REALTY INCOME

TRUSTED BY THE WORLD'S LEADING COMPANIES

2025 ANNUAL REPORT

REALTY INCOME

2025 PERFORMANCE HIGHLIGHTS (1) (2)

2.1%

AFFO PER SHARE GROWTH

$6.3

BILLION IN INVESTMENTS

2.9%

DIVIDEND PER-SHARE GROWTH

$1.1

BILLION OF NET INCOME AVAILABLE TO COMMON STOCKHOLDERS

$5.7

BILLION IN TOTAL REVENUE

COMPOUND ANNUAL TOTAL SHAREHOLDER RETURN SINCE 1994 NYSE LISTING (3)

REALTY INCOME CORPORATION

13.3%

NASDAQ COMPOSITE

12.4%

DOW JONES INDUSTRIAL AVERAGE

10.6%

S&P 500

11.0%

FINANCIAL TIMES STOCK EXCHANGE NAREIT EQUITY REITS

9.5%

All data included in the 2025 Annual Report is as of December 31, 2025, unless specified otherwise.

(1) The definition of AFFO, AFFO per share, and a reconciliation of net income available to stock-holders can be found in our Annual Report on Form 10-K for the year ended December 31, 2025.

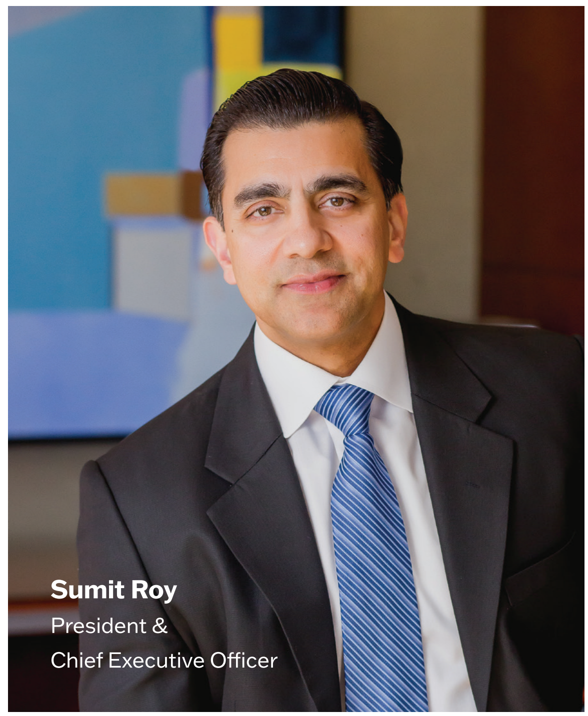
(2) All per share amounts presented in this letter are on a diluted per common share basis unless stated otherwise.

(3) Total annual shareholder return includes price appreciation and the reinvestment of dividends. Dividends are assumed to be reinvested at the closing price of the security on the ex-date of the dividend.

Dear Fellow Stockholders,

In 2025, Realty Income continued to execute a clear and consistent strategy: allocate capital prudently, protect the durability of our cash flows, and deliver reliable, long-term value to our shareholders. We measure success not by growth alone, but by the consistency of that growth and its ability to perform across market cycles.

Our commitment to dependable, growing monthly dividends is part of our heritage and is central to everything we do. We partner with leading global companies whose real estate is mission critical to their operations. Every investment decision begins with disciplined underwriting, which is fundamental to our assessment of long-term risk adjusted returns.



Sumit Roy
President &
Chief Executive Officer

We apply this same discipline across both capital sources and geographies, viewing global diversification—particularly in Europe—as a strategic advantage that enhances durability, flexibility, and long-term returns. Our approach to capital allocation is anchored by an information advantage stemming from our proprietary predictive analytics platform, coupled with sound judgement. By combining decades of portfolio data with current market signals, we are better able to evaluate client performance, pricing, and downside risk.

These capabilities are essential to sustaining returns and preserving flexibility across market cycles.

In 2025, this discipline translated into outcomes, including a 103.9% rent recapture rate on re leased properties and 98.9% occupancy at year end. We view these disciplines as essential to sustaining returns, managing downside risk, and preserving flexibility across market cycles.

In 2025, we deployed $6.3 billion of capital into real estate investments, or $6.2 billion pro rata for our ownership interest, at an initial weighted average cash yield of 7.3%, supported by broad sourcing channels and an expanding opportunity set. Our capital allocation approach is built to generate consistent returns by combining disciplined underwriting with the ability to scale where long-term value creation is most compelling.

Europe continued to provide attractive risk adjusted opportunities supported by longer lease terms, favorable transaction structures, and compelling relative value. Our European platform also enhances capital flexibility, providing additional optionality across currencies, markets, and funding environments while maintaining underwriting discipline. We allocate capital where we believe relative value is most compelling and returns can be sustained through changing conditions. Our investments in markets such as Poland and the Netherlands expanded our footprint while reinforcing the durability and resilience of our cash flows across economic cycles.

Our dividend record reflects this consistency, including a 4.2% compound annual growth rate since our 1994 NYSE listing, 133 dividend increases, and more than 660 consecutive monthly dividends declared as of December 2025. Demonstrating the same disciplined approach that drives our dividend performance, Realty Income delivered a 12.2% total shareholder return in 2025, significantly outperforming the FTSE Nareit Equity REITs Index, which returned 2.3%.[4]

Private Capital as a Catalyst for Sustained Growth

Our balance sheet is a strategic asset. We ended the year with $4.1 billion of liquidity on a pro rata basis and continue to demonstrate strong access to global public capital markets, preserving flexibility in a variety of economic environments. Importantly, our private capital initiatives complement our global investment strategy, allowing us to pair capital flexibility with geographic diversification.

A key strategic objective is to continue diversifying our sources of capital, and our team executed this initiative diligently in 2025. Central to our private capital strategy was the launch of our inaugural U.S. core plus fund, which leveraged our vertically integrated platform to raise over $1.5 billion of third party equity commitments. Through this effort, we expanded our addressable investment universe while maintaining conservative leverage and financial strength.

(4) Source: Bloomberg. Total shareholder return calculated based on share price appreciation and dividends reinvested for the year ended December 31, 2025.

Strategic partnerships are an increasingly important extension of our capital allocation strategy. In late 2025, we announced an $800 million preferred equity investment in CityCenter Las Vegas in partnership with Blackstone Real Estate, following our joint venture investment in the Bellagio Resort and Casino in 2023. In early 2026, we established a strategic joint venture with GIC to pursue build to suit logistics developments leased to high quality tenants. These partnerships allow us to grow at scale with well-respected real estate investors to create mutually beneficial outcomes for our respective stakeholders.

Looking Ahead

We believe Realty Income is exceptionally well positioned to navigate a wide range of economic environments. A strong balance sheet, ample liquidity, and differentiated access to both public and private capital allow us to remain creative, selective, and opportunistic in our capital deployment. Our business model—defined by long duration leases, diversified and high quality clients, and predictable cash flows—provides resilience through periods of volatility while preserving the flexibility to act decisively when conditions are favorable.

