net-leased properties owned by CPA®:16 Global. While Stanger was engaged to provide its opinion of the market value of the CPA®:16 Global real estate portfolio in the aggregate, the appraisal was based on an analysis of each property in the CPA®:16 Global portfolio. In performing this analysis, Stanger reviewed property level information provided by CPA®:16 Global's advisor, W. P. Carey, including: (i) lease abstracts and leases which encumber the properties in the CPA®:16 Global portfolio; (ii) lease guaranty agreements, as appropriate; (iii) information related to the credit-quality of the tenants or guarantors under such leases, as available, including the most recent available tenant financial statements; (iv) property operating data, including current rent and property operating expenses borne by CPA®:16 Global; (v) prior appraisals of the properties, as available; (vi) information on pending leases or pending lease modifications; (vii) information concerning current tenant usage of the properties; (viii) purchase and sale agreements for those properties under contract for sale at or around the date of valuation or letters of intent for those properties anticipated to be under contract shortly thereafter; (ix) acquisition information for those properties in the CPA®:16 Global real estate portfolio acquired in the three years preceding the valuation date; (x) the current ownership interest held by CPA®:16 Global in each property; and (xi) other property-level information, as appropriate. In addition, Stanger (a) discussed each property in the CPA®:16 Global real estate portfolio with CPA®:16 Global's advisor; (b) visited the properties in the CPA®:16 Global real estate portfolio; and (c) reviewed information from a variety of sources about market conditions for each individual property in the CPA®:16 Global real estate portfolio.

After the reviews above, Stanger developed a discounted cash flow analysis for each property in the CPA®:16 Global real estate portfolio which included: (1) estimated net cash flow for each property in the portfolio during the remaining anticipated lease term unencumbered by mortgage debt; and (2) an estimated residual value of each property from a hypothetical sale of the property upon the assumed expiration of the lease. The hypothetical sale amount was derived by capitalizing the estimated

Table of Contents

stabilized net operating income of each property for the year following the assumed lease expiration, after considering the re-tenanting of such property at an estimated then current market rental rate, at a selected capitalization rate and deducting costs of sale estimated at 2.0%. Stanger's discounted cash flow analysis also included re-tenanting costs at the end of the assumed lease term, as appropriate, including downtime costs, tenant improvement allowances, rental concessions and leasing commissions. In the case where a tenant had a purchase option deemed by Stanger to be materially favorable to the tenant, or the tenant had long-term renewal options at rental rates below estimated market rental rates, the appraisal assumed the exercise of such purchase option or long-term renewal options in its determination of residual value. In the case where a property was assumed to have reached the end of its economic useful life at the time of assumed lease expiration, the residual value was based on the value of the underlying land based upon an analysis of comparable land sales or listings in the general market area of the property grown at estimated market growth rates through the assumed year of lease expiration. For the five properties owned fee simple by CPA®:16 Global and, therefore, not encumbered by a lease, Stanger utilized a multi-year discounted cash flow analysis based upon: (i) for the two hotel properties, a review of the historical property operating statements for the trailing four years, as well as a review of the 2013 budget, where available; and (ii) for the remaining fee simple properties, an assumed lease-up of the property at estimated market leasing parameters, including re-tenanting costs, as of the valuation date. In each case, the residual value of the fee simple properties was calculated in the final year of the discounted cash flow analysis by estimating the next year's net operating income and capitalizing such net operating income estimate at a capitalization rate indicative of the location, quality and type of property and, in the case of the non-hotel properties, including re-tenanting costs, as appropriate. Where a property was deemed to have excess land, the discounted cash flow analysis included the estimated excess land value at the assumed expiration of the lease, based upon an analysis of comparable land sales or listings in the general market area of the property grown at estimated market growth rates through the assumed year of lease expiration. For those properties in the CPA®:16 Global portfolio that were currently under letter of intent or contract for sale, the appraised value of the portfolio reflects the current contractual sale price of such properties as of December 31, 2012.

The discount rates and residual capitalization rates used to value the CPA®:16 Global real estate portfolio were applied on a property-by-property basis, and were selected based on several factors, including the creditworthiness of the tenants, industry surveys, discussions with industry professionals, property type, location and age, current lease rates relative to estimated market lease rates, and other factors deemed appropriate. The discount rates applied to the estimated net operating cash flow projection of each property for CPA®:16 Global ranged from approximately 3.50% to 15.25%, with a weighted average of approximately 10.0%. The discount rates applied to the estimated residual value of each property for CPA®:16 Global ranged from approximately 6.00% to 13.25%, with a weighted average of approximately 9.9%. The residual capitalization rates applied to the properties in CPA®:16 Global ranged from approximately 7.00% to 12.50%.

Conclusion as to CPA®:16 Global Portfolio Value

The result of the analysis outlined above was then adjusted where appropriate to reflect the economic ownership interest of CPA®:16 Global in each property and to convert each non-domestically located property value to U.S. dollars based upon foreign exchange rates as of the valuation date. Based on the analyses outlined above, and subject to the assumptions and limitations below, the "as is" market value of the CPA®:16 Global portfolio as of December 31, 2012 was $3,608,498,000. The resulting imputed capitalization rate based on the estimated net operating income of the CPA®:16 Global portfolio for the twelve month period following the valuation date was 8.8%.

Table of Contents

Assumptions and Limitations of the Appraisal

The appraisal reflects Stanger's valuation of the CPA®:16 Global real estate portfolio as of December 31, 2012 in the context of the information available at or around such date. Events occurring after the date of valuation could affect the assumptions used in preparing the appraisal and/or Stanger's opinion of value. Stanger has no obligation to update its appraisal on the basis of subsequent events.

The appraisal is subject to certain assumptions and limiting conditions, including: (i) Stanger assumes no responsibility for matters of a legal nature affecting any of the properties in the CPA®:16 Global portfolio and title to each property is assumed to be good and marketable and each property is assumed to be free and clear of all liens unless otherwise stated; (ii) the appraisal assumes (a) responsible ownership and competent management of each property, (b) no hidden or unapparent conditions of any property's subsoil or structure that would render such property more or less valuable, (c) full compliance with all applicable federal, state and local zoning, access and environmental regulations and laws, and (d) all required licenses, certificates of occupancy and other governmental consents have been or can be obtained and renewed for any use on which Stanger's opinion of value contained in the appraisal is based; (iii) the information upon which Stanger's appraisal is based has been provided by or gathered from sources assumed to be reliable and accurate, including information that has been provided to Stanger by CPA®:16 Global and W. P. Carey, or their representatives, as outlined in " Summary of Methodology" above, and Stanger shall not be responsible for the accuracy or completeness of such information, including the correctness of estimates, opinions, dimensions, exhibits and other factual matters; (iv) any necessary repairs or alterations to any property in the CPA®:16 Global portfolio are assumed to be completed in a workmanlike manner; (v) the physical condition of the property improvements are based on representations by CPA®:16 Global and Stanger assumes no responsibility for the soundness of structural members or for the condition of mechanical equipment, plumbing or electrical components; (vi) Stanger has made no survey of the properties in the portfolio and has assumed that there are no soil, drainage or environmental issues that would impair Stanger's opinion of value; (vii) any projections of income and expenses included in the appraisal and the valuation parameters utilized are not predictions of the future; rather, they are Stanger' best estimate of current market thinking as of the valuation date relating to future income and expenses and Stanger makes no warranty or representation that any such projections will materialize; (viii) Stanger's opinion of value represents normal consideration for the CPA®:16 Global portfolio sold unaffected by special terms, services, fees, costs, or credits incurred in a transaction; (ix) the existence of hazardous materials, which may or may not be present at any property, was not disclosed to Stanger by CPA®:16 Global or W. P. Carey, and Stanger has no knowledge of the existence of such materials on or in any property, nor is Stanger qualified to detect such hazardous substances and Stanger assumes no responsibility for the detection or existence of such conditions as such considerations are not within the scope of Stanger's engagement; (x) Stanger has assumed that each property is free of any negative impact with regard to the Environmental Cleanup Responsibility Act or any other environmental problems or with respect to non-compliance with the Americans with Disabilities Act (the "ADA") and no investigation has been made by Stanger with respect to any potential environmental or ADA problems as such investigation is not within the scope of Stanger's engagement; (xi) Stanger's opinion of value does not reflect any potential premium or discount a potential buyer may assign to an assembled portfolio of properties or to a group of properties in a particular local market; and (xii) Stanger's opinion of the CPA®:16 Global real estate portfolio value was based upon Stanger's engagement agreement with CPA®:16 Global which called for the sole use of the income approach to value, specifically a discounted cash flow analysis, the assumption that the highest and best use of each property was as currently improved, and CPA®:16 Global's request that any property under contract for sale at or around the valuation date be valued at its contractual sale price, as provided to us by CPA®:16 Global or its advisor. The use of other valuation methodologies might produce a higher or lower value.

Table of Contents

Compensation and Material Relationships

Stanger has been paid an aggregate fee of $599,500 for preparation of the appraisal of the CPA®:16 Global portfolio. Stanger was and will continue to also be reimbursed for all related out-of-pocket expenses, and is entitled to indemnification against certain liabilities. Stanger's engagement in this assignment, including its fee, was not dependent upon developing or reporting predetermined results or upon the consummation of the Merger. Stanger's appraisal was rendered to CPA®:16 Global for its sole use and reliance. However, Stanger has agreed that its appraisal may also be relied upon by W. P. Carey in its role as CPA®:16 Global's advisor for CPA®:16 Global's financial reporting, determination of NAV and general internal management purposes, and that Stanger's appraisal may be one of a number of factors taken into consideration by W. P. Carey in its role as CPA®:16 Global's advisor. Stanger has no present or prospective interest in the CPA®:16 Global real estate portfolio or any specific property therein, nor does it have any interest in CPA®:16 Global, W. P. Carey or any of their affiliates. Stanger has provided other financial advisory and valuation services to W. P. Carey and its affiliates in the past and is currently engaged to provide certain valuation services to W. P. Carey and affiliates, in both cases for normal and customary compensation. Stanger may provide such services to W. P. Carey and its affiliates in the future.

Table of Contents

CONFLICTS OF INTEREST

A number of conflicts of interest are inherent in the relationship between W. P. Carey and CPA®:16 Global. The boards of directors of W. P. Carey and CPA®:16 Global recognized these conflicts and the need to independently determine that the Merger is in the best interests of their respective companies and respective stockholders and therefore the board of directors of CPA®:16 Global formed a special committee comprised entirely of independent directors. The CPA®:16 Special Committee engaged independent legal and financial advisors. In considering the recommendation of the boards of directors of W. P. Carey and CPA®:16 Global to approve the Merger, W. P. Carey Stockholders and CPA®:16 Stockholders should be aware that potential conflicts of interest exist because W. P. Carey and its affiliates serve as the advisor for CPA®:16 Global, the companies share common management, and the officers and directors of W. P. Carey and CPA®:16 Global may have certain interests in the proposed transactions that are different from or in addition to the interests of W. P. Carey Stockholders and CPA®:16 Stockholders generally. The boards of directors of W. P. Carey and CPA®:16 Global (including the CPA®:16 Special Committee) knew about these potential conflicts and additional interests, and considered them, when they approved the Merger and the other transactions described in this Joint Proxy Statement/Prospectus. Certain of these potential conflicts and interests are set forth below.

Advisory Relationship and Common Management

CAM and its affiliates serve as the advisor for CPA®:16 Global. Additionally, the executive management of CPA®:16 Global is comprised of the same individuals as the executive management of W. P. Carey. W. P. Carey, in its role as external advisor to CPA®:16 Global, performed an initial review of potential liquidity alternatives for CPA®:16 Global. In addition, the CPA®:16 Special Committee's financial advisor and the third party valuation firm that performed CPA®:16 Global's real estate portfolio valuation as of December 31, 2012 relied, in part, on financial information and property information provided by W. P. Carey in conducting their respective analyses.

To help alleviate potential conflicts, the board of directors of CPA®:16 Global created the CPA®:16 Special Committee. The CPA®:16 Special Committee was delegated the sole authority to negotiate the terms of a transaction and to make a recommendation to the full board of directors, which could include a recommendation to reject any transaction. The CPA®:16 Special Committee was authorized to retain its own legal and financial advisors. The CPA®:16 Global board of directors appointed all of its independent directors to the CPA®:16 Special Committee, namely, Marshall E. Blume, Elizabeth P. Munson, Richard J. Pinola and James D. Price.

Independent Directors of CPA®:16 Global Also Serve or Served as Directors of Other CPA® REITs

Under the Statement of Policy Regarding Real Estate Investment Trusts adopted by the North American Securities Administrators and applicable to non-traded REITs, such as CPA®:16 Global, by inclusion of such provisions in non-traded REIT organizational documents, independent directors are permitted to serve as independent directors for no more than three non-traded REITs organized by the same sponsor. Each of the independent directors of CPA®:16 Global currently serves as an independent director of three CPA® REITs, including CPA®:16 Global, and have served on the boards of other CPA® REITs in the past.

In order to satisfy the independence requirements set forth in the organizational documents of the CPA® REITs, the independent directors must divest themselves of the [ ] shares of W. P. Carey Common Stock that the independent directors will receive in the Merger in respect of their CPA®:16 Common Stock. W. P. Carey will purchase such shares for cash based on the Average W. P. Carey Trading Price.

Table of Contents

Fees Payable by CPA®:16 Global to its Advisor and Other Affiliates of W. P. Carey in Connection with the Merger

CAM and W. P. Carey BV, each an indirect subsidiary of W. P. Carey, and certain of their affiliates provide investment and advisory services to CPA®:16 Global pursuant to the CPA®:16 Advisory Agreements. Subject to the terms and conditions of the Merger Agreement, upon the consummation of the Merger, each of CAM and W. P. Carey BV have agreed to terminate the CPA®:16 Advisory Agreements and waive any Subordinated Disposition Fees (as defined in the CPA®:16 Advisory Agreements), but will continue to be entitled to receive any and all other accrued and unpaid fees pursuant to the CPA®:16 Advisory Agreements. At September 30, 2013, W. P. Carey had accrued and unpaid fees of $3.3 million pursuant to CPA®:16 Advisory Agreements. On a monthly basis, W. P. Carey earns approximately $1.5 million in asset management fees from CPA®:16 Global.

Additionally, pursuant to the CPA16 LLC Agreement, Merger Sub is entitled to its special general partner profit interests in CPA16 LLC as a result of the Merger. Subject to the terms and conditions of the Merger Agreement, upon the consummation of the Merger, Merger Sub has agreed to waive its right to receive these distributions, and related allocations of profits and losses and to terminate its special general partner interest for no consideration (the amounts being waived under the CPA16 LLC Agreement, together with the Subordinated Disposition Fees being the "***Contractual Payments***").

Ownership of CPA®:16 Global Shares

As of the CPA®:16 Record Date, W. P. Carey and its subsidiaries, and its directors and executive officers, owned [ ]shares of CPA®:16 Common Stock (equal to approximately [ ]% of the outstanding shares of CPA®:16 Common Stock). As of the CPA®:16 Record Date, the directors of CPA®:16 Global beneficially owned [ ]shares of CPA®:16 Common Stock in the aggregate, representing less than [ ]% of the outstanding shares of CPA®:16 Common Stock. CPA®:16 Global's organizational documents provide that: (i) its directors and advisor and their affiliates may not vote their shares of CPA®:16 Common Stock on the Merger because it is a transaction between CPA®:16 Global and affiliates of its advisor; and (ii) for purposes of determining whether the requisite percentage of CPA®:16 Common Stock has approved the Merger, the shares held by CPA®:16 Global's directors and advisor and their affiliates will be deemed not entitled to be voted and will not be included in making such determination. Accordingly, shares of CPA®:16 Common Stock owned by W. P. Carey and its affiliates will not be taken into account in determining whether or not the Merger receives the requisite approval. Each share of CPA®:16 Common Stock that is owned by W. P. Carey or any W. P. Carey Subsidiary immediately prior to the effective time of the Merger will automatically be canceled and retired and cease to exist without any conversion thereof or payment therefor.

Combined Company Board of Directors

The directors and officers of W. P. Carey immediately prior to the effective time of the Merger will continue to be the directors and officers of W. P. Carey after the Merger. During the nine months ended September 30, 2013, the directors of W. P. Carey as a group received cash and equity compensation of $1.4 million.

Competition among W. P. Carey and its Managed Entities for Business Opportunities

W. P. Carey currently manages, and may in the future manage, REITs and other entities that have investment and/or rate of return objectives similar to those of W. P. Carey. Those entities may be in competition with the combined company after the Merger with respect to properties, potential purchasers, sellers and lessees of properties and mortgage financing for properties.

Table of Contents

W. P. Carey has agreed to implement certain procedures to help manage any perceived or actual conflicts among it and its managed entities, including:

- allocating funds based on numerous factors, including cash available, diversification / concentration, transaction size, tax, leverage and fund life;
- all "split transactions" are subject to the approval of the independent directors of the CPA® REITs;
- investment allocations are reviewed as part of the annual advisory contract renewal process of each managed entity; and
- quarterly review of all investment activities of W. P. Carey and the CPA® REITs by the independent directors of the CPA® REITs.

CPA®:16 Global UPREIT Structure

On May 2, 2011, CPA®:14 merged with and into CPA 16 Merger Sub, Inc. ("***CPA 16 Merger Sub***"), one of CPA®:16 Global's wholly-owned subsidiaries (the "***CPA®:14/16 Merger***"). Following the consummation of the CPA®:14/16 Merger, CPA®:16 Global implemented an internal reorganization pursuant to which the company was reorganized as an umbrella partnership real estate investment trust (the "***UPREIT Reorganization***") to hold substantially all of its assets and liabilities in CPA16 LLC. At September 30, 2013, CPA®:16 Global owned 99.985% of the general and limited partnership interests in the Operating Partnership. The remaining 0.015% interest in the Operating Partnership is held by a subsidiary of W. P. Carey.

In connection with the UPREIT Reorganization, a subsidiary of W. P. Carey (the "***Special General Partner***") acquired a special membership interest ("***Special Member Interest***") of 0.015% in CPA16 LLC entitling it to receive the available cash distribution, which is measured and paid quarterly in either cash or shares of our common stock, at the advisor's election. The available cash distribution is defined as cash generated from operations, excluding capital proceeds, as reduced by operating expenses and debt service, excluding prepayments and balloon payments. The available cash distribution is contractually limited to 0.5% of CPA®:16 Global's assets excluding cash, cash equivalents, and certain short-term investments and non-cash reserves. In the event of a capital transaction such as a sale, exchange, disposition, or refinancing of our net assets, the Special General Partner may also be entitled to receive a distribution in an amount equal to 15% of the excess, if any, of the consideration generated by the capital transaction (net of costs and expenses) after the CPA®:16 Stockholders have received a return of their invested capital plus a 6% priority return. Subject to the terms and conditions of the Merger Agreement, upon the consummation of the Merger, the Special General Partner has agreed to waive its right to receive this distribution.

Joint Ventures and Other Transactions with Affiliates

W. P. Carey, CPA®:16 Global and the other Managed REITs share leased office space used for the administration of their operations. Rental, occupancy, and leasehold improvement costs are allocated among the parties and their affiliates based on their respective gross revenues and are adjusted quarterly.

W. P. Carey and CPA®:16 Global own interests ranging from 3% to 95% in 716 properties, including tenancy-in-common interests, with the remaining interests generally held by affiliates.

Table of Contents

THE COMPANIES

INFORMATION ABOUT W. P. CAREY

Set forth below is a description of the business of W. P. Carey. When used in this section, unless otherwise specifically stated or the context requires otherwise, the terms "we," "us" or "our" refer to W. P. Carey and its consolidated subsidiaries and predecessors.

W. P. Carey is a real estate investment trust ("***REIT***") that seeks to achieve superior, risk-adjusted returns by providing long-term net-lease financing via sale-leaseback and build-to-suit transactions for companies worldwide. We invest primarily in commercial properties domestically and internationally. We earn revenue principally by leasing the properties we own to single corporate tenants, primarily on a triple-net leased basis, which requires each tenant to pay substantially all of the costs associated with operating and maintaining the property. We also earn revenue as the advisor to publicly-owned, non-listed REITs.

