



Full-Cycle Event Details: Corporate Property Associates 16 – Global, Inc.

Corporate Property Associates 16 – Global Incorporated (CPA 16) was a publicly owned, non-listed real estate investment trust that invested primarily in commercial properties leased to companies domestically and internationally. It was formed in 2003 and managed by W. P. Carey Inc. (WPC).

CPA 16 commenced its initial public offering in December 2003. Through two public offerings it sold a total of 110,331,881 shares of common stock for a total of \$1.1 billion in gross offering proceeds. It completed its second public offering in December 2006. Through December 31, 2012, it also issued 25,047,649 shares (\$238.1 million) through its distribution reinvestment and stock purchase plan. It also repurchased 14,204,793 shares (\$126.2 million) of common stock under a redemption plan from inception through December 31, 2012.

On May 2, 2011, Corporate Property Associates 14 Incorporated merged with and into CPA 16 Merger Sub, Inc. one of CPA 16's wholly-owned subsidiaries. Following the consummation of the CPA[®]:14/16 Merger, the REIT implemented an internal reorganization as an umbrella partnership real estate investment trust (UPREIT).

On July 25, 2013, CPA 16 and WPC entered into a merger agreement pursuant to which the REIT merged with and into one of WPC's subsidiaries and CPA[®]:16 – Global's stockholders received shares of WPC common stock as merger consideration, based on a fixed value of \$11.25 per share, subject to a pricing collar. The merger was approved by 98% of the shares voted by W. P. Carey's stockholders and by 96% of the eligible votes cast at CPA[®]:16 – Global's special meeting of stockholders. The merger was closed on January 31, 2014.

In the merger, each share of CPA[®]:16 — Global common stock issued and outstanding immediately prior to the effective time of the merger was converted into the right to receive 0.1830 shares of common stock of W. P. Carey. Fractional shares were converted into cash using a valuation of \$61.48 per share of W. P. Carey common stock. Upon the consummation of the Merger, W. P. Carey issued approximately 30.7 million shares of W. P. Carey Common Stock to the CPA[®]:16 – Global stockholders. Neither W. P. Carey nor any of its subsidiaries received any merger consideration for shares of CPA[®]:16 — Global common stock owned by them.

Key Highlights

- Fundraising time – 36 months
- Closed period – 86 months
- Total – 122 months
- As of November 25, 2013, CPA 16 had issued and outstanding 206,300,073 shares of common stock.
- At April 2, 2014, WPC stock traded at \$60.59 per share vs. \$59.08 at the merger date.

Pre-Merger Portfolio

- As of September 30, 2013, the REIT's portfolio was comprised of full or partial ownership in 477 properties, substantially all of which were triple-net leased to 140 tenants, totaling 46 million square feet, with an occupancy rate of approximately 98.0%.
- The properties by percentage of 2013 revenues were in the U.S. (66.7%), Germany (16.1%), other international (17.2%).

About Sponsor

- W.P. Carey was founded in 1973 and owns and manages a diversified global investment portfolio with a combined enterprise value of approximately \$15 billion at December 31, 2013.
- W. P. Carey will continue to manage CPA[®]:17 — Global, CPA[®]:18 — Global and Carey Watermark Investors, its publicly held non-traded REITs.
- W.P. Carey has completed five other full-cycle events:
 - Carey Institutional Properties (2004)
 - Corporate Property Associates 10, Inc. (2004)
 - Corporate Property Associates 12, Inc. (2006)
 - Corporate Property Associates 14, Inc. (2011)
 - Corporate Property Associates 15, Inc. (2012)