Realty Income was founded on a simple mission to provide monthly income to retirees. Today, the need for this product is as relevant as ever. Long-term demographic trends provide a powerful tailwind for income-oriented investment strategies. By 2030, more than one-fifth of the U.S. population will be age 65 or older, with the fastest growth occurring among retirees and near-retirees. Globally, the population aged 60 and over is expected to exceed 1.4 billion by the end of the decade. As longevity increases and retirement systems place greater responsibility on individuals and institutions to generate dependable income, demand for long-duration, predictable cash flows continues to grow.

Aging global demographics are driving a structural surge in demand for yield, and we believe Realty Income is positioned to lead it. We believe our global net lease platform, data driven underwriting capabilities, and disciplined expansion of capital sources position us to meet this demand while maintaining the durability of our cash flows and supporting dependable, growing monthly dividends.

Thank you for your continued confidence in Realty Income.

Sumit Roy
President & Chief Executive Officer

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

FORM 10-K

☒ **Annual report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

For the fiscal year ended December 31, 2025

or

☐ **Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

Commission File Number 1-13374

The Monthly Dividend Company®

REALTY INCOME CORPORATION

(Exact name of registrant as specified in its charter)

Maryland	**33-0580106**
(State or Other Jurisdiction of Incorporation or Organization)	(IRS Employer Identification Number)

11995 El Camino Real, San Diego, California 92130
(Address of Principal Executive Offices)

Registrant's telephone number, including area code: **(858) 284-5000**

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Trading Symbol(s)	Name of Each Exchange On Which Registered
Common Stock, $0.01 Par Value	O	New York Stock Exchange
1.125% Notes due 2027	O27A	New York Stock Exchange
1.875% Notes due 2027	O27B	New York Stock Exchange
5.000% Notes due 2029	O29B	New York Stock Exchange
1.625% Notes due 2030	O30	New York Stock Exchange
4.875% Notes due 2030	O30B	New York Stock Exchange
5.750% Notes due 2031	O31A	New York Stock Exchange
3.375% Notes due 2031	O31B	New York Stock Exchange
1.750% Notes due 2033	O33A	New York Stock Exchange
5.125% Notes due 2034	O34	New York Stock Exchange
3.875% Notes due 2035	O35B	New York Stock Exchange
6.000% Notes due 2039	O39	New York Stock Exchange
5.250% Notes due 2041	O41	New York Stock Exchange
2.500% Notes due 2042	O42	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

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

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐
Emerging growth company	☐						

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management’s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At June 30, 2025, the aggregate market value of the Registrant’s common stock held by non-affiliates of the Registrant was $52.6 billion based upon the last reported sale price of $57.61 per share on the New York Stock Exchange (“NYSE”) on June 30, 2025, the last business day of the Registrant’s most recently completed second fiscal quarter. The determination of affiliate status for purposes of this calculation is not necessarily a conclusive determination for other purposes.

As of February 20, 2026, there were 932,440,218 shares of common stock outstanding.

DOCUMENTS INCORPORATED BY REFERENCE

Part III, Items 10, 11, 12, 13, and 14 incorporate by reference certain specific portions of the definitive Proxy Statement for Realty Income Corporation’s Annual Meeting expected to be held on May 21, 2026, to be filed pursuant to Regulation 14A. Only those portions of the proxy statement which are specifically incorporated by reference herein shall constitute a part of this Annual Report on Form 10-K for the year ended December 31, 2025 (this "annual report").

REALTY INCOME CORPORATION
Index to Form 10-K
December 31, 2025

PART I		Page
Item 1:	Business	2
Item 1A:	Risk Factors	12
Item 1B:	Unresolved Staff Comments	28
Item 1C:	Cybersecurity	28
Item 2:	Properties	28
Item 3:	Legal Proceedings	29
Item 4:	Mine Safety Disclosures	29
PART II		
Item 5:	Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	30
Item 6:	[Reserved]	31
Item 7:	Management's Discussion and Analysis of Financial Condition and Results of Operations	32
Item 7A:	Quantitative and Qualitative Disclosures About Market Risk	52
Item 8:	Financial Statements and Supplementary Data	54
Item 9:	Changes in and Disagreements with Accountants on Accounting and Financial Disclosure	99
Item 9A:	Controls and Procedures	99
Item 9B:	Other Information	100
Item 9C:	Disclosure Regarding Foreign Jurisdictions that Prevent Inspections	100
PART III		
Item 10:	Directors, Executive Officers and Corporate Governance	100
Item 11:	Executive Compensation	100
Item 12:	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	100
Item 13:	Certain Relationships and Related Transactions, and Director Independence	100
Item 14:	Principal Accounting Fees and Services	100
PART IV		
Item 15:	Exhibits and Financial Statement Schedules	101
Item 16:	Form 10-K Summary	107
SIGNATURES		108

PART I

Item 1: Business

In this Annual Report on Form 10-K, unless the context otherwise requires, references to "Realty Income," the "Company," "we," "our" or "us" refer to Realty Income Corporation and our subsidiaries.

THE COMPANY

Realty Income (NYSE: O), an S&P 500 company, is *real estate partner to the world's leading companies®*. Founded in 1969, we serve our clients as a full-service real estate capital provider. As of December 31, 2025, we have a portfolio of over 15,500 properties in all 50 states of the United States ("U.S."), the United Kingdom ("U.K."), and eight other countries in Europe. We are known as "The Monthly Dividend Company®" and have a mission to invest in people and places to deliver dependable monthly dividends that increase over time. Since our listing on the NYSE in 1994, we have had 133 dividend increases and are a member of the S&P 500 Dividend Aristocrats® index for having increased our dividend for over 31 consecutive years.

Our Primary Business Activities
Our primary business is the acquisition, ownership, and active management of freestanding commercial properties leased under long-term net lease agreements to a diversified base of operators, including a blend of investment grade, investment grade equivalent, and other creditworthy clients. We focus on clients with strong business models, resilient cash flow characteristics, and locations that are strategically important to their operations and aligned with our long-term investment objectives. These activities are supported by data-driven analytics that inform client selection, site quality, and portfolio construction.

Under a net lease structure, clients are typically responsible for most or all property-level operating expenses, including real estate taxes, insurance, and maintenance, while we are entitled to receive contractually defined rental payments, many of which include embedded contractual rent escalations. This structure, together with our analytics-supported underwriting, is designed to generate a stable and predictable revenue stream, provide built-in growth over time, and reduce our exposure to variable operating costs, contributing to the durability and consistency of our cash flows across market cycles.

Our asset management approach includes ongoing monitoring of client performance, property-level oversight, proactive leasing and disposition strategies, and maintaining strong client relationships. Together, these capabilities support long-term occupancy, favorable leasing and releasing outcomes, and help preserve and enhance the value of our portfolio. We use internal analytics to prioritize actions that support occupancy, re-leasing outcomes, and value creation.

As a net lease real estate investment trust ("REIT"), we finance our business through a combination of long-term debt, equity, retained cash flow and capital recycling through dispositions. We manage our balance sheet with a focus on maintaining financial flexibility, access to multiple forms of capital, and a conservative leverage profile. These attributes, combined with our scale and cost-of-capital advantages, position us to pursue high-quality investment opportunities and have enabled us to deliver consistent long-term value to our stockholders.