We have sponsored a series of sixteen income-generating funds that invest in commercial real estate, under the Corporate Property Associates brand name (the "***CPA® REITs***"). We are currently the advisor to CPA®:16 Global, Corporate Property Associates 17 Global Incorporated and Corporate Property Associates 18 Global Incorporated. We are also the advisor to Carey Watermark Investors, a REIT that invests in lodging and lodging-related properties.

W. P. Carey was formed as a limited liability company under the laws of Delaware on July 15, 1996. On January 1, 1998 the limited partnership interests of nine CPA® partnerships were combined and became listed on the NYSE under the name "Carey Diversified" and the symbol "CDC." In 2000, Carey Diversified merged with W. P. Carey, after which W. P. Carey became listed on the NYSE under the symbol "WPC." On September 28, 2012, CPA®:15 merged with and into W. P. Carey, with CPA®:15 surviving as an indirect, wholly-owned subsidiary of W. P. Carey. In connection with the CPA®:15 Merger, W. P. Carey & Co. LLC, the Predecessor of W. P. Carey, completed an internal reorganization in order to qualify as a REIT whereby the Predecessor and its subsidiaries merged with and into W. P. Carey, with W. P. Carey as the surviving corporation, succeeding to and continuing to operate the existing business of the Predecessor. As a REIT, W. P. Carey is required, among other things, to distribute at least 90% of its net taxable income, excluding net capital gains, to its stockholders and meet certain tests regarding the nature of its income and assets. So long as W. P. Carey meets such requirements, W. P. Carey is not subject to federal income tax with respect to the portion of its income that is distributed annually to its stockholders.

At October 31, 2013, W. P. Carey employed 246 individuals through its wholly-owned subsidiaries. W. P. Carey's website is www.wpcarey.com. On the website, investors can find press releases, financial filings and other information about W. P. Carey. The SEC website, www.sec.gov, also offers access to reports and documents that W. P. Carey has electronically filed with or furnished to the SEC. These website addresses are not intended to function as hyperlinks, and the information contained on W. P. Carey's website and in the SEC's website is not intended to be a part of this Joint Proxy Statement/Prospectus.

For additional information about W. P. Carey, please see the company's filings with the SEC which are incorporated by reference into this Joint Proxy Statement/Prospectus and are available on the SEC's website at www.sec.gov, and on W. P. Carey's website at www.wpcarey.com.

Table of Contents

INFORMATION ABOUT CPA®:16 Global

Set forth below is a description of the business of CPA®:16 Global. When used in this section, unless otherwise specifically stated or the context requires otherwise, the terms "we," "us" or "our" refer to CPA®:16 Global and its consolidated subsidiaries and predecessors.

General Development of Business

Overview

CPA®:16 Global is a publicly owned, non-listed REIT that primarily invests in commercial properties leased to companies domestically and internationally. As a REIT, we are required, among other things, to distribute at least 90% of our net taxable income, excluding net capital gains, to our stockholders and meet certain tests regarding the nature of our income and assets. So long as we meet such requirements, we are not subject to federal income tax with respect to the portion of our income that is distributed annually to stockholders.

Our core investment strategy is to own and manage a portfolio of properties leased to a diversified group of companies on a single tenant net lease basis. Our net leases generally require the tenant to pay substantially all of the costs associated with operating and maintaining the property, such as maintenance, insurance, taxes, structural repairs, and other operating expenses. Leases of this type are referred to as triple-net leases. We generally seek to include in our leases:

- clauses providing for mandated rent increases or periodic rent increases over the term of the lease tied to increases in the Consumer Price Index ("CPI") or other similar index for the jurisdiction in which the property is located or, when appropriate, increases tied to the volume of sales at the property;
- indemnification for environmental and other liabilities;
- operational or financial covenants of the tenant; and
- guarantees of lease obligations from parent companies or letters of credit.

We have in the past invested and may in the future invest in mortgage loans that are collateralized by real estate.

We are managed by W. P. Carey through certain of its wholly-owned subsidiaries (for purposes of this section, collectively, the "advisor").

Pursuant to an advisory agreement, the advisor provides both strategic and day-to-day management services for us, including capital funding services, investment research and analysis, investment financing and other investment related services, asset management, disposition of assets, investor relations, and administrative services. The advisor also provides office space and other facilities for us. We pay asset management fees and certain transactional fees to the advisor and also reimburse the advisor for certain expenses incurred in providing services to us, including those fees associated with personnel provided for administration of our operations. The current form of the agreement is scheduled to expire on January 31, 2014. The advisor also currently serves in this capacity for the other Managed REITs.

We were formed as a Maryland corporation in June 2003. We commenced our initial public offering in December 2003. Through two public offerings we sold a total of 110,331,881 shares of our common stock for a total of $1.1 billion in gross offering proceeds. We completed our second public offering in December 2006. Through December 31, 2012, we have also issued 25,047,649 shares ($238.1 million) through the CPA®:16 DRIP. We have repurchased 14,204,793 shares ($126.2 million) of our common stock under a redemption plan from inception through December 31, 2012.

Table of Contents

On May 2, 2011, CPA®:14, which was also advised by the advisor, merged with and into CPA 16 Merger Sub as part of the CPA®:14/16 Merger. Following the consummation of the CPA®:14/16 Merger, we implemented the UPREIT Reorganization to hold substantially all of our assets and liabilities in CPA 16 LLC (the "***Operating Partnership***"), a Delaware limited liability company subsidiary. We own 99.985% of the general and limited partnership interests in the Operating Partnership. The remaining 0.015% Special Member Interest in the Operating Partnership is held by Special General Partner.

Our principal executive offices are located at 50 Rockefeller Plaza, New York, NY 10020 and our telephone number is (212) 492-1100. We have no employees. At October 31, 2013, the advisor employed 246 individuals who are available to perform services for us.

Significant Developments During 2013

Merger On July 25, 2013, we and W. P. Carey entered into a merger agreement pursuant to which we will merge with and into one of W. P. Carey's subsidiaries and CPA®:16 Global's Stockholders will receive the Per Share Merger Consideration, based on a fixed value of $11.25 per share, subject to a pricing collar.

Dispositions During the nine months ended September 30, 2013, we sold 21 properties and a parcel of land for $47.9 million, net of selling costs, and recognized a net loss on the sales totaling $2.5 million. Additionally, we recognized an aggregate gain of $6.3 million on the deconsolidation of two subsidiaries.

Impairment Charges and Allowance for Credit Losses During the nine months ended September 30, 2013, we incurred impairment charges totaling $12.8 million, inclusive of amounts attributable to noncontrolling interests of $0.9 million, and recorded an allowance for credit losses totaling $9.4 million, inclusive of amounts attributable to noncontrolling interests of $1.7 million.

Significant Developments During 2012

Line of Credit On May 2, 2011, we entered into a secured credit agreement (the "***Line of Credit***") with several banks, including Bank of America, N.A., which acts as the administrative agent. CPA 16 Merger Sub is the borrower, and we and the Operating Partnership are guarantors. On August 1, 2012, we amended the Line of Credit to reduce the amount available under the Line of Credit from $320.0 million to $225.0 million, to reduce our annual interest rate from the London Interbank Offered Rate ("***LIBOR***") plus 3.25% to LIBOR plus 2.50%, and to decrease the number of properties in our borrowing base pool. The Line of Credit is scheduled to mature on August 1, 2015, with an option by CPA 16 Merger Sub to extend the maturity date for an additional 12 months, subject to the conditions provided in the Line of Credit. Availability under the Line of Credit is dependent upon the number, operating performance, cash flows and diversification of the properties comprising the borrowing base pool (See Note 11 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Financing Activity During 2012, we obtained mortgage financing totaling $75.6 million, primarily consisting of new non-recourse mortgage financing (See Note 11 to the accompanying audited consolidated financial statements of CPA®:16 Global). These mortgage financings had a weighted-average annual interest rate of approximately 4.9%. Additionally, we drew $143.0 million on our Line of Credit through December 31, 2012 and made repayments totaling $119.0 million during 2012.

Impairment Charges During 2012, we incurred impairment charges totaling $22.9 million, which were inclusive of amounts attributable to noncontrolling interests of less than $0.1 million (See Note 13 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Table of Contents

Financial Information About Segments

We operate in one reportable segment, real estate ownership, with domestic and foreign investments. Refer to Note 18 to the accompanying audited consolidated financial statements of CPA®:16 Global for financial information about this segment.

Business Objectives and Strategy

We invest primarily in income-producing commercial real estate properties that are, upon acquisition, improved or developed or that will be developed within a reasonable time after acquisition.

Our objectives are to:

- own a diversified portfolio of triple-net leased real estate and other real estate related investments;
- fund distributions to stockholders; and
- increase our equity in our real estate by making regular principal payments on mortgage loans for our properties.

We seek to achieve these objectives by investing in and holding commercial properties that are generally triple-net leased to a single corporate tenant. We intend our portfolio to be diversified by tenant, facility type, geographic location, and tenant industry.

Our Portfolio

At September 30, 2013, our portfolio was comprised of our full or partial ownership interests in 477 properties, substantially all of which were triple-net leased to 140 tenants, and totaled approximately 46 million square feet with an occupancy rate of approximately 98.0%. In addition, our portfolio contained our ownership interests in two hotel properties, which had an aggregate carrying value of $67.3 million at September 30, 2013. Our portfolio, which excludes our hotel properties, had the following property and lease characteristics:

Table of Contents

Geographic Diversification

Information regarding the geographic diversification of our properties at September 30, 2013 is set forth below (dollars in thousands):

	Consolidated Investments		Equity Investments in Real Estate	
Region	Annualized Contractual Minimum Base Rent[(a)]	% of Annualized Contractual Minimum Base Rent	Annualized Contractual Minimum Base Rent[(b)]	% of Annualized Contractual Minimum Base Rent
United States				
East	$ 67,664	22%	$ 13,188	21%
South	50,811	17	7,410	12
Midwest	44,045	14	3,154	5
West	35,488	12	13,551	21
Total U.S.	198,008	65	37,303	59
International				
Germany	50,330	16	9,443	15
Asia[(c)]	4,949	2		
Canada	2,376	1		
Mexico	413			
Other Europe[(d)]	49,688	16	16,651	26
Total Non-U.S.	107,756	35	26,094	41
Total	$ 305,764	100%	$ 63,397	100%

(a) Reflects annualized contractual minimum base rent for the third quarter of 2013.

(b) Reflects our share of annualized contractual minimum base rent for the third quarter of 2013 from equity investments in real estate.

(c) Reflects investments in Malaysia and Thailand.

(d) Reflects investments in Finland, France, Hungary, the Netherlands, Poland, Sweden, and the United Kingdom.

Property Diversification

Information regarding our property diversification at September 30, 2013 is set forth below (dollars in thousands):

	Consolidated Investments		Equity Investments in Real Estate	
Property Type	Annualized Contractual Minimum Base Rent[(a)]	% of Annualized Contractual Minimum Base Rent	Annualized Contractual Minimum Base Rent[(b)]	% of Annualized Contractual Minimum Base Rent
Industrial	$ 102,210	33%	$ 6,670	11%
Warehouse/Distribution	72,152	24	9,610	15
Retail	56,334	18	8,410	13

Office	47,026	16	28,057	44
Self Storage			9,996	16
Other[c]	28,042	9	654	1
Total	$ 305,764	100%	$ 63,397	100%

(a) Reflects annualized contractual minimum base rent for the third quarter of 2013.

(b) Reflects our share of annualized contractual minimum base rent for the third quarter of 2013 from equity investments in real estate.

(c) Includes annualized contractual minimum base rent from tenants in our consolidated investments in the following property types: hospitality, education, theater, residential, sports, and land.

Table of Contents

Tenant Diversification

Information regarding our tenant diversification at September 30, 2013 is set forth below (dollars in thousands):

	Consolidated Investments		Equity Investments in Real Estate	
Tenant Industry[(a)]	**Annualized Contractual Minimum Base Rent[(b)]**	**% of Annualized Contractual Minimum Base Rent**	**Annualized Contractual Minimum Base Rent[(c)]**	**% of Annualized Contractual Minimum Base Rent**
Retail Trade	$ 80,230	26%	$ 8,456	13%
Chemicals, Plastics, Rubber, and Glass	25,561	8		
Electronics	25,521	8	14,077	22
Automotive	25,217	8	376	1
Transportation Cargo	16,364	5		
Healthcare, Education, and Childcare	15,270	5		
Consumer Non-durable Goods	14,605	5		
Construction and Building	14,175	5	7,357	12
Beverages, Food, and Tobacco	11,801	4	1,763	3
Grocery	11,325	4		
Telecommunications	10,673	3		
Leisure, Amusement, and Entertainment	9,021	3	652	1
Business and Commercial Services	8,527	3		
Machinery	7,675	3	2,418	4
Hotels and Gaming	6,876	2		
Media: Printing and Publishing	4,892	2	7,111	11
Mining, Metals, and Primary Metal Industries	4,676	2	695	1
Aerospace and Defense	3,474	1		
Textiles, Leather, and Apparel	2,130	1	1,995	3
Insurance	1,404		3,828	6
Buildings and Real Estate			6,497	10
Federal, State, and Local Government			4,673	7
Transportation Personal			3,499	6
Other[(d)]	6,347	2		
Total	$ 305,764	100%	$ 63,397	100%

(a) Based on the Moody's Investors Service classification system and information provided by the tenant.

(b) Reflects annualized contractual minimum base rent for the third quarter of 2013.

(c) Reflects our share of annualized contractual minimum base rent for the third quarter of 2013 from equity investments in real estate.

(d) Includes annualized contractual minimum base rent of 1% or less from tenants in our consolidated investments in the following industries: consumer services, forest products and paper, consumer and durable goods, utilities, and banking.

Table of Contents

Lease Expirations

At September 30, 2013, lease expirations of our properties were as follows (dollars in thousands):

	Consolidated Investments		Equity Investments in Real Estate	
Year of Lease Expiration	Annualized Contractual Minimum Base Rent[(a)]	% of Annualized Contractual Minimum Base Rent	Annualized Contractual Minimum Base Rent[(b)]	% of Annualized Contractual Minimum Base Rent
2013	$	%	$	%
2014	947		114	
2015	20,281	7	3,967	6
2016	10,080	3	5,385	8
2017	8,640	3		
2018 - 2020	34,812	11	12,612	20
2021 - 2023	83,531	27	9,081	14
2024 - 2026	44,128	15	23,292	37
2027 - 2029	33,068	11	4,789	8
2030 - 2032	70,277	23	4,157	7
Total	$ 305,764	100%	$ 63,397	100%

(a) Reflects annualized contractual minimum base rent for the third quarter of 2013.

(b) Reflects our share of annualized contractual minimum base rent for the third quarter of 2013 from equity investments in real estate.

Asset Management

We believe that effective management of our assets is essential to maintain and enhance property values. Important aspects of asset management include restructuring transactions to meet the evolving needs of current tenants, re-leasing properties, refinancing debt, selling assets, and knowledge of the bankruptcy process.

The advisor monitors compliance by tenants with their lease obligations and other factors that could affect the financial performance of any of our properties. Monitoring involves verifying that each tenant has paid real estate taxes, assessments, and other expenses relating to the properties it occupies and confirming that appropriate insurance coverage is being maintained by the tenant. For international compliance, the advisor also utilizes third-party asset managers for certain investments. The advisor reviews financial statements of our tenants and undertakes physical inspections of the condition and maintenance of our properties. Additionally, the advisor periodically analyzes each tenant's financial condition, the industry in which each tenant operates and each tenant's relative strength in its industry.

Holding Period

We generally intend to hold each property we invest in for an extended period. The determination of whether a particular property should be sold or otherwise disposed of will be made after consideration of relevant factors, including prevailing economic conditions, with a view to achieving maximum capital appreciation for our stockholders or avoiding increases in risk. No assurance can be given that this objective will be realized.

Our intention is to consider alternatives for providing liquidity for our stockholders generally commencing eight years following the investment of substantially all of the net proceeds from our initial public offering. We completed the investment of substantially all of the net proceeds of our

initial public offering during 2006. While we have substantially invested the proceeds of our offerings, we expect to continue to participate in future investments with our affiliates to the extent we have funds available for investment. We may provide liquidity for our stockholders through sales of assets, either on a portfolio basis or individually, a listing of our shares on a stock exchange, a merger (which may include a merger with one or more of our affiliated Managed REITs or our advisor), or another transaction approved by our board of directors and, if required by law, our stockholders. We are under no obligation to liquidate our portfolio within any particular period since the precise timing will depend on real estate and financial markets, economic conditions of the areas in which the properties are located, and tax effects on stockholders that may prevail in the future. Furthermore, there can be no assurance that we will be able to consummate a liquidity event. In the most recent instance in which Managed REIT stockholders were provided with liquidity, our advisor merged with CPA®:15 (the "***CPA®:15 Merger***") in 2012. Prior to that, including our merger with CPA®:14, the liquidating entity merged with another, later-formed Managed REIT. In each of these transactions, stockholders of the liquidating entity were offered the opportunity to exchange their shares for shares of the merged entity, cash, and/or a short-term note.

Financing Strategies

Consistent with our investment policies, we use leverage when available on terms we believe are favorable. We generally borrow in the same currency that is used to pay rent on the property. This enables us to mitigate a portion of our currency risk on international investments. All of our mortgage loans are non-recourse and provide for monthly or quarterly payments, which include scheduled payments of principal. At December 31, 2012, 83% of our mortgage financing bore interest at fixed rates. At December 31, 2012, excluding our Line of Credit, substantially all of our variable-rate debt bore interest at fixed rates but will reset in the future, pursuant to the terms of the mortgage contracts. Accordingly, our near-term cash flow should not be adversely affected by increases in interest rates. The advisor may refinance properties or defease a loan when a decline in interest rates makes it profitable to prepay an existing mortgage loan, when an existing mortgage loan matures or if an attractive investment becomes available and the proceeds from the refinancing can be used to purchase the investment. There can be no assurance that existing debt will be refinanced at lower rates of interest as the debt matures. The benefits of the refinancing may include an increased cash flow resulting from reduced debt service requirements, an increase in distributions from proceeds of the refinancing, if any, and/or an increase in property ownership if some refinancing proceeds are reinvested in real estate. We may be required to pay a yield maintenance premium, or a similar penalty, to the lender in order to pay off a loan prior to its maturity.

A lender of non-recourse mortgage debt generally has recourse only to the property collateralizing such debt and not to any of our other assets. The use of non-recourse debt, therefore, helps us to limit the exposure of our assets to the equity related to a single investment. While such lenders do not generally have recourse to our other assets, they may have such recourse in limited circumstances not related to the repayment of the indebtedness, such as under an environmental indemnity or in the case of fraud or, in the case of loans to be securitized, certain additional events of default. Lenders may also seek to include in the terms of mortgage loans provisions making the termination or replacement of the advisor an event of default or an event requiring the immediate repayment of the full outstanding balance of the loan.

As described above, we entered into the Line of Credit, which provides for a secured, recourse revolving credit facility in an amount of up to $225.0 million and a maturity date of August 1, 2015, with an option for CPA 16 Merger Sub to extend the maturity date for an additional 12 months subject to conditions provided in the Line of Credit.

Table of Contents

Most of our financing requires us to make a balloon payment at maturity. At December 31, 2012, scheduled balloon payments for the next five years were as follows (in thousands):

2013[(a)]	$
2014[(a)(b)]	55,603
2015[(a)(b)(c)]	256,035
2016[(a)(b)]	201,962
2017[(a)(b)]	607,307

(a) Excludes our share of scheduled balloon payments on non-recourse mortgages of equity investments in real estate totaling $39.8 million in 2013, $72.4 million in 2014, $48.4 million in 2015, $17.1 million in 2016, and $36.5 million in 2017.

(b) Inclusive of amounts attributable to noncontrolling interests of $0.3 million in 2014, $1.3 million in 2015, $19.7 million in 2016, and $224.3 million in 2017.

(c) Includes amounts that will be due upon maturity of our $225.0 million Line of Credit, which is scheduled to occur in August 2015, unless extended pursuant to its terms. At December 31, 2012, we had drawn $143.0 million from our Line of Credit.