The Company faces competition from other REITs, businesses and other entities in the acquisition, development and operation of freestanding commercial properties. Many such competitors own or operate properties similar to ours in some of the same areas where our properties are located. See "In order to grow we need to continue to acquire investment properties. The acquisition of investment properties may be subject to competitive pressures." in Item 1A. Risk Factors.

Strategic Growth Initiatives
We pursue growth initiatives that enhance the scale, diversification, and durability of our portfolio while remaining consistent with our investment philosophy and risk management framework. These initiatives include geographic expansion; increased investment in property types with strong growth prospects; real estate investments across the capital structure; expansion of our private capital business through joint ventures, private funds, and other arrangements; and strategic asset management initiatives, which may be pursued individually or concurrently.

Our entry into new growth verticals is subject to a rigorous and deliberate evaluation process. We pursue opportunities where we believe we can leverage our existing platform, operating capabilities, strategy, and investment expertise to generate attractive risk-adjusted returns over the long term.

Real Estate Investment Strategy - Retail Investment Focus
Retail properties represent a significant portion of our portfolio. Within this category, we primarily target properties that support service-oriented, non-discretionary, and/or low-price-point business models. These uses often provide essential or recurring services and, in our experience, tend to exhibit more resilient demand characteristics across economic cycles. We use predictive analytics to help identify retail formats and locations with durable demand profiles and attractive unit-level economics.

We also prioritize retail clients that have demonstrated resilience to e-commerce, including through necessity-based offerings, experiential components, or strong omnichannel strategies that effectively integrate physical locations with digital platforms. We believe these attributes support durable cash flows and long-term occupancy.

Consistent with this approach, we seek to acquire, invest in, and develop high-quality real estate that our clients consider important to the successful operation of their businesses. Our strategy emphasizes owning or holding interests in commercial real estate that supports durable, long-term cash flow and aligns with our net lease model, while allowing for selective expansion where we believe we can enhance returns and diversification. After evaluating strategic considerations, we pursue investments where we believe we can achieve an attractive investment spread relative to our cost of capital and favorable risk-adjusted returns.

Geographic Expansion
Geographic expansion is an important component of our investment strategy where we believe we can apply our established net lease expertise within markets that provide diversification benefits and attractive long-term fundamentals. Since our initial entry into the U.K. in 2019, we have successfully grown and scaled our U.K. and European platforms, and as of December 31, 2025, our U.K. and European assets represented approximately 19% of our annualized base rent (as defined in "Property Portfolio Information" below), compared to approximately 14% as of December 31, 2024. This growth reflects our sustained investment activity in the region, with U.K. and Europe representing approximately 60% of our total acquisition volume in 2025.

We believe that our large U.K. and European net lease real estate presence provides us with a meaningful competitive advantage. We have established a fully integrated European platform that we believe would require significant time, scale, capital, and expertise for new entrants to replicate. International expansion has also enhanced our flexibility and optionality, allowing us to dynamically allocate capital across geographies in response to evolving real estate fundamentals and capital market conditions. During 2025, we expanded our portfolio into Poland and the Netherlands, further growing and diversifying our European footprint**.** Subsequent to year-end, in January 2026, we made initial investments in Mexico through a joint-venture with leading global institutional partners. We regularly evaluate additional geographies globally where we believe we can partner with high-quality clients and operate within legal, regulatory, and real estate market environments that support our long-term risk-adjusted return objectives.

Property Type Diversification
In addition to geographic diversification, our investment strategy includes selective expansion across real estate property types where we believe favorable secular tailwinds support durable cash flows and attractive returns. In recent years, this has included greater investment activity in property types such as data centers, gaming, and industrial real estate. We believe demand trends within these sectors support strong internal rates of return while also providing diversification benefits within our overall portfolio.

Real Estate Credit Investments
We also complement our core equity real estate ownership activities with other initiatives, including real estate credit investments and active asset management.

In recent years, we have expanded our investment activities beyond traditional equity ownership to include credit investments across the real estate capital structure. As of December 31, 2025, we held loans and preferred equity interests totaling $3.1 billion, an increase from $1.5 billion as of December 31, 2024. These investments provide attractive risk-adjusted return profiles and can serve as a natural hedge to the possible impact of rising interest rates on our cost of capital. We also believe that participating in other investment structures and tangential real estate revenue-generating activities deepens our client relationships and supports broader strategic initiatives.

Investment Strategy
We generally seek to invest in properties that exhibit some or all of the following characteristics:

- Located in markets or sites that are important to our clients' operations;

- Strong demographic attributes or that we believe are profitable for our clients;
- Real estate valuations that approximate replacement costs;
- Rental or lease payments that approximate market rents for comparable properties;
- Can be acquired with the simultaneous execution or assumption of long-term net lease agreements, providing current income and the potential for future rent growth;
- Leverage long-standing relationships with clients, sellers, investors, or developers as part of a long-term strategy; and
- Benefit from our proprietary insights, including locations and geographic markets we expect to remain stable or strengthen over time.

Our internal team sources opportunities through relationships with clients, owners, developers, brokers, and advisors, supported by research, predictive analytics, and analysis of market conditions, industries, client profiles, and location-level performance trends.

Underwriting Strategy

Our underwriting process incorporates various data-driven tools to evaluate industry trends, client performance, location-level economics, and downside scenarios, which inform both investment selection and structuring decisions. To be considered for acquisition, investments must meet our established underwriting requirements. We evaluate opportunities using one or more of the following criteria:

- Industry, client (including credit), and market conditions;
- Expected financial returns under various scenarios (including default);
- The value of the underlying real estate—based on replacement cost, market rental rates, and alternative-uses—or other collateral supporting the client's contractual obligations; and
- Store-level profitability for retail locations, when available, or the importance of the real estate location to the operations of the client's business.

For real estate investments, we typically own the land and building in which a client conducts business or that is critical to its revenue generation. In our experience, properties that are mission-critical to a client's operations are more likely to be retained at lease expiration and, in many cases, renewed on favorable terms, reflecting the strategic importance of the location to the client's business. Clients are generally highly incentivized to maintain control of profitable or operationally essential locations. As a result, we believe such leases are also less likely to be rejected during a reorganization process, as rejection would terminate the client's right to use assets that are central to ongoing operations and revenue generation.

If a property were to be rejected during reorganization, we retain ownership of the asset and can re-lease or sell the property, thereby preserving value. We further mitigate risk by monitoring property-level performance and consider disposition of assets that do not meet our criteria.

Our underwriting process includes comprehensive reviews of the industries and business segments in which our clients operate. Prior to any transaction, our credit research team reviews the client's credit quality using publicly available filings, industry reports, credit ratings (if any), financial statements, and market data including debt pricing, equity performance, and capitalization trends. This analysis is informed by active and ongoing dialogue with the management teams of our clients, which provides insight into operating performance, capital allocation priorities, and strategic initiatives. We monitor client credit quality on an ongoing basis and provide management with regular, synthesized assessments of credit trends, emerging risks, and portfolio-level exposures.

As of December 31, 2025, 32.2% of our total portfolio annualized base rent comes from properties leased to our investment grade clients, their subsidiaries or affiliated companies. Our top 20 clients (based on percentage of total portfolio annualized base rent) represented 35.8% of our annualized base rent and 11 of these clients have investment-grade credit ratings or are subsidiaries or affiliates of investment-grade companies.

Asset Management Strategy

In addition to pursuing new investment opportunities, we seek to enhance growth and support long-term dividend performance through the active management of our existing portfolio. Our asset management approach focuses on anticipating client needs, maintaining high occupancy, and optimizing asset-level performance. We leverage longstanding client relationships, predictive analytics, and other data to inform lease negotiations, renewal strategies, and other value-enhancing initiatives.

We closely monitor client credit, operating performance, and property-level conditions to identify emerging risks and opportunities across the portfolio. In situations involving client financial distress or bankruptcy, our asset management team works proactively to preserve and, where possible, enhance cash flow and asset value. Through a combination of early engagement, lease restructuring, negotiated resolutions, and rapid re-leasing efforts, we have historically achieved favorable rent recapture outcomes on properties impacted by client bankruptcies. We believe our scale, data-driven insights, and long-standing market relationships enable us to efficiently resolve these situations and limit disruption to portfolio performance.

For vacant properties, our property management team assumes day-to-day operational responsibility to preserve asset quality and control expenses while positioning the property for re-lease or disposition.

Our asset management efforts are focused on achieving the following objectives:

- Securing rent increases during existing lease terms and at lease expiration, when market conditions permit;
- Optimizing exposure to individual clients, industries, and markets through selective re-leasing and strategic asset sales;
- Maximizing asset-level returns on properties that are renewed, re-leased, or sold;
- Creating additional value within the existing portfolio by pursuing secondary property uses to generate ancillary revenue;
- Implementing economically optimal end-of-lease solutions that align with our risk-adjusted return objectives and support long-term client relationships; and
- Maintaining asset quality and cost efficiency through active property management across the portfolio, including both occupied and vacant assets.

As part of our ongoing analytics-driven credit and portfolio monitoring process, we evaluate factors that may affect client performance, industry trends, and the long-term viability of individual real estate locations. These insights inform our asset-level decision-making and support our broader objective of optimizing portfolio returns and enhancing overall credit quality.

In certain cases, early terminations also present an opportunity to capitalize on favorable market conditions when we have immediate or pre-negotiated re-leasing solutions in place. When paired with attractive replacement leases, the combination of termination proceeds and accelerated re-leasing can generate materially higher unlevered returns and incremental value that was not contemplated at the time of the original investment. When appropriate, these negotiated terminations can be both an effective risk-mitigation tool and a disciplined source of internal growth. During 2025, we recognized approximately $48.9 million in income from lease terminations.

Our disposition strategy is an extension of this active investment management approach and is supported by a variety of data-driven tools. We seek to enhance portfolio quality and maximize long-term returns by selectively selling assets when we believe that reinvesting the proceeds is likely to:

- Generate higher risk-adjusted returns;
- Improve the overall credit quality of our real estate portfolio;
- Extend our weighted average remaining lease term; and/or
- Strategically reduce concentration by client, industry, or geography.

The active management of our portfolio is a core component of our long-term strategy to maintain high occupancy, enhance diversification, and support consistent, durable cash flow growth.

Predictive Analytics & AI-Enabled Decisioning

We view operational scale, proprietary data, and proprietary technology as core competitive advantages that strengthen our ability to source, underwrite, and manage a large and diversified net lease portfolio. Since 2019, we have meaningfully expanded our investment in people, systems, and automation to enhance our decision-making, efficiency, and risk management across the full investment lifecycle. Our “One Team” leverages these proprietary capabilities daily, including predictive analytics, a tailored and supplemental enterprise resource planning (“ERP”) platform with source-to-book workflow automation, and robotic process automation (“RPA”) initiatives that support scalability and operating leverage.

A key component of our platform is predictive analytics, which is embedded in our business system and applied to underwriting acquisitions through ongoing portfolio optimization and disposition decisions. Predictive analytics helps us identify opportunities, evaluate investments, monitor asset performance, and proactively manage portfolio risks over time.

Our predictive analytics platform uses machine learning models trained on proprietary financial and leasing data across more than 15,500 properties, combined with millions of external data points stored in our data warehouse. These tools are built and supported by dedicated data science, machine learning engineering, and business analysis teams, enabling us to convert large volumes of data into actionable insights. This technology foundation has supported our evaluation of more than $50 billion in transaction volume to date and reinforces our discipline in underwriting and capital allocation.

Capital Philosophy

A primary objective of Realty Income is to deliver dependable monthly dividends to stockholders that increase over time. To achieve this goal, we make disciplined capital allocation decisions across our investment activities, leasing and re-leasing efforts, property development, and other capital expenditures—guided by our focus on balance sheet strength, cost-of-capital efficiency, and long-term risk management.

We fund our capital requirements through internally generated cash flow, dispositions, bank debt financing, public and private debt and equity markets, and our private capital business including through joint ventures and other co-investment ventures. While the issuance of common stock has historically been an important component of our capital structure, we continue to broaden and diversify our sources of capital to reduce reliance on the public capital markets. This approach enhances capital availability across market cycles, improves cost-of-capital certainty, and increases financial flexibility.

Consistent with this strategy, we look for opportunities to leverage alternative capital sources, including our private capital platform, which enables us to invest alongside third-party capital while expanding our investable universe, earning recurring asset management fees and retaining economic alignment through shared ownership of high-quality investments. We also utilize joint venture partnerships and structured investments to efficiently access capital, broaden our investor base, and pursue larger or more complex transactions without disproportionately increasing balance sheet leverage.

Our international business further enhances this capital flexibility by providing incremental optionality across geographies, currencies, and capital markets. In many cases, international markets offer more favorable transaction structures, longer lease terms, and more attractive risk-adjusted returns, which can translate into improved investment economics relative to domestic alternatives. This global presence allows us to allocate capital dynamically, pursue opportunities where terms are most compelling, and maintain discipline across varying market conditions.

Finally, we seek to optimize our liability structure through the evaluation and selective use of long-term and hybrid debt instruments when they provide an efficient means to reduce our cost of capital, extend maturities, or preserve equity value. These instruments can offer additional balance sheet flexibility and support growth while mitigating risk, without relying solely on common equity issuance.

Human Capital

Our most valuable asset is our people. We believe that prioritizing the growth and development of our employees and the well-being of our communities is important to long-term value creation, business continuity and corporate success. Our commitment to our employees includes investing in our employees’ training and development, recruiting local talent, providing compensation and benefit packages that we believe are competitive with that of our peers and competitors and are fair among employees with similar job functions and work conditions. Our aim is to foster an environment that allows for regular, open communication, in which capable team members have fulfilling careers and are encouraged to make a positive impact on our Company, its operations, business partners, and the communities in which we operate.