Investment Strategies

We invest primarily in income-producing properties that are, upon acquisition, improved or being developed or that are to be developed within a reasonable period after acquisition. While we are not currently seeking to make new significant investments, we may do so if attractive opportunities arise and we have funds available for investment.

Most of our properties are subject to long-term net leases and were acquired through sale-leaseback transactions in which we acquire properties from companies that simultaneously lease the properties back from us. These sale-leaseback transactions provide the lessee company with a source of capital that is an alternative to other financing sources such as corporate borrowing, mortgaging real property, or selling shares of its stock.

Our sale-leaseback transactions may occur in conjunction with acquisitions, recapitalizations, or other corporate transactions. We may act as one of several sources of financing for these transactions by purchasing real property from the seller and net leasing it back to the seller or its successor in interest (the lessee).

In analyzing potential net lease investment opportunities, the advisor reviews all aspects of a transaction, including the creditworthiness of the tenant or borrower and the underlying real estate fundamentals, to determine whether a potential acquisition satisfies our investment criteria. The advisor generally considers, among other things, the following aspects of each transaction:

Tenant/Borrower Evaluation The advisor evaluates each potential tenant or borrower for their creditworthiness, typically considering factors such as management experience, industry position and fundamentals, operating history, and capital structure, as well as other factors that may be relevant to a particular investment. The advisor seeks opportunities in which it believes the tenant may have a stable or improving credit profile or credit potential that has not been recognized by the market. In evaluating a possible investment, the creditworthiness of a tenant or borrower often will be a more significant factor than the value of the underlying real estate, particularly if the underlying property is specifically suited to the needs of the tenant; however, in certain circumstances where the real estate is attractively valued, the creditworthiness of the tenant may be a secondary consideration. Whether a prospective tenant or borrower is creditworthy will be determined by the advisor's investment department and its

Table of Contents

investment committee, as described below. Creditworthy does not mean "investment grade" as defined by the credit rating agencies.

Properties Critical to Tenant/Borrower Operations The advisor generally focuses on properties that it believes are critical to the ongoing operations of the tenant. The advisor believes that these properties provide better protection generally as well as in the event of a bankruptcy, since a tenant or borrower is less likely to risk the loss of a critically important lease or property in a bankruptcy proceeding or otherwise.

Diversification The advisor attempts to diversify our portfolio to avoid dependence on any one particular tenant, borrower, collateral type, geographic location, or tenant/borrower industry. By diversifying our portfolio, the advisor seeks to reduce the adverse effect of a single under-performing investment or a downturn in any particular industry or geographic region.

Lease Terms Generally, the net leased properties in which we invest will be leased on a full-recourse basis to our tenants or their affiliates. In addition, the advisor generally seeks to include a clause in each lease that provides for increases in rent over the term of the lease. These increases are fixed or tied to increases in indices such as the CPI, or other similar index in the jurisdiction in which the property is located, but may contain caps or other limitations, either on an annual or overall basis. Further, in some jurisdictions (notably Germany), these clauses must provide for rent adjustments based on increases or decreases in the relevant index. In the case of retail stores and hotels, the lease may provide for participation in gross revenues above a stated level, or percentage rent; however, percentage rent has been insignificant in recent years. Alternatively, a lease may provide for mandated rental increases on specific dates, and the advisor may adopt other methods in the future.

Real Estate Evaluation The advisor reviews the physical condition of the property and conducts a market evaluation to determine the likelihood of replacing the rental stream if the tenant defaults or of a sale of the property in such circumstances. The advisor will also generally engage third parties to conduct, or require the seller to conduct, Phase I or similar environmental site assessments (including a visual inspection for the potential presence of asbestos) in an attempt to identify potential environmental liabilities associated with a property prior to its acquisition. If potential environmental liabilities are identified, the advisor generally requires that identified environmental issues be resolved by the seller prior to property acquisition or, where such issues cannot be resolved prior to acquisition, requires tenants contractually to assume responsibility for resolving identified environmental issues after the acquisition and provide indemnification protections against any potential claims, losses or expenses arising from such matters. Although the advisor generally relies on its own analysis in determining whether to make an investment, each real property to be purchased by us will be appraised by an appraiser that is independent of the advisor, prior to acquisition. The contractual purchase price (plus acquisition fees, but excluding acquisition expenses, payable to the advisor) for a real property we acquire will not exceed its appraised value, unless approved by our independent directors. The appraisals may take into consideration, among other things, the terms and conditions of the particular lease transaction, the quality of the lessee's credit, and the conditions of the credit markets at the time the lease transaction is negotiated. The appraised value may be greater than the construction cost or the replacement cost of a property, and the actual sale price of a property if sold by us may be greater or less than the appraised value. In cases of special purpose real estate, a property is examined in light of the prospects for the tenant/borrower's enterprise and the financial strength and the role of that asset in the context of the tenant/borrower's overall viability. Operating results of properties and other collateral may be examined to determine whether or not projected income levels are likely to be met. The advisor considers factors particular to the laws of foreign countries, in addition to the risks normally associated with real property investments, when considering an investment outside the U.S.

Transaction Provisions to Enhance and Protect Value The advisor attempts to include provisions in our leases it believes may help protect our investment from changes in the operating and financial

Table of Contents

characteristics of a tenant that may affect its ability to satisfy its obligations to us or reduce the value of our investment. Such provisions include requiring our consent to specified tenant activity, requiring the tenant to provide indemnification protections, and requiring the tenant to satisfy specific operating tests. The advisor may also seek to enhance the likelihood of a tenant's lease obligations being satisfied through a guaranty of obligations from the tenant's corporate parent or other entity or a letter of credit. This credit enhancement, if obtained, provides us with additional financial security. However, in markets where competition for net lease transactions is strong, some or all of these provisions may be difficult to negotiate. In addition, in some circumstances, tenants may retain the right to repurchase the property leased by the tenant. The option purchase price is generally the greater of the contract purchase price or the fair market value of the property at the time the option is exercised.

Other Equity Enhancements The advisor may attempt to obtain equity enhancements in connection with transactions. These equity enhancements may involve warrants exercisable at a future time to purchase stock of the tenant or borrower or their parent. If warrants are obtained, and become exercisable, and if the value of the stock subsequently exceeds the exercise price of the warrant, equity enhancements can help us to achieve our goal of increasing investor returns.

Types of Investments

Substantially all of our investments to date are and will continue to be income-producing properties that are, upon acquisition, improved or being developed or which will be developed within a reasonable period of time after their acquisition. These investments have primarily been through sale-leaseback transactions, in which we invest in properties from companies that simultaneously lease the properties back from us subject to long-term leases. We have also invested in two domestic hotel properties. Investments are not restricted as to geographical areas.

Other Investments We may invest up to 10% of our net equity in unimproved or non-income-producing real property and in "equity interests." Investment in equity interests in the aggregate will not exceed five percent of our net equity. Such "equity interests" are defined generally to mean stock, warrants, or other rights to purchase the stock of, or other interests in, a tenant of a property, an entity to which we lend money or a parent or controlling person of a borrower or tenant. We may invest in unimproved or non-income-producing property that the advisor believes will appreciate in value or increase the value of adjoining or neighboring properties we own. There can be no assurance that these expectations will be realized. Often, equity interests will be "restricted securities," as defined in Rule 144 under the Securities Act of 1933 (the "Securities Act"), which means that the securities have not been registered with the SEC and are subject to restrictions on sale or transfer. Under this rule, we may be prohibited from reselling the equity securities until we have fully paid for and held the securities for a period between six months to one year. It is possible that the issuer of equity interests in which we invest may never register the interests under the Securities Act. Whether an issuer registers its securities under the Securities Act may depend on many factors, including the success of its operations.

We will exercise warrants or other rights to purchase stock generally if the value of the stock at the time the rights are exercised exceeds the exercise price. Payment of the exercise price will not be deemed an investment subject to the above described limitations. We may borrow funds to pay the exercise price on warrants or other rights or may pay the exercise price from funds held for working capital and then repay the loan or replenish the working capital upon the sale of the securities or interests purchased. We will not consider paying distributions out of the proceeds of the sale of these interests until any funds borrowed to purchase the interest have been fully repaid.

We will not invest in real estate contracts of sale unless the contracts are in recordable form and are appropriately recorded in the applicable chain of title.

Table of Contents

Cash resources are invested in permitted temporary investments, which include short-term U.S. government securities, bank certificates of deposit, and other short-term liquid investments. To maintain our REIT qualification, we also may invest in securities that qualify as "real estate assets" and produce qualifying income under the REIT provisions of the Code. Any investments in other REITs in which the advisor or any director is an affiliate must be approved as being fair and reasonable by a majority of the directors (which must include a majority of the independent directors) who are not otherwise interested in the transaction.

If at any time the character of our investments would cause us to be deemed an "investment company" for purposes of the Investment Company Act of 1940 (the "Investment Company Act"), we will take the necessary action to ensure that we are not deemed to be an investment company. The advisor will continually review our investment activity, including monitoring the proportion of our portfolio that is placed in various investments, to attempt to ensure that we do not come within the application of the Investment Company Act.

Our reserves, if any, will be invested in permitted temporary investments. The advisor will evaluate the relative risks and rate of return, our cash needs, and other appropriate considerations when making short-term investments on our behalf. The rate of return of permitted temporary investments may be less than would be obtainable from real estate investments.

Investment Decisions

The advisor's investment department, under the oversight of its chief investment officer, is primarily responsible for evaluating, negotiating and structuring potential investment opportunities for the Managed REITs and W. P. Carey. The advisor also has an investment committee that provides services to the Managed REITs. Before an investment is made, the transaction is generally reviewed by the advisor's investment committee, except under the limited circumstances described below. The investment committee is not directly involved in originating or negotiating potential investments but instead functions as a separate and final step in the investment process. The advisor places special emphasis on having experienced individuals serve on its investment committee. The advisor generally will not invest in a transaction on our behalf unless it is approved by the investment committee, except that investments with a total purchase price of $10.0 million or less may be approved by either the chairman of the investment committee or the advisor's chief investment officer (up to, in the case of investments other than long-term net leases, a cap of $30.0 million or 5% of our estimated net asset value per share ("***NAV***"), whichever is greater, provided that such investments may not have a credit rating of less than BBB-). For transactions that meet the investment criteria of more than one Managed REIT, the chief investment officer has discretion to allocate the investment to or among the Managed REITs. In cases where two or more Managed REITs, or one or more of the Managed REITs and W. P. Carey, will hold the investment, a majority of the independent directors of each Managed REIT investing in the property must also approve the transaction.

The following people currently serve on the investment committee:

Nathaniel S. Coolidge, Chairman Former senior vice president and head of the bond and corporate finance department of John Hancock Mutual Life Insurance (currently known as John Hancock Life Insurance Company). Mr. Coolidge's responsibilities included overseeing its entire portfolio of fixed income investments and private equities.

Axel K.A. Hansing Currently serving as a partner at Coller Capital, Ltd., a global leader in the private equity secondary market.

Frank J. Hoenemeyer Former vice chairman and chief investment officer of the Prudential Insurance Company of America. As chief investment officer, he was responsible for all of Prudential Insurance Company of America's investments including stocks, bonds and real estate.

Table of Contents

Jean Hoysradt Currently serving as the chief investment officer of Mousse Partners Limited ("Mousse"), an investment office based in New York, since 2001. Prior to joining Mousse, she served as Senior Vice President and head of Securities Investment and Treasury at New York Life Insurance Company.

Richard C. Marston Currently the James R.F. Guy professor of Finance and Economics at the Wharton School of the University of Pennsylvania.

Nick J.M. van Ommen Former chief executive officer of the European Public Real Estate Association (EPRA), currently serves on the supervisory boards of several companies, including Babis Vovos International Construction SA, a listed real estate company in Greece, Intervest Retail and Intervest Offices, listed real estate companies in Belgium, and IMMOFINANZ, a listed real estate company in Austria.

Dr. Karsten von Köller Currently chairman of Lone Star Germany GmbH, a U.S. private equity firm, Chairman of the Supervisory Boards of Düsseldorfer Hypothekenbank AG and MHB Bank AG, and Vice Chairman of the Supervisory Boards of IKB Deutsche Industriebank AG and Corealcredit Bank AG.

The advisor is required to use its best efforts to present a continuing and suitable investment program to us but is not required to present to us any particular investment opportunity, even if it is of a character that, if presented, could be taken by us.

Segments

We operate in one reportable segment, real estate ownership with domestic and foreign investments. For the nine months ended September 30, 2013, revenue from our tenant Hellweg Die Profi-Baumärkte GmbH & Co. KG ("Hellweg 2") represented 13% of our total lease revenues, inclusive of noncontrolling interest.

Competition

We face active competition from many sources for investment opportunities in commercial properties net leased to major corporations both domestically and internationally. In general, we believe the advisor's experience in real estate, credit underwriting, and transaction structuring should allow us to compete effectively for commercial properties to the extent we make future acquisitions. However, competitors may be willing to accept rates of returns, lease terms, other transaction terms, or levels of risk that we may find unacceptable.

Environmental Matters

We have invested, and expect to continue to invest, in properties currently or historically used as industrial, manufacturing, and commercial properties. Under various federal, state, and local environmental laws and regulations, current and former owners and operators of property may have liability for the cost of investigating, cleaning up, or disposing of hazardous materials released at, on, under, in, or from the property. These laws typically impose responsibility and liability without regard to whether the owner or operator knew of or was responsible for the presence of hazardous materials or contamination, and liability under these laws is often joint and several. Third parties may also make claims against owners or operators of properties for personal injuries and property damage associated with releases of hazardous materials. As part of our efforts to mitigate these risks, we typically engage third parties to perform assessments of potential environmental risks when evaluating a new acquisition of property, and we frequently obtain contractual protection (indemnities, cash reserves, letters of credit, or other instruments) from property sellers, tenants, a tenant's parent company, or another third party to address known or potential environmental issues.

Table of Contents

Transactions with Affiliates

We enter into transactions with our affiliates, including the other Managed REITs and our advisor or its affiliates, if we believe that doing so is consistent with our investment objectives and we comply with our investment policies and procedures. These transactions typically take the form of jointly-owned investments, direct purchases of assets, mergers, or another type of transaction. Like us, the other Managed REITs intend to consider alternatives for providing liquidity for their stockholders some years after they have invested substantially all of the net proceeds from their initial public offerings. Investments with affiliates of W. P. Carey are permitted only if a majority of our directors (including a majority of our independent directors) not otherwise interested in the transaction approve the allocation of the transaction among the affiliates as being fair and reasonable to us and the affiliate makes its investment on substantially the same terms and conditions as us.

On May 2, 2011, CPA®:14 merged with and into one of our subsidiaries pursuant to the CPA®:14/16 Merger Agreement. In order to fund a portion of the CPA®:14/16 Merger consideration, we received $121.0 million in cash from W. P. Carey in 2011 in return for the issuance of 13,750,000 shares of our common stock.

In May 2011, we incurred a non-cash charge of $34.3 million in connection with the issuance of the Special Member Interest to a subsidiary of W. P. Carey in consideration of the amendment of our advisory agreement.

Subsidiaries of W. P. Carey collectively own approximately 18.5% of our outstanding common stock, which excludes its ownership in the Special Member Interest.

Financial Information About Geographic Areas

See Our Portfolio above and Note 18 to the accompanying audited consolidated financial statements of CPA®:16 Global for financial information pertaining to our geographic operations.

Properties

Our principal corporate offices are located at 50 Rockefeller Plaza, New York, NY 10020. The advisor also has its primary international investment offices located in London and Amsterdam. The advisor also has office space domestically in Dallas, Texas and internationally in Shanghai. The advisor leases all of these offices and believes these leases are suitable for our operations for the foreseeable future.

See Our Portfolio above for a discussion of the properties we hold for rental operations and Schedule III Real Estate and Accumulated Depreciation in the accompanying consolidated financial statements for CPA®:16 Global for a detailed listing of such properties.

Legal Proceedings

At September 30, 2013, we were not involved in any material litigation.

Various claims and lawsuits arising in the normal course of business are pending against us. The results of these proceedings are not expected to have a material adverse effect on our consolidated financial position or results of operations.

Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Unlisted Shares and Distributions

There is no active public trading market for our shares. At October 31, 2013, there were approximately 46,751 holders of record of our shares.

Table of Contents

We are required to distribute annually at least 90% of our net taxable income, excluding net capital gains, to maintain our status as a REIT. Quarterly distributions declared by us for the past three years are as follows:

	Years Ended December 31,		
	2013	2012	2011
First quarter	$ 0.1678	$ 0.1670	$ 0.1656
Second quarter	0.1680	0.1672	0.1656
Third quarter	0.1682	0.1674	0.1662
Fourth quarter		0.1676	0.1668
	$ 0.5040	$ 0.6692	$ 0.6642

Unregistered Sales of Equity Securities

For the three months ended September 30, 2013, we issued 170,547 shares of CPA®:16 Global Common Stock to the advisor as consideration for asset management fees. These shares were issued at a price per share of $8.70, which represents our most recently published NAV per share as approved by our board of directors at the date of issuance. Since none of these transactions were considered to have involved a "public offering" within the meaning of Section 4(a)(2) of the Securities Act, the shares issued were deemed to be exempt from registration. In acquiring our shares, the advisor represented that such interests were being acquired by it for the purposes of investment and not with a view to the distribution thereof.

For the three months ended December 31, 2012, we issued 254,333 shares of CPA®:16 Global Common Stock to the advisor as consideration for asset management fees. These shares were issued at $9.10 per share, which was our most recently published NAV as approved by our board of directors at the date of issuance. Since none of these transactions were considered to have involved a "public offering" within the meaning of Section 4(a)(2) of the Securities Act, the shares issued were deemed to be exempt from registration. In acquiring our shares, the advisor represented that such interests were being acquired by it for the purposes of investment and not with a view to the distribution thereof.

Issuer Purchases of Equity Securities

2013 Period	Total number of shares purchased[(a)]	Average price paid per share	Total number of shares purchased as part of publicly announced plans or program[(a)]	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or program[(a)]
July			N/A	N/A
August			N/A	N/A
September	107,534	$ 8.94	N/A	N/A
Total	107,534			

(a) Represents shares of our common stock repurchased under our redemption plan, pursuant to which we may elect to redeem shares at the request of our stockholders, subject to certain exceptions, conditions, and limitations. The maximum amount of shares purchasable by us in any period depends on a number of factors and is at the discretion of our board of directors. We satisfied all of the above redemption requests received during the three months ended September 30, 2013. We receive fees in connection with share redemptions. In light of the Merger, our board of directors suspended our redemption plan in July 2013, with the exception of special-circumstances redemptions. All of the requests were special-circumstances redemptions.

Table of Contents

2012 Period	Total number of shares purchased[(a)]	Average price paid per share	Total number of shares purchased as part of publicly announced plans or program[(a)]	Maximum number (or approximate dollar value) of shares that may yet be purchased under the plans or program[(a)]
October			N/A	N/A
November			N/A	N/A
December	754,620	$ 8.33	N/A	N/A
Total	754,620			

(a) Represents shares of our common stock repurchased through our redemption plan, pursuant to which we may elect to redeem shares at the request of our stockholders, subject to certain exceptions, conditions, and limitations. The maximum amount of shares purchasable by us in any period depends on a number of factors and is at the discretion of our board of directors. We satisfied all redemption requests received in 2012. The redemption plan will terminate if and when our shares are listed on a national securities market.

Management's Discussion and Analysis of Financial Condition and Results of Operations

Management's discussion and analysis of financial condition and results of operations ("MD&A") is intended to provide the reader with information that will assist in understanding our financial statements and the reasons for changes in certain key components of our financial statements from period to period. MD&A also provides the reader with our perspective on our financial position and liquidity, as well as certain other factors that may affect our future results.

Business Overview

As described in more detail above, we are a publicly owned, non-listed REIT that invests in commercial properties leased to companies domestically and internationally. As a REIT, we are not subject to federal income taxation as long as we satisfy certain requirements, principally relating to the nature of our income, the level of our distributions, and other factors. We earn revenue principally by leasing the properties we own to single corporate tenants, primarily on a triple-net lease basis, which requires the tenant to pay substantially all of the costs associated with operating and maintaining the property. Revenue is subject to fluctuation because of the timing of new lease transactions, lease terminations, lease expirations, contractual rent adjustments, tenant defaults, and sales of properties. We were formed in 2003 and are managed by the advisor.

As discussed above, on May 2, 2011, CPA®:14 merged with and into one of our subsidiaries. This CPA®: 14/16 Merger had a significant impact on our asset and liability base and on our full-year 2012 results as described below.

Table of Contents

Financial and Operating Highlights

(In thousands)	Three Months Ended September 30, 2013	Three Months Ended September 30, 2012	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Total revenues	$ 78,466	$ 75,868	$ 233,236	$ 234,121
Net income (loss) attributable to CPA®:16 Stockholders	17,272	(389)	29,154	14,909
Cash distributions paid	34,489	33,718	102,583	100,817
Net cash provided by operating activities			144,013	143,242
Net cash provided by investing activities			52,103	67,949
Net cash used in financing activities			(193,059)	(239,191)
Supplemental financial measure:				
Modified funds from operations[(a)]	44,012	41,577	137,229	123,176

(a) We consider the performance metrics listed above, including Modified funds from operations ("MFFO"), a supplemental measure that is not defined by GAAP ("non-GAAP"), to be important measures in the evaluation of our results of operations and capital resources. We evaluate our results of operations with a primary focus on the ability to generate cash flow necessary to meet our objectives of funding distributions to stockholders. See Supplemental Financial Measures below for our definition of this non-GAAP measure and a reconciliation to its most directly comparable GAAP measure.

Total revenues increased for the three months ended September 30, 2013 as compared to the same period in 2012, primarily due to the favorable impact of foreign currency fluctuations on operations.

Net income attributable to CPA®:16 Stockholders was generated for the three months ended September 30, 2013 as compared to a loss for the same period in 2012. The increase in Net income attributable to CPA®:16 Stockholders was comprised of the positive impact from results of operations of properties in discontinued operations during the current year period, impairment charges recognized on several jointly-owned investments during the prior year period, a gain recognized on the deconsolidation of a subsidiary during the current year period, and a decrease in interest expense, partially offset by an increase in general and administrative expenses due to expenses incurred in connection with the proposed Merger.

Total revenues decreased for the nine months ended 2013 as compared to the same period in 2012, primarily due to the impact of Carrefour France, SAS, one of our lessees, declining to exercise its lease termination options on five properties at June 30, 2012, thereby increasing the period over which straight-line revenue is recognized. These decreases were partially offset by the favorable impact of foreign currency fluctuations on operations.

Net income attributable to CPA®:16 Stockholders increased for the nine months ended September 30, 2013 as compared to the same period in 2012, primarily due to the positive impact from results of operations of properties in discontinued operations as compared to the prior year period, impairment charges recognized on several jointly-owned investments during the prior year period, a decrease in interest expense during the current year period, and a gain recognized on the deconsolidation of a subsidiary during the current year period. These increases were partially offset by a net gain on the extinguishment of debt recognized in the prior year period, an increase in general and administrative expenses due to expenses incurred in connection with the proposed Merger, and an allowance for credit losses recognized during the current year period.

Our MFFO increased for both the three and nine months ended September 30, 2013 as compared to the same periods in 2012, primarily due to a decrease in interest expense during each of the current

Table of Contents

year periods and, in the case of the current year nine-month period, lease termination income received in connection with the sales of several properties.

Our quarterly cash distribution was $0.1682 per share for the third quarter of 2013, which equated to $0.6728 per share on an annualized basis, and was paid on October 15, 2013 to stockholders of record at September 30, 2013.

Financial Highlights

	Years Ended December 31,		
(In thousands)	**2012**	**2011**	**2010**
Total revenues	$ 310,280	$ 297,029	$ 220,936
Net income attributable to CPA®:16 Stockholders	18,066	9,500	32,007
Net cash provided by operating activities	190,939	156,927	121,390
Net cash provided by (used in) investing activities	72,598	(181,270)	(30,762)
Net cash (used in) provided by financing activities	(307,372)	76,068	(115,951)
Cash distributions paid	134,649	103,880	82,013
Supplemental financial measure:			
Modified funds from operations	171,182	138,195	79,314

We consider the performance metrics listed above, including MFFO, a non-GAAP supplemental measure, to be important measures in the evaluation of our results of operations and capital resources. We evaluate our results of operations with a primary focus on the ability to generate cash flow necessary to meet our objectives of funding distributions to stockholders. See Supplemental Financial Measures below for our definition of this non-GAAP measure and reconciliations to its most directly comparable GAAP measure.

Total revenues, net income, and cash flow from operating activities all increased for the year ended December 31, 2012 as compared to 2011, primarily due to results of operations and cash flow generated from the properties acquired in the CPA®: 14/16 Merger in May 2011. Additionally, net income attributable to CPA®:16 Stockholders for the year ended December 31, 2011 reflected a non-cash charge of $34.3 million incurred in connection with the amendment of our advisory agreement and the issuance of the Special Member Interest to a subsidiary of W. P. Carey in connection with the UPREIT Reorganization in May 2011.

Our MFFO supplemental measure increased for the year ended December 31, 2012 as compared to 2011, primarily reflecting the accretive impact to MFFO from properties acquired in the CPA®: 14/16 Merger.

Our quarterly cash distribution was $0.1676 per share for the fourth quarter of 2012, which equates to $0.6704 per share on an annualized basis.

Net Asset Values The advisor generally calculates our estimated NAV by relying in part on an estimate of the fair market value of our real estate provided by a third party, adjusted to give effect to the estimated fair value of mortgages encumbering our assets (also provided by a third party) as well as other adjustments. Our NAV is based on a number of variables, including, among others, changes in the credit profiles of individual tenants; lease terms, expirations, and non-renewals; lending credit spreads; foreign currency exchange rates; potential asset sales; and tenant defaults and bankruptcies. We do not control all of these variables and, as such, cannot predict how they will change in the future.

Table of Contents

Please see "The Real Estate Portfolio Appraisal By Robert A. Stanger & Co., Inc." beginning on page 84 for more information.

How We Evaluate Results of Operations

We evaluate our results of operations with a primary focus on our ability to generate cash flow necessary to meet our objectives of funding distributions to stockholders and increasing our equity in our real estate. As a result, our assessment of operating results gives less emphasis to the effect of unrealized gains and losses, which may cause fluctuations in net income for comparable periods but have no impact on cash flows, and to other non-cash charges, such as depreciation and impairment charges.

We consider cash flows from operating activities, cash flows from investing activities, cash flows from financing activities, and certain non-GAAP performance metrics to be important measures in the evaluation of our results of operations, liquidity and capital resources. Cash flows from operating activities are sourced primarily from long-term lease contracts. These leases are generally triple net and mitigate, to an extent, our exposure to certain property operating expenses. Our evaluation of the amount and expected fluctuation of cash flows from operating activities is essential in evaluating our ability to fund operating expenses, service debt and fund distributions to stockholders.

We focus on measures of cash flows from investing activities and cash flows from financing activities in our evaluation of our capital resources. Investing activities typically consist of the acquisition or disposition of investments in real property and the funding of capital expenditures with respect to real properties. Financing activities primarily consist of the payment of distributions to stockholders, obtaining non-recourse mortgage financing, generally in connection with the acquisition or refinancing of properties, managing our Line of Credit, and making mortgage principal payments. Our financing strategy has been to purchase substantially all of our properties with a combination of equity and non-recourse mortgage debt. A lender on a non-recourse mortgage loan generally has recourse only to the property collateralizing such debt and not to any of our other assets. This strategy has allowed us to diversify our portfolio of properties and, thereby, limit our risk. In the event that a balloon payment comes due, we may seek to refinance the loan, restructure the debt with existing lenders, or evaluate our ability to pay the balloon payment from our cash reserves or sell the property and use the proceeds to satisfy the mortgage debt.

Results of Operations

Impact of the CPA®: 14/16 Merger

The assets we acquired and liabilities we assumed in the CPA®: 14/16 Merger exclude certain sales made in connection with the CPA®: 14/16 Merger by CPA®:14 of equity interests in entities that owned six properties (the "Asset Sales") to CPA®:17 Global and W. P. Carey, for an aggregate of $89.5 million in cash. Immediately prior to the CPA®: 14/16 Merger and subsequent to the Asset Sales, CPA®: 14's portfolio was comprised of full or partial ownership in 177 properties, substantially all of which were triple-net leased. In the CPA®: 14/16 Merger, we acquired these properties and their related leases with an average remaining life of 8.3 years and an estimated aggregate annualized contractual minimum base rent of $149.8 million. We also assumed the related property debt comprised of seven variable-rate and 48 fixed-rate non-recourse mortgages with preliminary fair values of $38.1 million and $421.9 million, respectively, with weighted-average annual interest rates of 6.8% and 6.1%, respectively.

We accounted for the CPA®: 14/16 Merger as a business combination under the acquisition method of accounting. As part of the CPA®: 14/16 Merger, we acquired from CPA®:14 the remaining equity interests in a subsidiary that we previously consolidated, which was accounted for as an equity transaction. Acquisition costs of $13.6 million related to the CPA®: 14/16 Merger, as well as those

Table of Contents

related to the equity transaction described above and the reorganization described below, were expensed as incurred and classified within General and administrative expense in the consolidated statements of income for the year ended December 31, 2011. The lease revenues and income from operations contributed from the properties acquired from the date of the CPA®: 14/16 Merger through December 31, 2011 were $55.6 million and $5.3 million, respectively.

We amended our advisory agreement with affiliates of W. P. Carey to give effect to this reorganization and to reflect a revised fee structure whereby (i) our asset management fees were prospectively reduced to 0.5% from 1.0% of the asset value of a property under management and (ii) the former 15% subordinated incentive fee and termination fees were eliminated. The Special General Partner is entitled to 10% of our available cash (the "Available Cash Distribution"), which is defined as cash generated from operations, excluding capital proceeds, as reduced by operating expenses and debt service, excluding prepayments and lump-sum or "balloon" payments. The Special General Partner may also elect to receive the Available Cash Distribution in shares of our common stock. The Available Cash Distribution is contractually limited to 0.5% of our assets excluding cash, cash equivalents, and certain short-term investments and non-cash reserves ("Adjusted Invested Assets"). The fee structure related to initial acquisition fees, subordinated acquisition fees, and subordinated disposition fees remained unchanged. On September 28, 2012, we entered into an amended and restated advisory agreement with the same fee structure; however, advisor personnel expenses are now allocated on a revenue basis amongst the Managed REITs (See Note 4 to the accompanying audited consolidated financial statements of CPA®:16 Global).

The following tables present other operating data that management finds useful in evaluating results of operations:

	September 30, 2013	December 31, 2012
Occupancy rate leased properties[a]	98.0%	96.9%
Number of leased properties[a]	477	498
Number of operating properties[b]	2	2

	Nine Months Ended September 30,	
	2013	2012
Acquisition volume (in millions)	$ 4.9	$
Financing obtained (in millions)[c]	$ 16.0	$ 75.6
Average U.S. dollar/euro exchange rate[d]	$ 1.3173	$ 1.2824
U.S. Consumer Price Index ("***CPI***")[e]	234.1	231.4

(a) These amounts reflect net-leased properties in which we had a full or partial ownership interest.

(b) For all periods presented, operating properties comprise two hotels, both of which are managed by third parties.

(c) Amount for the nine months ended September 30, 2012 includes refinancings totaling $25.5 million.

(d) The average conversion rate for the U.S. dollar in relation to the euro increased by approximately 2.7% during the nine months ended September 30, 2013 in comparison to the same period in 2012, resulting in a positive impact on earnings for our euro-denominated investments in the current year period.

Table of Contents

(e)
Most of our domestic lease agreements include contractual increases indexed to the change in the CPI.

	Years Ended December 31,		
	2012	2011	2010
Occupancy rate end of year[a]	96.9%	97.5%	98.9%
Number of properties end of year[a]	500	512	384
Acquisition volume (in thousands)[b]	$	$ 4,994	$
Financing obtained (in thousands)[c]	$ 75,575	$ 426,275	$ 36,947
Average U.S. dollar/euro exchange rate[d]	$ 1.2861	$ 1.3926	$ 1.3279
U.S. Consumer Price Index ("CPI")[e]	229.6	225.7	219.2

(a)
These amounts reflected properties in which we had a full or partial ownership interest.

(b)
Amount for the year ended December 31, 2011 did not include properties acquired as a result of the CPA®:14/16 Merger.

(c)
Amount for the year ended December 31, 2011 included $350.0 million related to our Line of Credit obtained in May 2011.

(d)
The average conversion rate for the U.S. dollar in relation to the euro decreased during the year ended December 31, 2012 as compared to 2011 and increased during the year ended December 31, 2011 as compared to 2010, resulting in a negative impact on earnings in 2012 and a positive impact on earnings in 2011 for our euro-denominated investments.

(e)
Most of our domestic lease agreements include contractual increases indexed to the change in the CPI.

Table of Contents

The following tables set forth the net lease revenues (i.e., rental income and interest income from direct financing leases) that we earned from lease obligations through our consolidated real estate investments (in thousands):

Lessee	Nine Months Ended September 30, 2013	Nine Months Ended September 30, 2012
Hellweg Die Profi-Baumärkte GmbH & Co. KG (Hellweg 2)[(a)(b)]	$ 26,998	$ 25,780
Dick's Sporting Goods, Inc.[(b)]	8,055	8,016
Telcordia Technologies, Inc.	7,855	7,702
Carrefour France, SAS[(a)(c)]	7,706	13,528
SoHo House/SHG Acquisition (UK) Limited	5,892	5,892
Nordic Atlanta Cold Storage, LLC	5,639	5,547
Tesco PLC[(a)(b)]	5,623	5,379
Berry Plastics Corporation[(b)]	5,318	5,240
LFD Manufacturing Ltd., IDS Logistics (Thailand) Ltd., and IDS Manufacturing SDN BHD[(d)]	4,055	4,005
Fraikin SAS[(a)]	3,761	3,508
MetoKote Corp., MetoKote Canada Limited, and MetoKote de Mexico[(a)(e)]	3,646	3,654
PerkinElmer, Inc.	3,341	3,234
Best Brands Corp.	3,209	3,136
Ply Gem Industries, Inc.[(e)(f)]	3,084	3,106
Huntsman International, LLC	3,026	3,027
Caremark Rx, Inc.	2,952	2,968
Universal Technical Institute of California, Inc.	2,868	2,804
Bob's Discount Furniture, LLC	2,842	2,820
Kings Food Markets	2,787	2,713
TRW Vehicle Safety Systems Inc.	2,676	2,676
Katun Corporation[(a)]	2,471	2,269
Finisar Corporation	2,466	2,466
Performance Fibers GmbH[(a)(f)]	2,456	2,505
Other[(a)(b)]	84,383	82,632
	$ 203,109	$ 204,607

(a) Amounts are subject to fluctuations in the exchange rate of the euro. The average conversion rate for the U.S. dollar in relation to the euro increased by approximately 2.7% during the nine months ended September 30, 2013 in comparison to the same period in 2012, resulting in a positive impact on lease revenues for our euro-denominated investments in the current year period.

(b) These revenues were generated in consolidated investments that are jointly-owned with our affiliates and on a combined basis include revenues attributable to noncontrolling interests totaling $27.8 million and $26.7 million, inclusive of revenues attributable to W. P. Carey of $12.1 million and $11.6 million, for the nine months ended September 30, 2013 and 2012, respectively.

(c) This decrease was due to the impact of the lessee declining to exercise its lease termination options on five properties at June 30, 2012. As a result, the straight-line periods over which revenue is to be recognized for the leases were increased.

(d) Amount is subject to fluctuations in the exchange rate of the Malaysian ringgit and the Thai baht.

Table of Contents

(e)
Amount is subject to fluctuations in the exchange rate of the Canadian dollar.

(f)
This decrease was primarily due to an adjustment made in the first quarter of 2012 related to amendments and adjustments to direct financing leases.

Lessee	Years Ended December 31, 2012	2011	2010
Hellweg Die Profi-Baumärkte GmbH & Co. KG (Hellweg 2)[a][b]	$ 34,518	$ 36,663	$ 34,408
Carrefour France, SAS[a][c]	15,536	26,560	
Dick's Sporting Goods, Inc.[b][d]	10,710	8,032	3,141
Telcordia Technologies, Inc.	10,335	10,108	9,799
SoHo House/SHG Acquisition (UK) Limited[e]	7,856	8,933	887
Nordic Atlanta Cold Storage, LLC	7,454	6,923	6,923
Tesco plc[a][b]	7,249	7,720	7,337
Berry Plastics Corporation[b]	6,982	6,649	6,666
LFD Manufacturing Ltd., IDS Logistics (Thailand) Ltd. and IDS Manufacturing SDN BHD[a][f]	5,375	5,332	4,342
MetoKote Corp., MetoKote Canada Limited and MetoKote de Mexico[a]	4,895	5,130	4,853
Fraikin SAS[a]	4,686	4,883	4,671
Perkin Elmer, Inc.[g]	4,347	2,962	
Best Brands Corp.	4,191	4,089	4,027
Ply Gem Industries, Inc.[a]	4,159	3,968	3,947
Huntsman International, LLC	4,034	4,027	4,027
Caremark Rx, Inc.[g]	3,954	2,647	
Bob's Discount Furniture, LLC	3,761	3,684	3,629
Universal Technical Institute of California, Inc.	3,756	3,661	3,506
Kings Super Markets Inc.	3,620	3,611	3,544
TRW Vehicle Safety Systems Inc.	3,568	3,568	3,568
Performance Fibers GmbH[a]	3,301	3,418	3,204
Finisar Corporation	3,287	3,287	3,287
Other[a][b][h]	114,031	92,502	51,366
	$ 271,605	$ 258,357	$ 167,132

(a)
Amounts are subject to fluctuations in foreign currency exchange rates. The average conversion rate for the U.S. dollar in relation to the euro decreased by approximately 7.6% during the year ended December 31, 2012 in comparison to 2011 and increased by approximately 4.9% during the year ended December 31, 2011 in comparison to 2010, resulting in a negative impact on lease revenues in 2012 and a positive impact on lease revenues in 2011 for our euro-denominated investments.

(b)
These revenues are generated in consolidated investments, generally with our affiliates, and on a combined basis, include revenues attributable to noncontrolling interests totaling $35.9 million, $37.2 million, and $40.3 million, inclusive of revenues attributable to W. P. Carey of $15.8 million, $16.4 million, and $17.7 million, for the years ended December 31, 2012, 2011, and 2010, respectively.

(c)
This decrease was primarily due to the tenant vacating one of the buildings it formerly leased in September 2011. We acquired a portion of this investment in January 2011 with the remaining interest acquired in connection with the CPA®:14/16 Merger.

Table of Contents

(d) In the CPA®:14/16 Merger, we acquired several additional properties leased to this tenant, which contributed additional lease revenue of $2.7 million and $4.9 million for the years ended December 31, 2012 and 2011, respectively.

(e) This change was primarily due to a lease restructuring in the first quarter of 2011. Additionally, the related build-to-suit project was completed in September 2010.

(f) The increase for the year ended December 31, 2011 was due to a CPI-based rent increase, as well as the completion of an expansion in October 2011.

(g) This investment was acquired in the CPA®:14/16 Merger.

(h) This increase was primarily due to the impact of properties acquired in the CPA®:14/16 Merger.