We operate as "One Team" and are committed to providing our employees an engaging work environment centered on our values of:

- Do the Right Thing,
- Take Ownership,
- Empower Each Other,
- Celebrate Differences, and
- Give More than We Take.

Recruitment, Development and Retention

Our recruitment, development, and retention strategies are core to our people-centered corporate culture. As of December 31, 2025, our workforce comprises 544 professionals. The majority of our talented team members are recruited and hired from the communities in which we operate, embodying our commitment to local engagement. To broaden our talent acquisition efforts, we have implemented various initiatives, including college and high school internship programs. Our comprehensive approach encompasses a wide range of strategies, such as engaging with affinity associations, and fostering employee referrals. These measures ensure that we continually attract and embrace a diverse pool of qualified candidates. Furthermore, we recognize that internal mobility within our organization unlocks yet another great source of talent. By encouraging our current employees to expand their skills and take on new challenges, we tap into a rich reservoir of potential that enhances our workforce's capabilities and reinforces our corporate culture.

In furtherance of our commitment to the professional growth of our employees, we offer leadership development programs and train on critical topics such as ethics, insider trading, anti-discrimination and harassment, anti-bribery, consumer privacy, cybersecurity, workplace violence prevention, safety, and other Company policies. We provide professional development opportunities for "One Team" members and provide assistance and support to employees who are pursuing job-related licenses, certifications, and continuing education.

Employee retention is vital for maintaining a positive culture and productive workforce. We believe we offer competitive compensation and benefits packages, which play a significant role in our retention. Benefits include medical, dental, and vision coverage for employees and their families, 401(k) or equivalent plans with Company matching opportunity; paid time-off or equivalent vacation; disability and life insurance; and, in years that the Company's performance meets certain goals, the ability to earn equity in the Company subject to applicable vesting periods.

Employee Health, Safety and Wellbeing

We prioritize the health, safety, and wellbeing of our team members. Our wellbeing program is thoughtfully designed to empower employees by fostering personal and professional growth through engaging activities and educational initiatives centered around five key pillars: purpose, social connection, financial health, community engagement, and physical wellness. Our program provides a holistic approach to enhancing overall wellbeing and promotes work-life balance by offering flexible schedules and providing discounted fitness programs, paid family leave, parental leave, onsite lactation rooms, an infant-at-work program, employee health fairs, and an employee assistance program, among other programs and services.

Additional information regarding our human capital programs and initiatives is available in our annual Proxy Statement and Sustainability Report, both of which can be found on our website. Information on our website, including our Sustainability Report, is not incorporated by reference into this annual report.

Government Regulation

General

Compliance with various governmental regulations in the countries in which we operate has an impact on our business, including our capital expenditures, earnings and competitive position, which can be material. We incur costs to monitor and take actions to comply with applicable federal, international, state and local governmental regulations that are applicable to our business, which include, among others, securities laws and regulations, applicable stock exchange requirements, REIT and other tax laws and regulations, environmental and health and safety laws and regulations, zoning, usage and other regulations relating to real property (including related to building performance standards such as, for example, energy, water, and waste efficiency), anti-money laundering and anti-bribery and corruption laws and regulations, data privacy laws and regulations, sanctions restrictions, gaming laws and regulations, and the Americans with Disabilities Act of 1990 ("ADA"). We believe that our properties generally have the necessary permits and approvals needed and are in compliance with applicable laws and regulations in the countries in which we operate.

Environmental Matters

Investments in real property can create potential for environmental liability. Federal, state and local environmental laws and regulations regulate releases of hazardous or toxic substances into the environment. While our clients are generally primarily responsible for compliance with environmental laws and regulations, we as the property owner have faced and can face liability for environmental contamination created by the presence or discharge of hazardous substances on the property. We can face such liability regardless of our knowledge of the contamination; the timing of the contamination; the cause of the contamination; or the party responsible for the contamination of the property.

Available Information
We maintain a corporate website at www.realtyincome.com. On our website we make available, free of charge, our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports, and other reports required to be filed with the Securities and Exchange Commission (the "SEC"), as soon as reasonably practicable after we electronically file these reports with, or furnish them to, the SEC. None of the information on our website is deemed to be part of this report.

PROPERTY PORTFOLIO INFORMATION

As of December 31, 2025, most of the properties in our portfolio were leased under net lease agreements. A net lease typically requires the client to be responsible for monthly rent and certain property operating expenses including property taxes, insurance, and maintenance. In addition, clients of our properties typically pay rent increases based on: (1) fixed increases, (2) increases tied to inflation (typically subject to ceilings), or (3) additional rent calculated as a percentage of the clients' gross sales above a specified level.

We define total portfolio annualized base rent as the monthly cash base rent for all leases in place as of the end of the period, multiplied by 12, excluding percentage rent. This methodology produces an annualized amount as of a point in time but does not take into consideration future (i) scheduled rent increase, (ii) leasing activity, or (iii) lease expirations, and it excludes properties that were no longer owned and includes the annualized rent from properties acquired during the quarter. Total portfolio annualized base rent has not been reduced to reflect reserves recorded as adjustments to rental revenue under generally accepted accounting principles in the United States, ("U.S. GAAP") in the periods presented.

Top 20 Industry Concentrations
We are engaged in a single business activity, which is the leasing of property to clients, generally on a net lease basis. That business activity spans various geographic boundaries and includes property types and clients engaged in various industries. Even though we have a single segment, we believe our investors continue to view diversification as a key component of our investment philosophy and so we believe it remains important to present certain information regarding our property portfolio classified according to the business of the respective clients, expressed as a percentage of our total portfolio annualized base rent:

	Percentage of Total Portfolio Annualized Base Rent by Industry	
	As of	
	December 31, 2025	December 31, 2024
Grocery	11.0%	10.1%
Convenience Stores	9.6	10.2
Home Improvement	6.4	6.0
Dollar Stores	6.1	6.4
Restaurants-Quick Service	4.8	4.9
Health and Fitness	4.3	4.3
Drug Stores	4.3	4.7
Automotive Service	4.3	4.5
Restaurants-Casual Dining	3.8	4.0
General Merchandise	3.6	3.2
Gaming	3.1	3.2
Transportation Services	2.9	2.3
Home Furnishings	2.8	2.8
Health Care	2.7	2.7
Apparel Stores	2.6	2.2
Sporting Goods	2.4	2.3
Wholesale Clubs	2.2	2.3
Theaters	1.9	2.1
Entertainment	1.9	1.8
Motor Vehicle Dealerships	1.8	1.8

Property Type Composition

The following table sets forth certain property type information regarding our property portfolio as of December 31, 2025 (dollars and square footage in thousands):

Property Type	Number of Properties	Leasable Square Feet [(1)]	Annualized Base Rent	Percentage of Annualized Base Rent
Retail	14,864	220,031	$ 4,204,454	79.1 %
Industrial	577	125,774	816,509	15.4
Gaming	2	5,053	163,817	3.1
Other [(2)]	68	4,177	125,747	2.4
Total	15,511	355,035	$ 5,310,527	100.0 %

(1) Represents leasable building square footage and includes our portfolio of unconsolidated joint ventures based on ownership percentage. Excludes 2,962 acres of leased land categorized as agriculture as of December 31, 2025.