We recognize income from equity investments in real estate, of which lease revenues are a significant component. The following tables set forth the net lease revenues earned by these investments from both continuing and discontinued operations. Amounts provided are the total amounts attributable to the investments and do not represent our proportionate share (dollars in thousands):

Lessee	Ownership Interest at September 30, 2013	Nine Months Ended September 30, 2013	2012
U-Haul Moving Partners, Inc. and Mercury Partners, L.P.	31%	$ 24,276	$ 24,276
The New York Times Company	27%	20,842	20,601
OBI A.G.[a]	25%	12,742	12,079
Hellweg Die Profi-Baumärkte GmbH & Co. KG (Hellweg 1)[a][b]	25%	11,507	10,188
True Value Company	50%	10,852	10,840
Advanced Micro Devices, Inc.	67%	8,958	8,958
Pohjola Non-life Insurance Company[a]	40%	7,012	6,652
TietoEnator Plc[a]	40%	6,571	6,259
Police Prefecture, French Government[a]	50%	6,301	5,841
Schuler A.G.[a]	33%	5,070	4,582
Frontier Spinning Mills, Inc.	40%	3,454	3,453
Actebis Peacock GmbH[a]	30%	3,109	2,973
Del Monte Corporation	50%	2,645	2,645
Actuant Corporation[a]	50%	1,391	1,239
Consolidated Systems, Inc.	40%	1,373	1,389
Barth Europa Transporte e.K/MSR Technologies GmbH[a]	33%	894	835
Town Sports International Holdings, Inc.	56%	873	873
Arelis Broadcast, Veolia Transport, and Marchal Levage (formerly Thales S.A.)[a][c]	35%	496	925
The Upper Deck Company[d]	50%		
		$ 128,366	$ 124,608

(a) Amounts are subject to fluctuations in the exchange rate of the euro. The average conversion rate for the U.S. dollar in relation to the euro increased by approximately 2.7% during the nine months ended September 30, 2013 in comparison to the same

Table of Contents

period in 2012, resulting in a positive impact on lease revenues for our euro-denominated investments in the current year period.

(b) This increase was primarily due to an adjustment made in the first quarter of 2012 related to amendments and adjustments to direct financing leases.

(c) In January 2013, Arelis Broadcast signed a new lease with the jointly-owned investment at a reduced rent.

(d) The property owned by the jointly-owned investment was vacant during both the nine months ended September 30, 2013 and 2012.

Lessee	Ownership Interest at December 31, 2012	Years Ended December 31, 2012	2011	2010
U-Haul Moving Partners, Inc. and Mercury Partners, L.P.	31%	$ 32,428	$ 32,486	$ 32,486
The New York Times Company	27%	27,588	27,797	26,768
OBI A.G.[(a)]	25%	16,016	17,141	16,006
True Value Company[(b)]	50%	14,074	14,450	
Hellweg Die Profi-Baumarkte GmbH & Co. KG (Hellweg 1)[(a)(c)]	25%	14,001	15,875	14,272
Advanced Micro Devices, Inc.[(b)]	67%	11,944	11,944	
Pohjola Non-life Insurance Company[(a)]	40%	8,537	9,300	8,797
TietoEnator Plc[(a)]	40%	8,116	8,771	8,223
Police Prefecture, French Government[(a)]	50%	7,246	8,218	8,029
Schuler A.G.[(a)]	33%	6,288	6,555	6,208
Frontier Spinning Mills, Inc.	40%	4,596	4,504	4,464
Actebis Peacock GmbH[(a)]	30%	3,990	4,228	3,968
Del Monte Corporation[(b)]	50%	3,527	3,527	
Consolidated Systems, Inc.	40%	1,847	1,933	1,831
Actuant Corporation[(a)]	50%	1,731	1,816	1,745
Thomson Broadcast, Veolia Transport, and Marchal Levage (formerly Thales S.A.)[(a)(d)]	35%	1,331	4,243	4,165
Town Sports International Holdings, Inc. (formerly LifeTime Fitness, Inc.)[(b)(e)]	56%	1,177	13,548	
Barth Europa Transporte e.K/MSR Technologies GmbH (formerly Lindenmaier A.G.)[(a)(f)]	33%	1,138	1,542	1,347
Best Buy Co., Inc.[(b)(g)]	0%		2,251	
		$ 165,575	$ 190,129	$ 138,309

(a) Amounts are subject to fluctuations in foreign currency exchange rates. The average conversion rate for the U.S. dollar in relation to the euro decreased by approximately 7.6% during the year ended December 31, 2012 in comparison to 2011 and increased by approximately 4.9% during the year ended December 31, 2011 in comparison to 2010, resulting in a negative impact on lease revenues in 2012 and a positive impact on lease revenues in 2011 for our euro-denominated investments.

(b) This entity was acquired in the CPA®:14/16 Merger.

(c) This decrease was primarily due to an adjustment made in the fourth quarter of 2011 related to amendments and adjustments to direct financing leases.

(d) In December 2011, Thales S.A. vacated the building at the end of its lease term and the entity entered into leases with three new tenants at a significantly reduced rent.

115

Table of Contents

(e)

In September 2011, the entity sold the properties leased to LifeTime Fitness, Inc. The entity continues to lease properties to Town Sports International Holdings, Inc.

(f)

The entity sold one property leased to Barth Europa Transporte e.K in February 2012.

(g)

In September 2011, the entity sold its properties and distributed the proceeds to its partners.

Leasing Activity

The following discussion presents a summary of our leasing activity on our existing properties for the periods presented and does not include new acquisitions.

During the three months ended September 30, 2013, we signed four leases, totaling less than 0.1 million square feet of leased space. Of these leases, three were with new tenants and one was a short-term extension with an existing tenant. The average rent for this leased space decreased from $16.06 per square foot to $13.82 per square foot. None of the tenants received tenant improvement allowances or concessions.

During the three months ended September 30, 2012, we signed three leases, totaling less than 0.1 million square feet of leased space. These leases were renewals or short-term extensions with existing tenants. The average rent for this leased space increased from $16.74 per square foot to $17.07 per square foot after the renewals. None of the tenants received tenant improvement allowances or concessions.

During the nine months ended September 30, 2013, we signed 11 leases, totaling approximately 0.3 million square feet of leased space. Of these leases, five were with new tenants and six were renewals or short-term extensions with existing tenants. The average rent for this leased space decreased from $8.00 per square foot to $6.49 per square foot. One of the tenants received a tenant improvement allowance of $0.8 million.

During the nine months ended September 30, 2012, we signed seven leases, totaling approximately 0.5 million square feet of leased space. These leases were renewals or short-term extensions with existing tenants. The average rent for this leased space increased from $5.53 per square foot to $5.55 per square foot after the renewals. None of the tenants received tenant improvement allowances or concessions.

During the year ended December 31, 2012, we signed 12 leases, totaling approximately 1.5 million square feet of leased space. Of these leases, two were with new tenants and 10 were renewals or short-term extensions with existing tenants. The average new rent for these leases was $4.49 per square foot and the average former rent was $5.81 per square foot. None of the tenants had tenant improvement allowances or concessions.

During the year ended December 31, 2011, we signed seven leases with new tenants, totaling approximately 0.6 million square feet of leased space. The average rent for these leases was $4.27 per square foot. None of the tenants had tenant improvement allowances or concessions.

Lease Revenues

As of September 30, 2013, approximately 75% of our net leases, based on annualized contractual minimum base rent, provide for adjustments based on formulas indexed to changes in the CPI, or other similar indices for the jurisdiction in which the property is located, some of which have caps and/or floors. In addition, approximately 23% of our net leases on that same basis have fixed rent adjustments with contractual minimum base rent scheduled to increase by an average of 2% in the next 12 months. We own international investments and, therefore, lease revenues from these investments are subject to fluctuations in exchange rate movements in foreign currencies, primarily the euro.

Table of Contents

As of December 31, 2012, approximately 75% of our net leases, based on annualized contractual minimum base rent, provide for adjustments based on formulas indexed to changes in the CPI, or other similar indices for the jurisdiction in which the property is located, some of which have caps and/or floors. In addition, approximately 22% of our net leases on that same basis have fixed rent adjustments. We own international investments and, therefore, lease revenues from these investments are subject to fluctuations in exchange rate movements in foreign currencies, primarily the euro.

2013 vs. 2012 For the three months ended September 30, 2013 as compared to the same period in 2012, lease revenues increased by $2.3 million, primarily due to the favorable impact of foreign currency fluctuations of $1.1 million, scheduled index-based rent increases of $0.8 million, and the effects of leasing activity totaling $0.3 million.

For the nine months ended September 30, 2013 as compared to the same period in 2012, lease revenues decreased by $1.5 million, primarily due to $5.4 million related to the impact of Carrefour France SAS declining to exercise its lease termination options on five properties at June 30, 2012 and the effects of leasing activity totaling $1.0 million. These decreases were partially offset by scheduled index-based rent increases of $3.2 million and the favorable impact of foreign currency fluctuations of $1.7 million.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, lease revenues increased by $13.2 million, primarily due to an increase of $24.7 million as a result of properties acquired in the CPA®:14/16 Merger and scheduled rent increases of $2.4 million, partially offset by the unfavorable impact of foreign currency fluctuations of $7.4 million and the effects of lease restructurings, rejections, and expirations totaling $6.1 million.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, lease revenues increased by $91.2 million, primarily due to an increase of $76.9 million as a result of properties acquired in the CPA®:14/16 Merger and the acquisition of shares in a subsidiary of CPA®:14 that owns ten properties in France (the "Carrefour Properties") in January 2011 (See Note 5 to the accompanying audited consolidated financial statements of CPA®:16 Global). SoHo House, a build-to-suit property which was placed into service in September 2010, contributed revenue of $8.9 million for 2011.

Other Operating Income

Other operating income generally consists of costs reimbursable by tenants and non-rent related revenues, including, but not limited to, settlements of claims against former lessees. We receive settlements in the ordinary course of business; however, the timing and amount of such settlements cannot always be estimated. Reimbursable tenant costs are recorded as both income and property expense, and, therefore, have no impact on net income.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, other operating income increased by $5.2 million, primarily due to an increase in reimbursable tenant costs of $4.5 million, of which $3.3 million was a result of the CPA®:14/16 Merger. Additionally, during the fourth quarter of 2011, we settled an outstanding lawsuit with a former tenant of CPA®:14 and received $1.1 million.

Interest Income on Notes Receivable

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, interest income on notes receivable decreased by $0.9 million, primarily due to a decrease in interest income received from the note receivable related to our SoHo House investment of $0.7 million. We received full repayment of the note in January 2012.

Table of Contents

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, interest income on notes receivable decreased by $21.5 million, primarily as a result of the decrease in our investment in the Hellweg 2 note receivable resulting from the exercise of a purchase option in November 2010 (See Note 6 to the accompanying audited consolidated financial statements of CPA®:16 Global).

General and Administrative

2013 vs. 2012 For the three and nine months ended September 30, 2013 as compared to the same periods in 2012, general and administrative expense increased by $3.7 million and $4.7 million, respectively, primarily due to expenses incurred of $2.4 million related to the Proposed Merger during each of the current year periods and an increase in management expenses of $0.8 million and $2.7 million, respectively. Management expenses include our reimbursements to the advisor for the allocated costs of personnel and overhead in providing management of our day-to-day operations and increased primarily due to an amendment to the advisory agreement in 2012 related to the basis of allocating advisor personnel expenses and overhead among WPC, the CPA REITs, and CWI. The increase for the nine-month period was partially offset by a decrease in professional fees of $1.1 million. Professional fees include legal, accounting, and investor-related expenses incurred in the normal course of business.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, general and administrative expense decreased by $11.3 million. The decrease was comprised of CPA®:14/16 Merger-related costs of $13.5 million not recurring in the current year period, partially offset by an increase in management expenses of $2.0 million. Management expenses include our reimbursements to the advisor for the allocated costs of personnel and overhead in providing management of our day-to-day operations and increased primarily due to the CPA®:14/16 Merger and an amendment to the advisory agreement in 2012 related to the basis of allocating advisor personnel expenses amongst the Managed REITs from individual time records to reported revenues (See Note 4 to the accompanying audited consolidated financial statements of CPA®:16 Global).

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, general and administrative expense increased by $17.4 million. CPA®:14/16 Merger-related costs represented $11.8 million of this increase, while professional fees and management expenses each represented an increase of $2.1 million. Professional fees include legal, accounting, and investor-related expenses incurred in the normal course of business. Professional fees increased primarily due to CPA®:14/16 Merger-related activity.

Depreciation and Amortization

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, depreciation and amortization increased by $9.7 million, primarily as a result of properties acquired in the CPA®:14/16 Merger, which contributed $10.0 million to the increase.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, depreciation and amortization increased by $34.6 million, primarily as a result of properties acquired in the CPA®:14/16 Merger, which contributed $20.8 million to the increase, and the Carrefour Properties, which contributed $11.5 million to the increase.

Property Expenses

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, property expenses increased by $0.4 million. The increase was primarily due to an increase in asset management fees of $1.6 million as a result of the CPA®:14/16 Merger, which increased the asset base from which the advisor earns a fee, as well as increases in professional fees of $1.5 million, real estate taxes of

Table of Contents

$0.8 million, and uncollected rent expense of $0.3 million. These increases were partially offset by a decrease in performance fees of $3.9 million as a result of the changes to our advisory agreement in connection with the UPREIT Reorganization. Subsequent to the UPREIT Reorganization, we no longer pay the advisor performance fees. Instead, we pay distributions to the Special General Partner (See Note 4 to the accompanying audited consolidated financial statements of CPA®:16 Global).

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, property expenses increased by $5.8 million. Asset management fees increased by $5.2 million as a result of the CPA®:14/16 Merger. Reimbursable tenant costs, primarily related to the CPA®:14/16 Merger, increased by $5.1 million. Reimbursable tenant costs are recorded as both revenue and expenses and therefore have no impact on our results of operations. Additionally, primarily as a result of the CPA®:14/16 Merger, uncollected rent expense, real estate taxes, and professional fees increased by $0.9 million, $0.7 million, and $0.5 million, respectively. These increases were partially offset by a decrease in performance fees of $7.8 million as a result of the changes to the advisory agreement in connection with the UPREIT Reorganization (See Note 4 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Issuance of Special Member Interest

During the year ended December 31, 2011, we incurred a non-cash charge of $34.3 million related to the issuance of the Special Member Interest to a subsidiary of W. P. Carey in consideration of the amendment of the advisory agreement as a result of the UPREIT Reorganization (See Note 4 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Impairment Charges

Our impairment charges are more fully described in Note 13 to the accompanying audited consolidated financial statements of CPA®:16 Global. Impairment charges related to our continuing real estate operations were as follows (in thousands):

	Years Ended December 31,			
Lessee	**2012**	**2011**	**2010**	**Triggering Event**
Cheese Works, Ltd.	$ 4,355	$	$	Tenant liquidation
Carrefour France, SAS		7,515		Property vacant with deteriorating market
Various lessees	409	1,925	1,276	Declines in guaranteed residual values, an anticipated sale, and a decline in market conditions
Impairment charges included in expenses	$ 4,764	$ 9,440	$ 1,276	

See Income from Equity Investments in Real Estate and Discontinued Operations below for additional impairment charges incurred.

As part of our portfolio management strategy, we exit from investments containing lower-quality, lower-growth assets. We have been marketing several properties for sale. We evaluate all potential sale opportunities taking into account the long-term growth prospects of assets being sold, the use of proceeds, and the impact to our balance sheet, in addition to the impact on operating results. In our experience, it is difficult for many buyers to complete these transactions in the timing contemplated or at all. Where the undiscounted cash flows, when considering and evaluating the various alternative courses of action that may occur, are less than the asset's carrying value, we recognize an impairment

Table of Contents

charge to reduce the property to its estimated fair value. Further, it is possible that we may sell an asset for a price below its estimated fair value and record a loss on sale.

Allowance for Credit Losses

2013 During the nine months ended September 30, 2013, we recorded an allowance for credit losses of $3.6 million on a property classified as Net investments in direct financing leases due to a decline in the estimated amount of future payments we will receive from the property's tenant, including the early termination of the direct financing lease.

Net Income (Loss) from Equity Investments in Real Estate

Income from equity investments in real estate represents our proportionate share of net income or loss (revenue less expenses) from investments entered into with affiliates or third parties in which we have a noncontrolling interest but over which we exercise significant influence.

2013 vs. 2012 For the three months ended September 30, 2013, we recognized net income from equity investments in real estate of $5.6 million, which was comprised primarily of equity income of $8.0 million, partially offset by the amortization of basis differences of $1.9 million and an other-than-temporary impairment charge of $0.5 million incurred on a jointly-owned investment.

For the three months ended September 30, 2012, we recognized net loss from equity investments in real estate of $1.0 million, which was comprised primarily of other-than-temporary impairment charges totaling $6.9 million incurred on two jointly-owned investments and the amortization of basis differences of $1.8 million, partially offset by equity income of $7.7 million.

For the nine months ended September 30, 2013 as compared to the same period in 2012, net income from equity investments in real estate increased by $5.3 million, primarily due to the impact of the other-than-temporary impairment charges totaling $6.9 million during the prior year period, partially offset by the receipt of our share of non-recurring lease termination income of $1.7 million received in February 2012 from the jointly-owned investment in the property now leased to Arelis Broadcast, Veolia Transport, and Marchal Levage (formerly Thales S.A.) and the impact of an other-than-temporary-impairment charge of $0.5 million incurred on a jointly-owned investment during the current year period.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, income from equity investments in real estate decreased by $4.3 million. This decrease was primarily attributable to the impact of other-than-temporary impairment charges totaling $6.9 million incurred on two jointly-owned investments, which were recorded as a result of a valuation conducted in connection with the W. P. Carey/CPA®:15 Merger. This decrease was partially offset by the impact of equity investments acquired in the CPA®:14/16 Merger, which contributed an additional $1.9 million for the year ended December 31, 2012 as compared to 2011, as well as our share of lease termination income received from the Thales S.A. investment in February 2012 of $1.7 million.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, income from equity investments in real estate increased by $4.5 million. This increase was comprised of the impact of equity investments acquired in the CPA®:14/16 Merger, which contributed $1.7 million, as well as our share of a gain recognized on a jointly-owned investment's buyback, at a discount, of a non-recourse mortgage loan that encumbered the property, which contributed $1.2 million. Other-than-temporary impairment charges totaling $1.0 million incurred on two jointly-owned investments during 2010 also accounted for the increase in 2011.

Table of Contents

Other Income and (Expenses)

Other income and (expenses) primarily consists of gains and losses on foreign currency transactions and derivative instruments. We and certain of our foreign consolidated subsidiaries have intercompany debt or advances that are not denominated in the investment's functional currency. For intercompany transactions that are of a long-term investment nature, the gain or loss is recognized as a cumulative translation adjustment in Other comprehensive income (loss). We also recognize gains or losses on foreign currency transactions when we repatriate cash from our foreign investments. In addition, we have certain derivative instruments, including common stock warrants, for which realized and unrealized gains and losses are included in earnings. The timing and amount of such gains or losses cannot always be estimated and are subject to fluctuation.

2013 For the three months ended September 30, 2013, we recognized net other income of $2.2 million, which was comprised of unrealized foreign currency transaction gains of $1.8 million and a gain on the sale of real estate of $0.4 million from the disposition of a parcel of land. During the comparable prior year period, we recognized net other income of $1.9 million, which was comprised primarily of net realized and unrealized foreign currency transaction gains of $1.6 million.

For the nine months ended September 30, 2013, we recognized net other income of $2.1 million, which was comprised primarily of net realized and unrealized foreign currency transaction gains of $1.1 million and the gain on the sale of real estate of $0.4 million from the disposition of a parcel of land.

Gain on Deconsolidation of a Subsidiary

2013 During both the three and nine months ended September 30, 2013, we recognized a gain on the deconsolidation of a subsidiary of $1.6 million.

Gain on Extinguishment of Debt

2012 During the year ended December 31, 2012, we recognized a net gain on the extinguishment of debt of $5.5 million, comprised primarily of a gain of $5.8 million resulting from the modification and partial extinguishment of the non-recourse mortgage loan related to our Hellweg 2 investment.

2011 During the year ended December 31, 2011, we recognized a net gain on the extinguishment of debt of $3.7 million, comprised primarily of a gain of $6.0 million in connection with the repurchase of a loan, partially offset by a loss of $2.5 million resulting from the defeasance of eight loans in connection with obtaining our Line of Credit (See Note 11 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Bargain Purchase Gain on Acquisition

In May 2011, we recognized a bargain purchase gain of $17.0 million in the CPA®:14/16 Merger because the fair values of CPA®:14's net assets increased more than the fair values of our net assets during the period between the date of the CPA®:14/16 Merger Agreement on December 13, 2010 and the closing of the CPA®:14/16 Merger on May 2, 2011. In addition, during the third and fourth quarters of 2011, we identified certain measurement period adjustments primarily related to properties acquired in the CPA®:14/16 Merger that were leased to PETsMART, Inc. ("PETsMART"), which impacted the provisional acquisition accounting, and resulted in an increase of $11.7 million to the preliminary bargain purchase gain. Furthermore, during the third quarter of 2012, we identified a receivable that we acquired as part of the CPA®:14/16 Merger in the second quarter of 2011 but was not recorded at that time. The receivable, if recorded during the second quarter of 2011, would have resulted in an increase to the bargain purchase gain from the CPA®:14/16 Merger in that quarter of $1.6 million. This change was recorded as an out-of-period adjustment in the statements of operations in the third quarter of

Table of Contents

2012 (See Note 2 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Interest Expense

2013 vs. 2012 For the three and nine months ended September 30, 2013 as compared to the same periods in 2012, interest expense decreased by $0.8 million and $5.4 million, respectively, primarily due to the impact of (i) favorable interest rates due to the amendment to the Line of Credit executed on August 1, 2012 totaling $0.8 million and $2.3 million, respectively, and (ii) the repayment of several non-recourse mortgage loans during 2012 totaling $0.2 million and $1.1 million, respectively. Additionally, the decrease for the nine-month period was due to the impact of lower interest rates on the variable-rate debt encumbering the properties leased to Carrefour France, SAS totaling $1.3 million.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, interest expense decreased by $2.0 million, primarily due to the impact of fluctuations in foreign currency exchange rates.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, interest expense increased by $30.0 million. Mortgage financing assumed in the CPA®:14/16 Merger and in the acquisition of the Carrefour Properties in January 2011 comprised $19.1 million of the increase, while amounts borrowed under our Line of Credit contributed $6.1 million. Additionally, capitalized interest expense decreased by $2.8 million for the year ended December 31, 2011 as compared to 2010 as a result of SoHo House being placed into service in September 2010.

Provision for Income Taxes

2013 vs. 2012 For the nine months ended September 30, 2013 as compared to the same period in 2012, provision for income taxes increased by $1.4 million, primarily due to back trade taxes incurred by our third-party redeemable noncontrolling interest partner in our Hellweg 2 investment during the current year period totaling $2.4 million, partially offset by decreases in foreign tax estimates on our Tesco PLC and Carrefour France, SAS portfolios of $0.9 million and $0.4 million, respectively.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, provision for income taxes decreased by $0.6 million, primarily due to a net decrease in foreign tax estimates and expenses of $1.0 million.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, provision for income taxes increased by $6.7 million, primarily due to the CPA®:14/16 Merger, which accounted for incremental tax expense of $3.1 million. Additionally, we recognized an increase in foreign tax expense related to our Hellweg 2 investment totaling $2.6 million.

Discontinued Operations

Income (loss) from discontinued operations, net of tax represents the net income or loss (revenue less expenses) from the operations of properties that were sold or held for sale.

2013 During the three and nine months ended September 30, 2013, we recognized income from discontinued operations of $5.5 million and loss from discontinued operations of $2.3 million, respectively. Income for the three months ended September 30, 2013 was comprised primarily of net income generated from the operations of properties in discontinued operations of $3.1 million and a net gain on the sale of real estate totaling $2.4 million from the disposition of ten properties. The loss for the nine months ended September 30, 2013 was comprised primarily of impairment charges and allowances for credit losses totaling $18.1 million and a net loss on the sale of real estate totaling

Table of Contents

$3.0 million from the disposition of 21 properties, partially offset by lease termination income of $8.1 million received in connection with the sales of several properties, net income generated from the operations of properties in discontinued operations of $5.9 million, and a gain of $4.7 million recognized on the deconsolidation of a subsidiary.

2012 During the year ended December 31, 2012, we recognized a loss from discontinued operations of $14.6 million, primarily due to impairment charges totaling $11.3 million and the net loss on sale of real estate totaling $4.1 million from the disposal of 11 properties, partially offset by net income generated from the operations of properties in discontinued operations of $1.2 million.

2011 During the year ended December 31, 2011, we recognized a loss from discontinued operations of $8.1 million, primarily due to impairment charges totaling $14.2 million, of which $12.4 million was recognized on the property formerly leased to International Aluminum Corp. These charges were partially offset by net income generated from the operations of properties in discontinued operations of $5.5 million and the recognition of a $1.2 million gain on the deconsolidation of the subsidiary that leased property to International Aluminum Corp.

2010 During the year ended December 31, 2010, we recognized income from discontinued operations of $4.6 million, primarily due to the recognition of a $7.1 million gain on the deconsolidation of the subsidiary that formerly leased property to Goertz & Schiele Corp. during the first quarter of 2010 and net income generated from the operations of properties in discontinued operations of $5.2 million, partially offset by impairment charges totaling $8.5 million.

Net Income Attributable to Noncontrolling Interests

2013 vs. 2012 For the three and nine months ended September 30, 2013 as compared to the same periods in 2012, net income attributable to noncontrolling interests increased by $0.6 million and decreased by $5.7 million, respectively. The decrease for the nine-month period was primarily due to our affiliates' share of a gain on extinguishment of debt related to the modification and partial extinguishment of the non-recourse mortgage loan on our Hellweg 2 investment in May 2012 of $4.2 million, and impairment charges and allowance for credit losses attributable to noncontrolling interests recognized on several properties during the second quarter of 2013 of $2.6 million.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, net income attributable to noncontrolling interests increased by $15.7 million, primarily due to an increase in the Available Cash Distribution paid to the Special General Partner of $9.2 million as a result of our payment of the Available Cash Distribution during four quarters of 2012 compared to two quarters during 2011, after the UPREIT Reorganization. Additionally, our affiliates' share of the gain on extinguishment of debt related to the modification and partial extinguishment of the non-recourse mortgage loan related to our Hellweg 2 investment in May 2012 was $4.2 million (See Note 11 to the accompanying audited consolidated financial statements of CPA®:16 Global).

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, net income attributable to noncontrolling interests increased by $5.0 million, primarily due to the Available Cash Distribution paid to the Special General Partner of $6.2 million, which commenced after the UPREIT Reorganization.

Net (Income) Loss Attributable to Redeemable Noncontrolling Interests

2013 For the nine months ended September 30, 2013, we recognized a loss attributable to redeemable noncontrolling interest of $1.0 million, primarily due to the back trade taxes paid by our third-party redeemable noncontrolling interest partner in our Hellweg 2 investment totaling $2.4 million, offset by income attributable to redeemable noncontrolling interest totaling $1.4 million.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, net income attributable to redeemable noncontrolling interests decreased by $4.1 million, primarily due to adjustments made during 2012 related to the misapplication of guidance in accounting for and clerical errors related to the Hellweg 2 investment (See Note 2 to the accompanying audited consolidated financial statements of CPA®:16 Global).

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, net income attributable to redeemable noncontrolling interests decreased by $20.4 million, primarily due to the November 2010 exercise of the put option in connection with the Hellweg 2 transaction in which we acquired an additional 70% interest in the limited partnership (See Note 6 to the accompanying audited consolidated financial statements of CPA®:16 Global).

Net Income (Loss) Attributable to CPA®:16 Stockholders

2013 vs. 2012 For the three and nine months ended September 30, 2013 as compared to the same periods in 2012, the resulting net income (loss) attributable to CPA®:16 Global stockholders increased by $17.7 million and $14.2 million, respectively.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, the resulting net income attributable to CPA®:16 Stockholders increased by $8.6 million.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, the resulting net income attributable to CPA®:16 Stockholders decreased by $22.5 million.

Modified Funds from Operations

MFFO is a non-GAAP measure we use to evaluate our business. For a definition of MFFO and a reconciliation to net income attributable to CPA®:16 Stockholders, see Supplemental Financial Measures below.

2013 vs. 2012 For the three and nine months ended September 30, 2013 as compared to the same periods in 2012, MFFO increased by $2.4 million and $14.1 million, respectively, primarily due to the decrease in interest expense during each of the current year periods and, in the case of the current year nine-month period, lease termination income received in connection with the sales of several properties.

2012 vs. 2011 For the year ended December 31, 2012 as compared to 2011, MFFO increased by $33.0 million, primarily due to the positive impact of properties acquired in the CPA®:14/16 Merger.

2011 vs. 2010 For the year ended December 31, 2011 as compared to 2010, MFFO increased by $58.9 million, primarily due to the positive impact of properties acquired in the CPA®:14/16 Merger.

Financial Condition

Sources and Uses of Cash During the Nine Months Ended September 30, 2013

We use the cash flow generated from our investments primarily to meet our operating expenses, service debt, and fund distributions to stockholders. Our cash flows fluctuate from period to period due to a number of factors, which may include, among other things, the timing of purchases and sales of real estate, the timing of the receipt of proceeds from and the repayment of non-recourse mortgage loans and receipt of lease revenues, the advisor's annual election to receive fees in shares of our common stock or cash, the timing and characterization of distributions from equity investments in real estate, payment to the advisor of the annual installment of deferred acquisition fees and interest thereon in the first quarter, payment of Available Cash Distributions, and changes in foreign currency exchange rates. Despite these fluctuations, we believe that we will generate sufficient cash from

operations and from equity distributions in excess of equity income in real estate to meet our normal recurring short-term and long-term liquidity needs. We may also use existing cash resources, the proceeds of non-recourse mortgage loans, unused capacity on our Line of Credit, and the issuance of additional equity securities to meet these needs. We assess our ability to access capital on an ongoing basis. Our sources and uses of cash during the period are described below.

Operating Activities

Net cash provided by operating activities during the nine months ended September 30, 2013 increased by $0.8 million compared to the same period in 2012, primarily due to the receipt of lease termination income in connection with the sale of a property. For 2013, the advisor elected to receive its asset management fees in shares of our common stock and as a result, during the nine months ended September 30, 2013 we paid asset management fees of $9.8 million through the issuance of stock rather than in cash.

Investing Activities

Our investing activities are generally comprised of real estate-related transactions, payment of our annual installment of deferred acquisition fees to the advisor related to asset acquisitions, and capitalized property-related costs. During the nine months ended September 30, 2013, we used $4.8 million to acquire one investment. We received a total of $47.9 million in connection with the sale of 22 properties and a parcel of land and $10.1 million in distributions from equity investments in real estate in excess of equity in net income. Funds totaling $10.7 million and $7.3 million were invested in and released from, respectively, lender-held investment accounts. We received $3.8 million in cash receipts from direct financing leases greater than revenue recognized. In January 2013, we paid $0.5 million as our annual installment of deferred acquisition fees to the advisor.

Financing Activities

During the nine months ended September 30, 2013, we paid net cash distributions to stockholders of $70.0 million, which excluded $32.6 million in distributions that were reinvested by stockholders through our DRIP, and paid distributions of $20.6 million to affiliates that hold noncontrolling interests in various entities with us. We drew down $65.0 million from our Line of Credit. We also repaid $133.0 million on our Line of Credit, prepaid several non-recourse mortgage loans totaling $9.2 million, and made scheduled mortgage principal installments totaling $32.2 million. We received proceeds totaling $16.0 million from new financing obtained on three properties, $32.6 million as a result of issuing shares through our DRIP, and $2.7 million in contributions from noncontrolling interests.

We maintain a quarterly redemption plan pursuant to which we may, at the discretion of our board of directors, redeem shares of our common stock from stockholders seeking liquidity. In light of the proposed Merger, our board of directors suspended our redemption plan on July 25, 2013, with the exception of special-circumstances redemptions as defined under the plan. During the nine months ended September 30, 2013, we received requests to redeem 1,339,586 shares of our common stock pursuant to our redemption plan, all of which were redeemed in the same period, at a weighted-average price per share of $8.49, which is net of redemption fees, totaling $11.4 million.

Sources and Uses of Cash During the Year Ended December 31, 2012

We use the cash flow generated from our investments to meet our operating expenses, service debt, and fund distributions to stockholders. Our cash flows fluctuate period to period due to a number of factors, which may include, among other things, the timing of purchases and sales of real estate, the timing of the receipt of proceeds from and the repayment of non-recourse mortgage loans and receipt of lease revenues, the advisor's annual election to receive fees in shares of our common stock or cash,

the timing and characterization of distributions from equity investments in real estate, payment to the advisor of the annual installment of deferred acquisition fees and interest thereon in the first quarter, payment of Available Cash Distributions, and changes in foreign currency exchange rates. Despite these fluctuations, we believe that we will generate sufficient cash from operations and from equity distributions in excess of equity income in real estate to meet our normal recurring short-term and long-term liquidity needs. We may also use existing cash resources, the proceeds of non-recourse mortgage loans, unused capacity on our Line of Credit, and the issuance of additional equity securities to meet these needs. We assess our ability to access capital on an ongoing basis. Our sources and uses of cash during the year are described below.

Operating Activities

Our cash flow from operating activities during 2012 increased by $34.0 million compared to 2011, reflecting the positive impact from cash flows generated from properties acquired in the CPA®:14/16 Merger. During 2012, we used cash flows from operating activities of $190.9 million primarily to fund net cash distributions to stockholders of $99.7 million, which excluded $34.9 million in distributions that were reinvested by stockholders through our distribution reinvestment and share purchase plan, and to pay distributions of $31.1 million to affiliates that hold noncontrolling interests in various entities with us. For 2012, the advisor elected to receive 50% of its asset management fees in shares of our common stock and as a result, we paid asset management fees of $11.8 million through the issuance of stock rather than in cash.

Investing Activities

Our investing activities are generally comprised of real estate-related transactions (purchases and sales), payment of our annual installment of deferred acquisition fees to the advisor, and capitalized property-related costs. We received $24.4 million in proceeds from the repayment in full of two loans related to building construction for an investment and approximately $13.0 million related to the return of our interest in a commercial mortgage loan securitization known as the Carey Commercial Mortgage Trust ("CCMT") as a result of the repayment of principal on certain mortgages included in the trust. We also received $25.1 million in connection with the sale of 11 properties (See Note 17 to the accompanying audited consolidated financial statements of CPA®:16 Global) and $14.5 million in distributions from equity investments in real estate in excess of equity in net income. We used $2.6 million primarily to fund construction costs for an expansion project. Funds totaling $16.6 million and $17.0 million were invested in and released from, respectively, lender-held investment accounts. In January 2012, we paid $1.6 million as our annual installment of deferred acquisition fees to the advisor.

Financing Activities

As noted above, during 2012, we paid distributions to stockholders and affiliates that hold noncontrolling interests in various entities with us. We drew down $35.0 million from our Line of Credit. We also repaid $119.0 million on our Line of Credit, prepaid several non-recourse mortgages totaling $62.4 million, and made scheduled mortgage principal installments totaling $86.0 million. We received proceeds of $67.6 million from new financing obtained on seven properties and from refinancing the mortgages on three properties, $34.9 million as a result of issuing shares through our distribution reinvestment and share purchase plan, and $20.8 million in contributions from noncontrolling interests. We also paid $3.6 million in deferred financing costs, primarily related to our Line of Credit. Funds totaling $2.7 million were released from lender-held escrow accounts for mortgage-related payments.

We maintain a quarterly redemption plan pursuant to which we may, at the discretion of our board of directors, redeem shares of our common stock from stockholders seeking liquidity. During 2012, we received requests to redeem 3,062,497 shares of our common stock pursuant to our redemption plan and we redeemed these shares at an average price per share of $8.60, totaling $26.3 million.

Table of Contents

Summary of Financing

The table below summarizes our non-recourse debt and Line of Credit (dollars in thousands):

	September 30, 2013	December 31, 2012
Carrying Value		
Fixed rate	$ 1,453,445	$ 1,481,089
Variable rate[(a)]	236,796	306,091
Total	$ 1,690,241	$ 1,787,180
Percent of Total Debt		
Fixed rate	86%	83%
Variable rate[(a)]	14%	17%
	100%	100%
Weighted-Average Interest Rate at End of Period		
Fixed rate	5.8%	5.8%
Variable rate[(a)]	3.2%	3.1%

(a) Variable-rate debt at September 30, 2013 included (i) $75.0 million outstanding under our Line of Credit; (ii) $69.1 million that was subject to an interest rate cap, but for which the applicable interest rate was below the effective interest rate of the cap at September 30, 2013; (iii) $65.9 million that has been effectively converted to a fixed rate through interest rate swap derivative instruments; (iv) $12.4 million in non-recourse mortgage loan obligations that bore interest at floating rates; and (v) $11.4 million in non-recourse mortgage loan obligations that bore interest at fixed rates but have interest rate reset features that may change the interest rates to then-prevailing market fixed rates (subject to specific caps) at certain points during their terms. At September 30, 2013, we had no interest rate resets or expirations of interest rate swaps or caps scheduled to occur during the next 12 months.

Cash Resources

At September 30, 2013, our cash resources consisted of cash and cash equivalents totaling $70.1 million. Of this amount, $48.7 million, at then-current exchange rates, was held in foreign subsidiaries and we could be subject to restrictions or significant costs should we decide to repatriate these amounts. We also had a Line of Credit with unused capacity of $132.4 million, as well as unleveraged properties that had an aggregate carrying value of $97.3 million at September 30, 2013, although there can be no assurance that we would be able to obtain financing for these properties. Our cash resources can be used for working capital needs and other commitments.

Line of Credit

On May 2, 2011, we entered into the Line of Credit with several banks, including Bank of America, N.A., which acts as the administrative agent, primarily to fund, in part, the cash portion of the CPA®:14/16 Merger consideration. CPA 16 Merger Sub, our subsidiary, is the borrower, and we and the Operating Partnership are guarantors. We incurred costs of $4.5 million during 2011 to procure the facility, which are being amortized over the term of the Line of Credit. On August 1, 2012, we amended the Line of Credit to reduce the amount available under the secured revolving credit facility from $320.0 million to $225.0 million, to reduce our annual interest rate from LIBOR plus 3.25% to LIBOR plus 2.50%, and to decrease the number of properties in our borrowing base pool. The Line of Credit is scheduled to mature on August 1, 2015, with an option by CPA 16 Merger Sub to extend the maturity date for an additional 12 months subject to the conditions provided in the Line of Credit. We

Table of Contents

incurred costs of $1.1 million during 2012 to amend the facility, which are being amortized over the term of the Line of Credit. The revolving credit facility can be used to repay certain property level indebtedness and for general corporate purposes.

Availability under the Line of Credit is dependent upon the number, operating performance, cash flows and diversification of the properties comprising the borrowing base pool. At September 30, 2013, availability under the line was $207.4 million, of which we had drawn $75.0 million.

The Line of Credit is fully recourse to CPA®:16 Global and contains customary affirmative and negative covenants, including covenants that restrict CPA®:16 Global and our subsidiaries' ability to, among other things, incur additional indebtedness (other than non-recourse indebtedness), grant liens, dispose of assets, merge or consolidate, make investments, make acquisitions, pay distributions, enter into certain transactions with affiliates, and change the nature of our business or fiscal year. In addition, the Line of Credit contains customary events of default and certain financial covenants (See Note 11 to the accompanying audited consolidated financial statements of CPA®:16 Global). We were in compliance with these covenants at September 30, 2013.

Cash Requirements

During the next 12 months, we expect that our cash payments will include paying distributions to our stockholders and to our affiliates that hold noncontrolling interests in our subsidiaries and making scheduled mortgage loan principal payments, as well as other normal recurring operating expenses. Balloon payments totaling $37.8 million, inclusive of amounts attributable to noncontrolling interests of $0.3 million, on our consolidated mortgage loan obligations are due during the next 12 months. Our share of balloon payments on our unconsolidated jointly-owned investments due during the next 12 months is $80.6 million. Our advisor is actively seeking to refinance certain of these loans, although there can be no assurance that it will be able to do so on favorable terms, if at all.

We expect to fund any capital expenditures on existing properties and scheduled debt maturities on non-recourse mortgage loans through cash generated from operations, the use of our cash reserves, or amounts available on our Line of Credit.