(2) "Other" primarily includes 27 properties classified as agriculture with $35.8 million in annualized base rent, 14 properties classified as office with $33.4 million in annualized base rent, 21 properties classified as country clubs with $27.9 million in annualized base rent, and three properties classified as data centers with $24.6 million in annualized base rent, as well as one land parcel under development.

Client Diversification

The following table sets forth the 20 largest clients in our property portfolio, expressed as a percentage of total portfolio annualized base rent, which does not give effect to deferred rent or interest earned on loans and preferred equity investments, as of December 31, 2025:

Client	Number of Leases	Percentage of Portfolio Annualized Base Rent [(1)]
7-Eleven	812	3.3 %
Dollar General	1,797	3.2
Walgreens	400	3.1
Family Dollar	1,257	2.6
Life Time Fitness	41	2.1
EG Group	414	2.0
(B&Q) Kingfisher	70	2.0
Wynn Resorts	1	1.9
FedEx	81	1.8
Asda	41	1.6
Sainsbury's	40	1.5
BJ's Wholesale Club	45	1.5
Tesco	30	1.4
Tractor Supply	243	1.4
CVS Pharmacy	208	1.1
MGM (Bellagio) [(2)]	1	1.1
Home Depot	41	1.1
Carrefour	37	1.0
LA Fitness	59	1.0
Wal-Mart / Sam's Club	62	1.0
Total	5,680	35.8 %

(1) Amounts for each client are calculated independently; therefore, the individual percentages may not sum to the total.

(2) Represents our proportionate share of the annualized base rent of the unconsolidated joint venture.

Lease Expirations

The following table sets forth certain information regarding the timing of the lease term expirations in our portfolio (excluding rights to extend a lease at the option of the client) and their contribution to total portfolio annualized base rent as of December 31, 2025 (dollars in thousands):

	Total Portfolio [1]			
	Expiring Leases			
Year	Retail	Non-Retail	Annualized Base Rent	Percentage of Annualized Base Rent
2026	786	34	$ 161,167	3.0 %
2027	1,624	56	365,516	6.9
2028	1,812	73	427,323	8.0
2029	1,892	49	456,905	8.6
2030	1,311	50	384,014	7.2
2031	1,051	69	425,512	8.0
2032	1,193	49	344,278	6.5
2033	1,041	29	330,573	6.2
2034	822	35	372,971	7.0
2035	698	27	224,277	4.2
2036	637	31	232,394	4.4
2037	541	23	152,997	2.9
2038	395	24	152,450	2.9
2039	524	7	151,560	3.0
2040	402	5	145,740	2.7
2041-2143	1,791	123	982,850	18.5
Total	16,520	684	$ 5,310,527	100.0 %

[1] Leases on our multi-tenant properties are counted separately in the table above.

Geographic Diversification

The following table sets forth certain geographic information regarding our property portfolio as of December 31, 2025 (square footage in thousands):

Location	Number of Properties	Percent Leased	Approximate Leasable Square Feet	Percentage of Annualized Base Rent
Alabama	503	99 %	6,082	1.7 %
Alaska	16	100	623	0.2
Arizona	288	99	4,698	1.8
Arkansas	310	100	3,565	0.9
California	369	99	14,776	4.6
Colorado	199	99	4,018	1.5
Connecticut	57	100	2,653	0.6
Delaware	26	96	283	0.1
Florida	1,075	99	13,443	5.1
Georgia	707	99	11,690	3.4
Hawaii	22	100	48	0.1
Idaho	40	100	422	0.2
Illinois	587	100	13,967	4.0
Indiana	482	99	12,324	2.4
Iowa	122	99	4,363	0.7
Kansas	206	100	5,344	0.9
Kentucky	448	100	6,968	1.5

Location	Number of Properties	Percent Leased	Approximate Leasable Square Feet	Percentage of Annualized Base Rent
Louisiana	375	100	5,924	1.6
Maine	112	99	1,310	0.5
Maryland	100	99	4,364	1.2
Massachusetts	214	99	7,870	3.7
Michigan	582	100	8,801	2.5
Minnesota	287	97	5,667	1.6
Mississippi	334	100	5,469	1.1
Missouri	429	99	6,547	1.6
Montana	31	100	411	0.2
Nebraska	87	99	1,341	0.3
Nevada	81	100	4,967	1.9
New Hampshire	69	96	1,296	0.4
New Jersey	153	97	2,803	1.2
New Mexico	148	100	2,225	0.7
New York	377	99	6,857	2.5
North Carolina	490	99	10,300	2.5
North Dakota	26	100	597	0.2
Ohio	828	98	22,513	4.1
Oklahoma	387	99	5,645	1.5
Oregon	41	100	703	0.3
Pennsylvania	364	95	7,393	1.8
Rhode Island	34	100	344	0.2
South Carolina	388	99	6,275	1.7
South Dakota	40	98	622	0.2
Tennessee	580	100	9,848	2.4
Texas	1,839	97	36,831	9.6
Utah	56	100	2,617	0.6
Vermont	20	100	191	0.1
Virginia	416	98	9,213	2.5
Washington	83	100	1,842	0.6
West Virginia	108	100	964	0.3
Wisconsin	326	100	8,547	1.8
Wyoming	24	100	210	0.1
Puerto Rico	6	100	59	*
U.S. Virgin Islands	1	100	38	*
France	30	100	2,084	0.4
Germany	4	100	190	*
Ireland	24	100	2,527	0.8
Italy	76	100	3,485	0.9
Netherlands	2	100	2,915	0.5
Poland	4	100	3,551	0.5
Portugal	6	100	142	*
Spain	102	100	8,869	1.4
United Kingdom	370	100	35,401	14.3
Total/average	15,511	99 %	355,035	100.0 %
*Less than 0.1%				

FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K, including the documents incorporated by reference, contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used in this annual report, the words “estimate,” “anticipate,” "assume," “expect,” “believe,” “intend,” “continue,” “should,” “may,” “likely,” “plan,” "seek," and similar expressions are intended to identify forward-looking statements. Forward-looking statements include discussions of our business, joint ventures, partnerships, and portfolio including management thereof; our platform; growth strategies, investment pipeline and intentions to acquire or dispose of properties (including geographies, timing, partners, clients and terms); re-leases, re-development and speculative development of properties and expenditures related thereto; operations and results; the announcement of operating results, strategy, plans, and the intentions of management; our share repurchase program; settlement of shares of common stock sold pursuant to forward sale confirmations under our At-the-Market (“ATM”) program; dividends, including the amount, timing and payments of dividends; and macroeconomic and other business trends, including interest rates and trends in the market for long-term leases of freestanding, single-tenant properties. Forward-looking statements are subject to risks, uncertainties, and assumptions about us, which may cause our actual future results to differ materially from expected results. Some of the factors that could cause actual results to differ materially are, among others, our continued qualification as a real estate investment trust; general domestic and foreign business, economic, or financial conditions; competition; fluctuating interest and currency rates; inflation and its impact on our clients and us; access to debt and equity capital markets and other sources of funding (including the terms and partners of such funding); volatility and uncertainty in the credit and financial markets; other risks inherent in real estate, credit investments, and joint ventures or co-investment ventures, including our clients' solvency, client defaults under leases, increased client bankruptcies, potential liability relating to environmental matters, illiquidity of real estate investments (including rights of first refusal or rights of first offer), and potential damages from natural disasters; impairments in the value of our real estate assets; volatility and changes in domestic and foreign laws and the application, enforcement or interpretation thereof (including with respect to tax laws and rates); property ownership through co-investment ventures, funds, joint ventures, partnerships and other arrangements which, among other things, may transfer or limit our control of the underlying investments; epidemics or pandemics; the loss of key personnel; the outcome of any legal proceedings to which we are a party or which may occur in the future; acts of terrorism and war; and the anticipated benefits from mergers, acquisitions, co-investment ventures, funds, joint ventures, partnerships and other arrangements.