Off-Balance Sheet Arrangements and Contractual Obligations

The table below summarizes our debt, off-balance sheet arrangements and other contractual obligations at September 30, 2013 and the effect that these arrangements and obligations are expected to have on our liquidity and cash flow in the specified future periods (in thousands):

	Total	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years
Non-recourse debt and Line of Credit principal[(a)(b)]	$ 1,694,745	$ 85,211	$ 332,416	$ 894,069	$ 383,049
Deferred acquisition fees principal	1,309	458	838	13	
Interest on borrowings and deferred acquisition fees[(c)]	404,644	91,557	159,239	78,336	75,512
Subordinated disposition fees[(d)]	1,197	1,197			
Operating and other lease commitments[(e)]	59,384	2,593	4,844	5,658	46,289
	$ 2,161,279	$ 181,016	$ 497,337	$ 978,076	$ 504,850

(a) Excludes unamortized discount, net of $4.5 million (Note 10).

(b) Includes $75.0 million outstanding under our $225.0 million Line of Credit, which is scheduled to mature on August 1, 2015.

(c) Interest on an unhedged variable-rate debt obligation was calculated using the variable interest rate and balance outstanding at September 30, 2013.

(d) Represents amounts that may be payable to the Special General Partner in connection with sales of assets, if a 6% preferred return is satisfied. There can be no assurance as to whether or when these fees will be paid. Upon the consummation of the Proposed Merger, subordinated disposition fees payable to the Special General Partner will be waived.

(e) Operating and other lease commitments consist primarily of rent obligations under ground leases and our share of future minimum rents payable pursuant to the advisory agreement for the purpose of leasing office space used for the administration of real estate entities. Amounts are allocated among W. P. Carey, the CPA REITs, and CWI based on gross revenues and are adjusted quarterly. Rental obligations under ground leases are inclusive of amounts attributable to noncontrolling interests of approximately $12.2 million.

Amounts in the table above related to our foreign operations are based on the exchange rate of the local currencies at September 30, 2013, which consisted primarily of the euro. At September 30, 2013, we had no material capital lease obligations for which we were the lessee, either individually or in the aggregate.

Equity Method Investments

We have interests in unconsolidated investments that own single-tenant properties net leased to companies. Generally, the underlying investments are jointly-owned with our affiliates. At September 30, 2013, on a combined basis, these investments had total assets and third-party non-recourse mortgage debt of approximately $1.6 billion and $0.9 billion, respectively. At that date, our pro rata share of their aggregate debt was $342.4 million. Cash requirements with respect to our share of these debt obligations are discussed above under Cash Requirements.

Environmental Obligations

In connection with the purchase of many of our properties, we required the sellers to perform environmental reviews. We believe, based on the results of these reviews, that our properties were in substantial compliance with federal, state, and foreign environmental statutes at the time the properties were acquired. However, portions of certain properties have been subject to some degree of contamination, principally in connection with leakage from underground storage tanks, surface spills or other on-site activities. In most instances where contamination has been identified, tenants are actively engaged in the remediation process and addressing identified conditions. Tenants are generally subject to environmental statutes and regulations regarding the discharge of hazardous materials and any related remediation obligations. In addition, our leases generally require tenants to indemnify us from all liabilities and losses related to the leased properties and the provisions of such indemnifications specifically address environmental matters. The leases generally include provisions that allow for periodic environmental assessments, paid for by the tenant, and allow us to extend leases until such time as a tenant has satisfied its environmental obligations. Certain of our leases allow us to require financial assurances from tenants, such as performance bonds or letters of credit, if the costs of remediating environmental conditions are, in our estimation, in excess of specified amounts. Accordingly, we believe that the ultimate resolution of environmental matters should not have a material adverse effect on our financial condition, liquidity or results of operations.

Critical Accounting Estimates

Our significant accounting policies are described in Note 2 to the accompanying audited consolidated financial statements of CPA®:16 Global. Many of these accounting policies require judgment and the use of estimates and assumptions when applying these policies in the preparation of

Table of Contents

our consolidated financial statements. On a quarterly basis, we evaluate these estimates and judgments based on historical experience as well as other factors that we believe to be reasonable under the circumstances. These estimates are subject to change in the future if underlying assumptions or factors change. Certain accounting policies, while significant, may not require the use of estimates. Those accounting policies that require significant estimation and/or judgment are listed below.

Purchase Price Allocation

In connection with our acquisition of properties, we allocate the purchase price to tangible and intangible assets and liabilities acquired based on their estimated fair values. We determine the value of tangible assets, consisting of land and buildings, as if vacant, and record intangible assets, including the above- and below-market value of leases and the value of in-place leases, at their relative estimated fair values.

Tangible Assets

We determine the value attributed to tangible assets and additional investments in equity interests by applying a discounted cash flow model that is intended to approximate both what a third party would pay to purchase the vacant property and rent at current estimated market rates at a selected capitalization rate. In applying the model, we assume that the disinterested party would sell the property at the end of an estimated market lease term. Assumptions used in the model are property-specific where this information is available; however, when certain necessary information is not available, we use available regional and property type information. Assumptions and estimates include the following:

- a discount rate or internal rate of return;
- the marketing period necessary to put a lease in place;
- carrying costs during the marketing period;
- leasing commissions and tenant improvement allowances;
- market rents and growth factors of these rents; and
- a market lease term and a cap rate to be applied to an estimate of market rent at the end of the market lease term.

The discount rates and residual capitalization rates used to value the properties are selected based on several factors, including:

- the creditworthiness of the lessees;
- industry surveys;
- property type;
- property location and age;
- current lease rates relative to market lease rates; and

anticipated lease duration.

In the case where a tenant has a purchase option deemed to be favorable to the tenant, or the tenant has long-term renewal options at rental rates below estimated market rental rates, we assume the exercise of such purchase option or long-term renewal options in its determination of residual value.

Table of Contents

Where a property is deemed to have excess land, the discounted cash flow analysis includes the estimated excess land value at the assumed expiration of the lease, based upon an analysis of comparable land sales or listings in the general market area of the property growing at estimated market growth rates through the year of lease expiration.

The remaining economic life of leased assets is estimated by relying in part upon third-party appraisals of the leased assets, industry standards, and our experience. Different estimates of remaining economic life will affect the depreciation expense that is recorded.

Intangible Assets

We acquire properties subject to net leases and determine the value of above-market and below-market lease intangibles based on the difference between (i) the contractual rents to be paid pursuant to the leases negotiated and in place at the time of acquisition of the properties and (ii) our estimate of fair market lease rates for the property or a similar property, both of which are measured over a period equal to the estimated lease term, which includes any renewal options with rental rates below estimated market rental rates. We discount the difference between the estimated market rent and contractual rent to a present value using an interest rate reflecting our current assessment of the risk associated with the lease acquired, which includes a consideration of the credit of the lessee. Estimates of market rent are generally determined by us relying in part upon a third-party appraisal obtained in connection with the property acquisition and can include estimates of market rent increase factors, which are generally provided in the appraisal or by local real estate brokers. We measure the fair value of below-market purchase option liabilities we acquire as the excess of the present value of the fair value of the real estate over the present value of the tenant's exercise price.

We evaluate the specific characteristics of each tenant's lease in determining the value of in-place lease intangibles. To determine the value of in-place lease intangibles, we consider the following:

(a) estimated market rent;

(b) estimated lease term, including renewal options at rental rates below estimated market rental rates;

(c) estimated carrying costs of the property during a hypothetical expected lease-up period; and

(d) current market conditions and costs to execute similar leases.

Estimated carrying costs of the property include real estate taxes, insurance, other property operating costs, and estimates of lost rentals at market rates during the market participants' expected lease-up periods, based on assessments of specific market conditions.

We determine these values using our estimates or by relying in part upon third-party appraisals conducted by independent appraisal firms.

Bargain Purchase Gain

In the case of a business combination, after identifying all tangible and intangible assets and liabilities, the excess of the fair value of the assets and liabilities acquired over the consideration paid represents a bargain purchase gain recorded in the consolidated statement of income.

Impairments

We periodically assess whether there are any indicators that the value of our long-lived assets may be impaired or that their carrying value may not be recoverable. These impairment indicators include, but are not limited to, the vacancy of a property that is not subject to a lease; a lease default by a tenant that is experiencing financial difficulty; the termination of a lease by a tenant or the rejection of

Table of Contents

a lease in a bankruptcy proceeding. We may incur impairment charges on long-lived assets, including real estate, direct financing leases, assets held for sale, and equity investments in real estate. Estimates and judgments used when evaluating whether these assets are impaired are presented below.

Real Estate

For real estate assets that we intend to hold and use in which an impairment indicator is identified, we follow a two-step process to determine whether an asset is impaired and to determine the amount of the charge. First, we compare the carrying value of the property's asset group to the future net undiscounted cash flow that we expect the property's asset group will generate, including any estimated proceeds from the eventual sale of the property's asset group. The undiscounted cash flow analysis requires us to make our best estimate of market rents, residual values and holding periods. We estimate market rents and residual values using market information from outside sources such as broker quotes or recent comparable sales. In cases where the available market information is not deemed appropriate, we perform a future net cash flow analysis discounted for inherent risk associated with each asset to determine an estimated fair value. As our investment objective is to hold properties on a long-term basis, holding periods used in the undiscounted cash flow analysis generally range from five to ten years. Depending on the assumptions made and estimates used, the future cash flow projected in the evaluation of long-lived assets can vary within a range of outcomes. We consider the likelihood of possible outcomes in determining our estimate of future cash flows. If the future net undiscounted cash flow of the property's asset group is less than the carrying value, the carrying value of the property's asset group is considered not recoverable. We then measure the impairment loss as the excess of the carrying value of the property's asset group over its estimated fair value. The property asset group's estimated fair value is primarily determined using market information from outside sources such as broker quotes or recent comparable sales.

Assets Held for Sale

We classify real estate assets that are accounted for as operating leases as held for sale when we have entered into a contract to sell the property, all material due diligence requirements have been satisfied and we believe it is probable that the disposition will occur within one year. When we classify an asset as held for sale, we carry the investment at the lower of its current carrying value or as the expected sale price, less expected selling costs. We base the expected sale price on the contract and the expected selling costs on information provided by brokers and legal counsel. We then compare the asset's expected sales price, less expected selling costs to its carrying value, and if the expected sales price, less expected selling costs is less than the property's carrying value, we reduce the carrying value to the expected sales price, less expected selling costs. We will continue to review the initial impairment for subsequent changes in the expected sales price, and may recognize an additional impairment charge if warranted.

Direct Financing Leases

We review our direct financing leases at least annually to determine whether there has been an other-than-temporary decline in the current estimate of residual value of the property. The residual value is our estimate of what we could realize upon the sale of the property at the end of the lease term, based on market information and third-party estimates where available. If this review indicates that a decline in residual value has occurred that is other-than-temporary, we recognize an impairment charge and revise the accounting for the direct financing lease to reflect a portion of the future cash flow from the lessee as a return of principal rather than as revenue.

When we enter into a contract to sell the real estate assets that are recorded as direct financing leases, we evaluate whether we believe it is probable that the disposition will occur. If we determine that the disposition is probable and therefore the asset's holding period is reduced, we record an

Table of Contents

allowance for credit losses to reflect the change in the estimate of the undiscounted future rents. Accordingly, the net investment balance is written down to fair value.

Equity Investments in Real Estate

We evaluate our equity investments in real estate on a periodic basis to determine if there are any indicators that the value of our equity investment may be impaired and to establish whether or not that impairment is other-than-temporary. To the extent impairment has occurred, we measure the charge as the excess of the carrying value of our investment over its estimated fair value, which is determined by multiplying the estimated fair value of the underlying investment's net assets by our ownership interest percentage. For our unconsolidated jointly-owned investments in real estate, we calculate the estimated fair value of the underlying investment's real estate or net investment in direct financing lease as described in Real Estate and Direct Financing Leases above. The fair value of the underlying investment's debt, if any, is calculated based on market interest rates and other market information. The fair value of the underlying investment's other financial assets and liabilities (excluding net investment in direct financing leases) have fair values that approximate their carrying values.

Supplemental Financial Measures

In the real estate industry, analysts and investors employ certain non-GAAP supplemental financial measures in order to facilitate meaningful comparisons between periods and among peer companies. Additionally, in the formulation of our goals and in the evaluation of the effectiveness of our strategies, we use supplemental non-GAAP measures which are uniquely defined by our management. We believe these measures are useful to investors to consider because they may assist them to better understand and measure the performance of our business over time and against similar companies. A description of these non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures are provided below.

Funds from Operations ("***FFO***") and Modified Funds from Operations ("***MFFO***")

Due to certain unique operating characteristics of real estate companies, as discussed below, the National Association of Real Estate Investment Trusts, Inc. ("***NAREIT***"), an industry trade group, has promulgated a measure known as FFO, which we believe to be an appropriate supplemental measure to reflect the operating performance of a REIT. The use of FFO is recommended by the REIT industry as a supplemental performance measure. FFO is not equivalent to nor a substitute for net income or loss as determined under GAAP.

We define FFO consistent with the standards established by the White Paper on FFO approved by the Board of Governors of NAREIT, as revised in February 2004, or the White Paper. The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding gains or losses from sales of property, impairment charges on real estate and depreciation and amortization; and after adjustments for unconsolidated partnerships and jointly-owned investments. Adjustments for unconsolidated partnerships and jointly-owned investments are calculated to reflect FFO.

The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, which implies that the value of real estate assets diminishes predictably over time, especially if such assets are not adequately maintained or repaired and renovated as required by relevant circumstances and/or is requested or required by lessees for operational purposes in order to maintain the value disclosed. We believe that, since real estate values historically rise and fall with market conditions, including inflation, interest rates, the business cycle, unemployment and consumer spending, presentations of operating results for a REIT using historical accounting for depreciation may be less informative. Historical accounting for real estate involves the use of GAAP. Any other method of accounting for real estate such as the fair value method cannot be construed to be any more accurate or relevant than the comparable methodologies of real estate valuation found in GAAP.

Table of Contents

Nevertheless, we believe that the use of FFO, which excludes the impact of real estate-related depreciation and amortization as well as impairment charges of real estate-related assets, provides a more complete understanding of our performance to investors and to management, and when compared year over year, reflects the impact on our operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses, and interest costs, which may not be immediately apparent from net income. In particular, we believe it is appropriate to disregard impairment charges, as this is a fair value adjustment that is largely based on market fluctuations and assessments regarding general market conditions which can change over time. An asset will only be evaluated for impairment if certain impairment indications exist and if the carrying, or book value, exceeds the total estimated undiscounted future cash flows (including net rental and lease revenues, net proceeds on the sale of the property, and any other ancillary cash flows at a property or group level under GAAP) from such asset. Investors should note, however, that determinations of whether impairment charges have been incurred are based partly on anticipated operating performance, because estimated undiscounted future cash flows from a property, including estimated future net rental and lease revenues, net proceeds on the sale of the property, and certain other ancillary cash flows, are taken into account in determining whether an impairment charge has been incurred. While impairment charges are excluded from the calculation of FFO described above, investors are cautioned that, due to the fact that impairments are based on estimated future undiscounted cash flows and the relatively limited term of our operations, it could be difficult to recover any impairment charges. However, FFO and MFFO, as described below, should not be construed to be more relevant or accurate than the current GAAP methodology in calculating net income or in its applicability in evaluating the operating performance of the company. The method utilized to evaluate the value and performance of real estate under GAAP should be construed as a more relevant measure of operational performance and considered more prominently than the non-GAAP FFO and MFFO measures and the adjustments to GAAP in calculating FFO and MFFO.

Changes in the accounting and reporting promulgations under GAAP (for acquisition fees and expenses from a capitalization/depreciation model to an expensed-as-incurred model) were put into effect in 2009. These other changes to GAAP accounting for real estate subsequent to the establishment of NAREIT's definition of FFO have prompted an increase in cash-settled expenses, such as acquisition fees, that are typically accounted for as operating expenses. Management believes these fees and expenses do not affect our overall long-term operating performance. Publicly registered, non-listed REITs typically have a significant amount of acquisition activity and are substantially more dynamic during their initial years of investment and operation. In addition, non-listed REITs typically have a limited life with targeted exit strategies after acquisition activity ceases. In the prospectus for our follow-on offering dated April 28, 2006 (the "***Prospectus***"), we stated our intention to begin considering liquidity events (i.e., listing of our common stock on a national exchange, a merger or sale of our assets, or another similar transaction) for investors generally commencing eight years following the investment of substantially all of the proceeds from our initial public offering, which occurred in December 2005, and on July 25, 2013 we entered into an agreement to merge with and into a subsidiary of W. P. Carey. Thus, we do not intend to continuously purchase assets and intend to have a limited life. Due to the above factors and other unique features of publicly registered, non-listed REITs, the Investment Program Association ("***IPA***"), an industry trade group, has standardized a measure known as MFFO, which the IPA has recommended as a supplemental measure for publicly registered non-listed REITs and which we believe to be another appropriate supplemental measure to reflect the operating performance of a non-listed REIT having the characteristics described above. MFFO is not equivalent to our net income or loss as determined under GAAP, and MFFO may not be a useful measure of the impact of long-term operating performance on value if we do not continue to operate with a limited life and targeted exit strategy, as currently intended. We believe that, because MFFO excludes costs that we consider more reflective of investing activities and other non-operating items included in FFO and also excludes acquisition fees and expenses that affect our operations only

in periods in which properties are acquired, MFFO can provide, on a going forward basis, an indication of the sustainability (that is, the capacity to continue to be maintained) of our operating performance after the period in which we are acquiring properties and once our portfolio is in place. By providing MFFO, we believe we are presenting useful information that assists investors and analysts to better assess the sustainability of our operating performance now that our offering has been completed and essentially all of our properties have been acquired. We also believe that MFFO is a recognized measure of sustainable operating performance by the non-listed REIT industry. Further, we believe MFFO is useful in comparing the sustainability of our operating performance since our offering and essentially all of our acquisitions are completed with the sustainability of the operating performance of other real estate companies that are not as involved in acquisition activities. Investors are cautioned that MFFO should only be used to assess the sustainability of a company's operating performance after a company's offering has been completed and properties have been acquired, as it excludes acquisition costs that have a negative effect on a company's operating performance during the periods in which properties are acquired.

We define MFFO consistent with the IPA's Guideline 2010-01, Supplemental Performance Measure for Publicly Registered, Non-Listed REITs: Modified Funds from Operations, or the Practice Guideline, issued by the IPA in November 2010. The Practice Guideline defines MFFO as FFO further adjusted for the following items, as applicable, included in the determination of GAAP net income: acquisition fees and expenses; amounts relating to deferred rent receivables and amortization of above and below market leases and liabilities (which are adjusted in order to reflect such payments from a GAAP accrual basis to a cash basis of disclosing the rent and lease payments); accretion of discounts and amortization of premiums on debt investments; nonrecurring impairments of real estate-related investments (i.e., infrequent or unusual, not reasonably likely to recur in the ordinary course of business); mark-to-market adjustments included in net income; nonrecurring gains or losses included in net income from the extinguishment or sale of debt, hedges, foreign exchange, derivatives, or securities holdings where trading of such holdings is not a fundamental attribute of the business plan, unrealized gains or losses resulting from consolidation from, or deconsolidation to, equity accounting, and after adjustments for consolidated and unconsolidated partnerships and jointly-owned investments, with such adjustments calculated to reflect MFFO on the same basis. The accretion of discounts and amortization of premiums on debt investments, nonrecurring unrealized gains and losses on hedges, foreign exchange, derivatives or securities holdings, unrealized gains and losses resulting from consolidations, as well as other listed cash flow adjustments are adjustments made to net income in calculating the cash flows provided by operating activities and, in some cases, reflect gains or losses which are unrealized and may not ultimately be realized. While we are responsible for managing interest rate, hedge and foreign exchange risk, we retain an outside consultant to review all our hedging agreements. Inasmuch as interest rate hedges are not a fundamental part of our operations, we believe it is appropriate to exclude such infrequent gains and losses in calculating MFFO, as such gains and losses are not reflective of on-going operations.

In calculating MFFO, we exclude acquisition-related expenses, amortization of above- and below-market leases, fair value adjustments of derivative financial instruments, deferred rent receivables and the adjustments of such items related to noncontrolling interests. Under GAAP, acquisition fees and expenses are characterized as operating expenses in determining operating net income. These expenses are paid in cash by a company. All paid and accrued acquisition fees and expenses will have negative effects on returns to investors, the potential for future distributions, and cash flows generated by the company, unless earnings from operations or net sales proceeds from the disposition of other properties are generated to cover the purchase price of the property, these fees and expenses and other costs related to such property. Further, under GAAP, certain contemplated non-cash fair value and other non-cash adjustments are considered operating non-cash adjustments to net income in determining cash flow from operating activities. In addition, we view fair value adjustments of derivatives and gains and losses from dispositions of assets as infrequent items or items which are

Table of Contents

unrealized and may not ultimately be realized, and which are not reflective of on-going operations and are therefore typically adjusted for assessing operating performance.