Additional factors that may cause risks and uncertainties include those discussed in the sections entitled “Business,” “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in this Annual Report on Form 10-K, for the year ended December 31, 2025.

Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements are not guarantees of future plans and performance and speak only as of the date this annual report was filed with the SEC. Past operating results and performance are provided for informational purposes and are not a guarantee of future results. There can be no assurance that historical trends will continue. Actual plans and results may differ materially from what is expressed or forecasted in this annual report and forecasts made in the forward-looking statements discussed in this annual report might not materialize. We do not undertake any obligation to update forward-looking statements or publicly release the results of any forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.

Item 1A: Risk Factors

You should consider carefully the following risk factors, together with all the other information in this report, including our financial statements and the notes thereto, and in our other public filings with the SEC. The occurrence of any of the following risks could harm our business, financial condition, results of operations and/or growth prospects or cause our actual results to differ materially from those contained in forward-looking statements we have made in this report and those we may make from time to time. You should consider all of the risk factors described when evaluating our business. This "Risk Factors" section contains references to our "capital stock" and to our "stockholders." Unless expressly stated otherwise, the references to our "capital stock" represent our common stock and any class or series of preferred stock that may be outstanding from time to time, while the references to our "stockholders" represent holders of our common stock and any class or series of preferred stock that may be outstanding from time to time.

Risks Related to Our Business and Industry

In order to grow, we need to continue to acquire investment properties. The acquisition of investment properties may be subject to competitive pressures.

We face competition in the acquisition and operation of our properties. We expect competition from businesses, individuals, fiduciary accounts and plans, and other entities engaged in real estate investment and financing. This competition may result in a higher cost for properties we wish to purchase.

We may acquire properties or portfolios of properties through tax deferred contribution transactions, which could result in stockholder dilution and limit our ability to sell or refinance such assets.

We have in the past and may in the future acquire properties or portfolios of properties through tax deferred contribution transactions in exchange for partnership units in an operating partnership that, under certain circumstances, may be exchanged for shares of our common stock, resulting in stockholder dilution. This acquisition structure may have the effect of, among other things, reducing the amount of tax depreciation we could deduct over the tax life of the acquired properties, and may require that we agree to restrictions on our ability to dispose of, or refinance the debt on, the acquired properties in order to protect the contributors' ability to defer recognition of taxable gain. Similarly, we may be required to incur or maintain debt we would otherwise not incur so we can allocate the debt to the contributors to maintain their tax bases. If we take any action that causes taxable gain to be allocated to these contributors, we may be required to indemnify them under tax protection agreements. These restrictions could limit our ability to manage, control, sell or refinance an asset at a time, or on terms, that would be favorable absent such restrictions.

Real estate ownership is subject to particular conditions that may have a negative impact on our revenue.

We are subject to all of the inherent risks associated with the ownership of real estate. We face the risk that rental revenue from our properties may be insufficient to cover all corporate operating expenses, debt service payments on indebtedness we incur, and distributions on our capital stock. Additional real estate ownership risks include:

- Adverse changes in general or local economic conditions;
- Changes in supply of, or demand for, similar or competing properties;
- Changes in interest rates and operating expenses (including energy costs, shortages and rationing);
- Competition within an industry and for our clients;
- Market rents fluctuations;
- Inability to re-lease properties upon termination of existing leases;
- Flat leases, leases with above-market rental rates or renewal of leases at lower rental rates;
- Inability to collect rental revenue from our clients due to financial hardship, including bankruptcy;
- Changes in tax, real estate, zoning and environmental laws that may have an adverse impact upon the value of real estate or that may limit or restrict our ability to pass certain management, repair, property, insurance, tax or other costs to our clients;
- Uninsured property liability;
- Property damage or casualty losses, including physical or weather-related damage to properties;
- Expenditures for capital improvements, including requirements to bring properties into compliance with applicable U.S. and non-U.S. federal, state and local laws and regulations such as the Americans with Disabilities Act of 1990, state and local fire and safety regulations, and building performance standards (such as, for example, energy, water, and waste efficiency);
- The need to periodically renovate and repair our properties including capital expenditures, any of which may be unanticipated or result from changing regulations or building performance standards;
- Risks assumed as manager or financier for development or redevelopment projects;
- The potential risk of functional obsolescence of properties over time;

- The impacts of extreme weather events or climate change and the varying local, state and federal regulatory landscape impacting properties to address the impacts of climate change; and
- Acts of God, terrorism or war, and other factors beyond the control of our management.

Real estate investments are illiquid. We may not be able to acquire or dispose of properties when desired or on favorable terms.

Real estate investments are illiquid. Our ability to quickly buy, sell or exchange any of our properties, or to contribute our properties to co-investments, including in response to changes in economic and other conditions, will be limited due to U.S. and non-U.S. tax and regulatory regimes and authorities, competition from other owners of properties that are trying to dispose of their properties and the availability of capital, resourcing, structure for how an investment is acquired or disposed, and/or economic and market conditions. Other factors beyond our control, may impose or have the effect of restricting or limiting our ability to sell or contribute properties. For example, our properties and/or properties we may seek to acquire may be subject to put or call rights, rights of first refusal or offer, and other similar agreements which may limit or hinder our ability to buy, sell or exchange a property. No assurances can be given that we will recognize full value, at a price and terms acceptable to us, for any property we sell or contribute. Our inability to respond rapidly to changes in the performance of our investments could adversely affect our financial condition and results of operations. Additionally, we have engaged, and expect to continue to engage, in the disposition of properties prior to the maturity date of the related leases or following lease expiration or termination, to help manage and optimize our portfolio and liquidity. No assurances can be given that we will successfully execute these dispositions on favorable terms, or at all, and we may sell a property for less than what we paid, which could result in losses and adversely affect our financial condition and results of operations.

Our acquisition of additional properties may have a significant effect on our business, liquidity, financial position and/or results of operations.