Our management uses MFFO and the adjustments used to calculate it in order to evaluate our performance against other non-listed REITs which have limited lives with short and defined acquisition periods and targeted exit strategies shortly thereafter. As noted above, MFFO may not be a useful measure of the impact of long-term operating performance on value if we do not continue to operate in this manner. We believe that our use of MFFO and the adjustments used to calculate it allow us to present our performance in a manner that reflects certain characteristics that are unique to non-listed REITs, such as their limited life, limited and defined acquisition period and targeted exit strategy, and hence that the use of such measures is useful to investors. For example, acquisition costs were generally funded from the proceeds of our offering and other financing sources and not from operations. By excluding expensed acquisition costs, the use of MFFO provides information consistent with management's analysis of the operating performance of the properties. Additionally, fair value adjustments, which are based on the impact of current market fluctuations and underlying assessments of general market conditions, but can also result from operational factors such as rental and occupancy rates, may not be directly related or attributable to our current operating performance. By excluding such changes that may reflect anticipated and unrealized gains or losses, we believe MFFO provides useful supplemental information.

Presentation of this information is intended to provide useful information to investors as they compare the operating performance of different REITs, although it should be noted that not all REITs calculate FFO and MFFO the same way, so comparisons with other REITs may not be meaningful. Furthermore, FFO and MFFO are not necessarily indicative of cash flow available to fund cash needs and should not be considered as an alternative to net income or income from continuing operations as an indication of our performance, as an alternative to cash flows from operations as an indication of our liquidity, or indicative of funds available to fund our cash needs including our ability to make distributions to our stockholders. FFO and MFFO should be reviewed in conjunction with other GAAP measurements as an indication of our performance.

Neither the SEC, NAREIT nor any other regulatory body has passed judgment on the acceptability of the adjustments that we use to calculate FFO or MFFO. In the future, the SEC, NAREIT or another regulatory body may decide to standardize the allowable adjustments across the non-listed REIT industry and we would have to adjust our calculation and characterization of FFO or MFFO accordingly.

Table of Contents

FFO and MFFO were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2013	2012	2013	2012
Net income (loss) attributable to CPA®:16 Global stockholders	$ 17,272	$ (389)	$ 29,154	$ 14,909
Adjustments:				
Depreciation and amortization of real property	22,134	23,185	67,135	75,273
Impairment charges		6,461	12,349	6,956
(Gain) loss on sale of real estate	(2,758)		2,541	2,189
Proportionate share of adjustments to equity in net income of partially owned entities to arrive at FFO:				
Depreciation and amortization of real property	3,429	3,452	10,801	10,866
Impairment charges	515	6,795	515	6,879
Loss on sale of real estate		412		90
Proportionate share of adjustments for noncontrolling interests to arrive at FFO	(2,888)	(2,419)	(9,535)	(8,238)
Total adjustments	20,432	37,886	83,806	94,015
FFO as defined by NAREIT	37,704	37,497	112,960	108,924
Adjustments:				
Bargain purchase gain on acquisition		(1,617)		(1,617)
Gain on deconsolidation of a subsidiary	(1,580)		(6,279)	
Loss (gain) on extinguishment of debt		49		(5,115)
Other depreciation, amortization, and non-cash charges	(1,910)	(1,219)	(773)	241
Straight-line and other rent adjustments[a]	1,523	1,330	3,902	(2,085)
Allowance for credit losses			9,358	
Acquisition and merger expenses[b]	2,525	106	2,745	439
Amortization of deferred financing costs	323	328	966	1,068
Above- and below-market rent intangible lease amortization, net[c]	3,994	4,462	12,251	14,398
Amortization of premiums on debt investments, net	75	83	227	165
Realized losses (gains) on foreign currency, derivatives, and other[d]	302	(558)	(807)	(558)
Unrealized losses on mark-to-market adjustments[e]	237	172	775	256
Proportionate share of adjustments to equity in net income of partially owned entities to arrive at MFFO:				
Other depreciation, amortization, and non-cash charges	(23)	(25)	(39)	85
Straight-line and other rent adjustments[a]	(127)	(54)	(449)	11
Acquisition expenses[b]	58	64	175	192
Above- and below-market rent intangible lease amortization, net[c]	896	921	2,425	2,769
Proportionate share of adjustments for noncontrolling interests to arrive at MFFO	15	38	(208)	4,003
Total adjustments	6,308	4,080	24,269	14,252
MFFO[a][b]	$ 44,012	$ 41,577	$ 137,229	$ 123,176

(a) Under GAAP, rental receipts are allocated to periods using an accrual basis. This may result in income recognition that is significantly different than underlying contract terms. By adjusting for these items (to reflect such payments from a GAAP accrual basis to a cash basis of disclosing the rent and lease payments), management believes that MFFO provides useful supplemental information on the realized economic impact of lease terms and debt investments, provides insight on the contractual cash flows of

Table of Contents

such lease terms and debt investments, and aligns results with management's analysis of operating performance.

(b)

In evaluating investments in real estate, management differentiates the costs to acquire the investment from the operations derived from the investment, as well as the costs associated with a liquidity event, such as merger expenses. Such information would be comparable only for non-listed REITs that have completed their acquisition activity and have other similar operating characteristics. By excluding expensed acquisition and merger costs and amortization of deferred acquisition fees, management believes MFFO provides useful supplemental information that is comparable for each type of real estate investment and is consistent with management's analysis of the investing and operating performance of our properties. Acquisition fees and expenses and merger expenses include payments to our advisor or third parties. Acquisition fees and expenses and merger expenses under GAAP are considered operating expenses and as expenses included in the determination of net income and income from continuing operations, both of which are performance measures under GAAP. All paid and accrued acquisition fees and expenses and merger expenses will have negative effects on returns to stockholders, the potential for future distributions, and cash flows generated by us, unless earnings from operations or net sales proceeds from the disposition of properties are generated to cover the purchase price of the property, these fees and expenses and other costs related to the property.

(c)

Under GAAP, certain intangibles are accounted for at cost and reviewed at least annually for impairment, and certain intangibles are assumed to diminish predictably in value over time and amortized, similar to depreciation and amortization of other real estate related assets that are excluded from FFO. However, because real estate values and market lease rates historically rise or fall with market conditions, management believes that by excluding charges relating to amortization of these intangibles, MFFO provides useful supplemental information on the performance of the real estate.

(d)

Management believes that adjusting for fair value adjustments for derivatives provides useful information because such fair value adjustments are based on market fluctuations and may not be directly related or attributable to our operations.

(e)

Management believes that adjusting for mark-to-market adjustments is appropriate because they are items that may not be reflective of on-going operations and reflect unrealized impacts on value based only on then current market conditions, although they may be based upon current operational issues related to an individual property or industry or general market conditions. The need to reflect mark-to-market adjustments is a continuous process and is analyzed on a quarterly and/or annual basis in accordance with GAAP.

Table of Contents

	Years Ended December 31,		
	2012	2011	2010
Net income attributable to CPA®:16 Stockholders	$ 18,066	$ 9,500	$ 32,007
Adjustments:			
Depreciation and amortization of real property	100,266	88,207	48,368
Impairment charges	16,058	23,663	9,808
Loss (gain) on sale of real estate	4,087	(472)	78
Proportionate share of adjustments to equity in net income of partially owned entities to arrive at FFO:			
Depreciation and amortization of real property	16,144	14,464	8,563
Impairment charges	6,879	3,834	1,046
Loss (gain) on sale of real estate	91	(2,653)	
Proportionate share of adjustments for noncontrolling interests to arrive at FFO	(11,342)	(15,590)	(12,928)
Total adjustments	132,183	111,453	54,935
FFO as defined by NAREIT	150,249	120,953	86,942
Adjustments:			
Issuance of Special Member Interest		34,300	
Bargain purchase gain on acquisition	(1,617)	(28,709)	
Gain on deconsolidation of a subsidiary		(1,167)	(7,082)
Gain on extinguishment of debt	(3,779)	(3,135)	(879)
Other depreciation, amortization and non-cash charges	(1,154)	2,800	237
Straight-line and other rent adjustments[a]	(1,514)	(13,844)	(260)
Acquisition expenses[b]	443	539	222
Merger expenses[b]	100	13,608	
Amortization of deferred financing costs	1,394		
Above-market rent intangible lease amortization, net[c]	18,483	14,369	619
Amortization of premiums on debt investments, net	240	544	281
Realized gains on foreign currency, derivatives, and other[d]	(1,104)	(1,944)	(991)
Unrealized losses (gains) on mark-to-market adjustments[e]	493	(41)	
Proportionate share of adjustments to equity in net income of partially owned entities to arrive at MFFO:			
Other depreciation, amortization and other non-cash charges	(107)	651	
Straight-line and other rent adjustments[a]	(274)	(1,930)	(247)
Loss (gain) on extinguishment of debt	84	(1,207)	
Acquisition expenses[b]	200	257	256
Above (below)-market rent intangible lease amortization, net[c]	4,202	1,948	271
Realized (gains) losses on foreign currency, derivatives, and other[d]	(3)	(36)	57
Unrealized losses (gains) on mark-to-market adjustments[e]	818	(2)	
Proportionate share of adjustments for noncontrolling interests to arrive at MFFO	4,028	241	(112)
Total adjustments	20,933	17,242	(7,628)
MFFO[a][b]	$ 171,182	$ 138,195	$ 79,314

(a) Under GAAP, rental receipts are allocated to periods using various methodologies. This may result in income recognition that is significantly different from the underlying contract terms. By adjusting for these items (to reflect such payments from a GAAP accrual basis to a cash basis of disclosing the rent and lease payments), management believes that MFFO provides useful supplemental information on the realized economic impact of lease terms and debt investments, provides insight on the contractual cash flows of such lease terms and debt investments, and aligns results with management's analysis of operating performance.

Table of Contents

(b)
In evaluating investments in real estate, management differentiates the costs to acquire the investment from the operations derived from the investment. Such information would be comparable only for non-listed REITs that have completed their acquisition activity and have other similar operating characteristics. By excluding expensed acquisition costs, management believes MFFO provides useful supplemental information that is comparable for each type of real estate investment and is consistent with management's analysis of the investing and operating performance of our properties. Acquisition fees and expenses include payments to our advisor or third parties. Acquisition fees and expenses under GAAP are considered operating expenses and as expenses included in the determination of net income and income from continuing operations, both of which are performance measures under GAAP. All paid and accrued acquisition fees and expenses will have negative effects on returns to stockholders, the potential for future distributions, and cash flows generated by us, unless earnings from operations or net sales proceeds from the disposition of properties are generated to cover the purchase price of the property, these fees and expenses and other costs related to the property.

(c)
Under GAAP, certain intangibles are accounted for at cost and reviewed at least annually for impairment, and certain intangibles are assumed to diminish predictably in value over time and amortized, similar to depreciation and amortization of other real estate related assets that are excluded from FFO. However, because real estate values and market lease rates historically rise or fall with market conditions, management believes that by excluding charges relating to amortization of these intangibles, MFFO provides useful supplemental information on the performance of the real estate.

(d)
Management believes that adjusting for fair value adjustments for derivatives provides useful information because such fair value adjustments are based on market fluctuations and may not be directly related or attributable to our operations.

(e)
Management believes that adjusting for mark-to-market adjustments is appropriate because they are items that may not be reflective of on-going operations and reflect unrealized impacts on value based only on then current market conditions, although they may be based upon current operational issues related to an individual property or industry or general market conditions. The need to reflect mark-to-market adjustments is a continuous process and is analyzed on a quarterly and/or annual basis in accordance with GAAP.

Quantitative and Qualitative Disclosures About Market Risk

Market Risk

Market risk is the exposure to loss resulting from changes in interest rates, foreign currency exchange rates, and equity prices. The primary risks to which we are exposed are interest rate risk and foreign currency exchange risk. We are also exposed to further market risk as a result of concentrations of tenants in certain industries and/or geographic regions. Adverse market factors can affect the ability of tenants in a particular industry/region to meet their respective lease obligations. In order to manage this risk, we view our collective tenant roster as a portfolio, and in its investment decisions the advisor attempts to diversify our portfolio so that we are not overexposed to a particular industry or geographic region.

Generally, we do not use derivative instruments to hedge credit/market risks or for speculative purposes. However, from time to time, we may enter into foreign currency derivative contracts to hedge our foreign currency cash flow exposures.

Interest Rate Risk

The carrying value of our real estate and related fixed-rate debt obligations is subject to fluctuations based on changes in interest rates. The value of our real estate is also subject to fluctuations based on local and regional economic conditions and changes in the creditworthiness of lessees, all of which may affect our ability to refinance property-level mortgage debt when balloon payments are scheduled. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political conditions, and other

Table of Contents

factors beyond our control. An increase in interest rates would likely cause the fair value of our owned assets to decrease. Increases in interest rates may also have an impact on the credit profile of certain tenants.

We are exposed to the impact of interest rate changes primarily through our borrowing activities. To limit this exposure, we attempt to obtain non-recourse mortgage financing on a long-term, fixed-rate basis. However, from time to time, we or our investment partners may obtain variable-rate non-recourse mortgage loans and, as a result, may enter into interest rate swap agreements or interest rate cap agreements with lenders that effectively convert the variable-rate debt service obligations of the loan to a fixed rate or limit the underlying interest rate from exceeding a specified strike rate, respectively. Interest rate swaps are agreements in which one party exchanges a stream of interest payments for a counterparty's stream of cash flows over a specific period, and interest rate caps limit the effective borrowing rate of variable-rate debt obligations while allowing participants to share in downward shifts in interest rates. These interest rate swaps and caps are derivative instruments designated as cash flow hedges on the forecasted interest payments on the debt obligation. The notional, or face, amount on which the swaps or caps are based is not exchanged. Our objective in using these derivatives is to limit our exposure to interest rate movements.

The net fair value of our interest rate swaps and cap, which are included in Accounts payable, accrued expenses, and other liabilities and other assets, net in the consolidated financial statements, was in a net liability position of $2.4 million at September 30, 2013. In addition, two unconsolidated investments in which we have interests of 25% and 27% had an interest rate swap and an interest rate cap, respectively, with a net estimated fair value liability of $12.8 million in the aggregate, representing the total amount attributable to the entities, not our proportionate share, at September 30, 2013.

At September 30, 2013, the majority (approximately 95%) of our long-term debt either bore interest at fixed rates, was swapped or capped to a fixed rate, or bore interest at fixed rates that were scheduled to convert to then-prevailing market fixed rates at certain future points during their term. The annual interest rates on our fixed-rate debt at September 30, 2013 ranged from 4.3% to 7.8%. The contractual interest rates on our variable-rate debt at September 30, 2013 ranged from 1.2% to 6.9%. Our debt obligations are more fully described under Financial Condition in beginning on page 106. The following table presents principal cash flows based upon expected maturity dates of our debt obligations outstanding at September 30, 2013 (in thousands):

	2013 (Remainder)	2014	2015	2016	2017	Thereafter	Total	Fair value
Fixed-rate debt[(a)]	$ 9,854	$ 94,738	$ 133,961	$ 235,555	$ 570,946	$ 412,515	$ 1,457,569	$ 1,445,715
Variable-rate debt[(a)]	$ 2,130	$ 8,592	$ 95,864	$ 9,324	$ 62,618	$ 58,648	$ 237,176	$ 233,810

(a) Amounts are based on the exchange rate at September 30, 2013, as applicable.

The estimated fair value of our fixed-rate debt and our variable-rate debt that currently bears interest at fixed rates or has effectively been converted to a fixed rate through the use of interest rate swaps or that has been subject to an interest rate cap is affected by changes in interest rates. A decrease or increase in interest rates of 1% would change the estimated fair value of this debt at September 30, 2013 by both an aggregate increase and aggregate decrease of $59.7 million. This debt is generally not subject to short-term fluctuations in interest rates.

Foreign Currency Exchange Rate Risk

We own investments outside the U.S. and as a result are subject to risk from the effects of exchange rate movements in various foreign currencies, primarily the euro, and to a lesser extent, certain other currencies, which may affect future costs and cash flows. We manage foreign currency exchange rate movements by generally placing both our debt obligation to the lender and the tenant's

Table of Contents

rental obligation to us in the same currency. This reduces our overall exposure to the net cash flow from that investment. However, we are subject to foreign currency exchange rate movements to the extent of the difference in the timing and amount of the rental obligation and the debt service. We are generally a net receiver of these currencies (we receive more cash than we pay out), and therefore our foreign operations benefit from a weaker U.S. dollar, and are adversely affected by a stronger U.S. dollar, relative to the foreign currency.

We obtain mortgage financing in the local currency. To the extent that currency fluctuations increase or decrease rental revenues as translated to U.S. dollars, the change in debt service, as translated to U.S. dollars, will partially offset the effect of fluctuations in revenue and mitigate the risk from changes in foreign currency exchange rates.

Scheduled future minimum rents, exclusive of renewals, under non-cancelable operating leases for our foreign operations for the remainder of 2013, each of the next four calendar years following December 31, 2013, and thereafter are as follows (in thousands):

Lease Revenues[(a)]	**2013 (Remainder)**	**2014**	**2015**	**2016**	**2017**	**Thereafter**	**Total**
Euro[(b)]	$ 23,430	$ 93,621	$ 86,188	$ 78,303	$ 77,032	$ 723,670	$ 1,082,244
British pound sterling[(c)]	1,434	5,754	5,166	4,913	4,976	65,249	87,492
Other foreign currencies[(d)]	2,053	8,145	8,144	8,147	8,159	46,992	81,640
	$ 26,917	$ 107,520	$ 99,498	$ 91,363	$ 90,167	$ 835,911	$ 1,251,376

Scheduled debt service payments (principal and interest) for mortgage notes payable for our foreign operations for the remainder of 2013, each of the next four calendar years following December 31, 2013, and thereafter are as follows (in thousands):

Debt Service[(a)(e)]	**2013 (Remainder)**	**2014**	**2015**	**2016**	**2017**	**Thereafter**	**Total**
Euro[(b)]	$ 12,867	$ 73,793	$ 52,509	$ 140,260	$ 431,611	$ 13,620	$ 724,660
British pound sterling[(c)]	863	16,481	7,816	1,481	1,482	23,078	51,201
Other foreign currencies[(d)]	1,145	12,808	9,113	3,332	8,868	16,017	51,283
	$ 14,875	$ 103,082	$ 69,438	$ 145,073	$ 441,961	$ 52,715	$ 827,144

(a) Amounts are based on the applicable exchange rates at September 30, 2013. Contractual rents and debt obligations are denominated in the functional currency of the country of each property.

(b) We estimate that for a 1% increase or decrease in the exchange rate between the euro and the U.S. dollar, there would be a corresponding change in the projected estimated property-level cash flow at September 30, 2013 of $3.6 million.

(c) We estimate that for a 1% increase or decrease in the exchange rate between the British pound sterling and the U.S. dollar, there would be a corresponding change in the projected estimated property-level cash flow at September 30, 2013 of $0.4 million.

(d) Other foreign currencies consist of the Canadian dollar, the Malaysian ringgit, the Swedish krona, and the Thai baht.

(e) Interest on unhedged variable-rate debt obligations was calculated using the applicable annual interest rates and balances outstanding at September 30, 2013.

As a result of scheduled balloon payments on our international non-recourse mortgage loans, projected debt service obligations exceed projected lease revenues in 2016 and 2017. In 2016 and 2017, balloon payments totaling $96.4 million and $426.3 million, respectively, are due on several non-recourse mortgage loans that are collateralized by properties that we own with affiliates. We currently anticipate that, by their

respective due dates, we will have refinanced certain of these loans, but there can be no assurance that we will be able to do so on favorable terms, if at all. If that has not occurred, we would expect to use our cash resources to make these payments, if necessary.