Our future success will depend, in part, upon our ability to manage our mergers and acquisitions, and expansion opportunities under prevailing market conditions. We regularly engage in the process of identifying, analyzing, underwriting and negotiating possible transactions. We cannot provide any assurances that we will be successful in consummating future mergers and acquisitions on favorable terms or that we will realize expected cash yields, integration results, operating efficiencies, cost savings, revenue enhancements, synergies or other benefits. We rely on several resources to assist in underwriting our potential investments and other opportunities, including predictive analytics, which may turn out to be inaccurate. We have historically engaged in, and may again in the future engage in strategic acquisitions of operating businesses, in which case we would be subject to risks related to our ability to successfully underwrite such target's businesses effectively and to combine such target's operations with ours in a manner that permits the combined company to achieve operating efficiencies, cost savings, revenues, synergies or other benefits either in the time frame anticipated or at all. Our inability to consummate acquisitions on such terms, our failure to adequately underwrite and identify risks and obligations when acquiring properties or our failure to realize the intended benefits from acquisitions, could have a significant adverse effect on our business, liquidity, financial position and/or results of operations, including as a result of our incurrence of additional indebtedness and related interest expense and our assumption of unforeseen contingent liabilities in connection with completed acquisitions.

We have made and may continue to make acquisitions of properties (including through the use of alternative lease and acquisition structures such as joint ventures, partnerships, funds and other structures) or engage in other revenue-generating businesses that fall outside our historical focus on wholly owned, freestanding, single-tenant, net lease retail locations in the U.S. We may be exposed to a variety of new risks by expanding into new investments, property types (e.g., non-retail businesses), geographies, lease and acquisition structures and clients who engage in non-retail businesses. While we have historically predominantly owned and leased commercial properties under long-term, net lease agreements, as we expand into new verticals, the composition of our lease portfolio may include a higher concentration of alternative lease structures, under which we may be primarily responsible for other expenses and liabilities with respect to the property, including property taxes, insurance and maintenance costs. These risks may be enhanced by our limited experience in managing these new investments or activities, property types, geographies, lease and acquisition structures, clients and the laws and/or culture of non-U.S. geographies.

As a property owner, we may be subject to unknown environmental liabilities.

Investments in real property can create a potential for environmental liability. We could be subject to liability, including strict liability, by virtue of our ownership interest, for environmental contamination. Laws and regulations governing environmental contamination change and we have been, and in the future may be, subject to liability by virtue of these changes. We can face such liability regardless of our knowledge of the contamination, the timing of the contamination, the cause of the contamination or the party responsible for the contamination of the property.

There may be environmental conditions associated with our properties of which we are unaware. Our portfolio includes properties leased to operators of convenience stores that sell petroleum-based fuels, operators of oil change and tune-up facilities and operators that use chemicals and other waste products. These facilities and some of our other properties use, or may have used in the past, underground lifts or storage tanks for the storage of petroleum-based or waste products, which could create a potential for the release of hazardous substances. Certain of our other properties, including those leased for industrial purposes, may also involve operations or activities that could give rise to environmental liabilities or could have been built using asbestos or other building materials that require owners or operators to undertake special precautions including removal, abatement, training or notices.

The presence of hazardous substances on a property may adversely affect our client's ability to continue to operate that property or our ability to lease or sell that property and we may incur substantial remediation costs or third-party liability claims. Although our leases generally require our clients to operate in compliance with all applicable federal, state and local environmental laws, ordinances and regulations, and to indemnify us against any environmental liabilities arising from the clients' activities on the properties, we could nevertheless be subject to liability, including strict liability, by virtue of our ownership interest. There also can be no assurance that our clients could or would satisfy their indemnification obligations under their leases. Further, we acquire properties with existing leases in place and the indemnities and other lease terms can have different indemnification requirements, including for environmental matters, than what is provided for in our leases that we negotiate directly with clients. While we maintain environmental insurance policies, our insurance could be unavailable or insufficient to address an environmental liability and/or we could be unable to obtain insurance for environmental matters at a reasonable cost or at all. The discovery of environmental liabilities attached to our properties could have an adverse effect on our results of operations, our financial condition or our ability to make distributions to stockholders and to pay the principal of and interest on our debt securities and other indebtedness.

We are subject to risks and liabilities in connection with forming and attracting third-party investment in our fund business, investing in new or existing co-investment ventures or funds and managing properties through our fund business or other co-investment ventures.

As previously publicly disclosed, we formed and announced closings with respect to our open-end, perpetual life private capital vehicle (the "Fund"), and other joint venture or programmatic relationships. We have and may continue to explore options to form other co-investment ventures, alongside or in addition to the Fund and these joint venture relationships, in the future. Our organizational documents do not limit the amount of available funds that we may invest in the Fund or other co-investment ventures. We currently intend to develop and acquire properties through our new fund business and co-investment ventures, and we may also make investments in other entities at our discretion in the future. However, there can be no assurance that our efforts to grow the Fund or these other joint ventures will be successful, that we will be able to form further co-investment ventures on the timeline expected, or at all, that we will successfully attract third-party investments or that additional investments in the Fund or other co-investment ventures to develop or acquire properties in the future will be successful, or that the Fund, the joint venture relationships or other such anticipated fund business or other co-investment ventures will improve our consolidated financial position or results of operations. Further, there can be no assurance that we are able to realize value from our existing or future investments.

The Fund or other co-investment ventures are expected to involve additional risks, including compliance risks and additional regulatory risks, that we would not otherwise face, including the risks inherent in owning, operating and managing one or more funds and co-investment ventures, risks related to our ability to negotiate third-party investments, such as valuation, operational limitations, management fee structures and other incentive fees, on terms that are beneficial to us, and the inherent conflicts that may exist in allocating investment opportunities effectively between us, the Fund, joint ventures and such other future co-investment ventures. In addition, we may have primary responsibility for managing co-investment ventures which may require significant attention of management and increase the complexity of our operations.

In addition, the same factors that may impact the valuation of our existing portfolio, as otherwise discussed in this Annual Report on Form 10-K, may also impact the portfolios to be held by the Fund or co-investment ventures and could result in other than temporary impairment of our investment and a reduction in fee revenues, if any. Our fund business and co-investment ventures may be subject to some, or all of the risks more fully described in "We may engage in development, speculative development, or expansion projects or invest in new asset classes, which would subject us to additional risks that could negatively impact our operations." Such risks may adversely impact the Fund or our other co-investment ventures' financial position or results of operation.

We are subject to additional risks from our international investments and debt.
We have acquired and may continue to make investments outside of the U.S. These investments may expose us to a variety of risks that are different from and in addition to those commonly found in the U.S. Our international investments and operations are subject to additional risks, including:

- The laws, rules and regulations applicable in such jurisdictions outside of the U.S., including those related to property ownership, control by foreign entities and the enforcement of our rights and remedies which could be significant;
- Complying with a wide variety of foreign laws, including anti-financial crime, employment, data protection, such as the General Data Protection Regulation, energy usage, health, safety, environmental regulations which may require capital expenditures to maintain or bring our foreign properties into compliance with applicable regulations and/or may require disclosure of various environmental, social and governance matters and the compliance risks and costs related thereto;
- Fluctuations in exchange rates between foreign currencies and the USD (including risks related to their impact on our results of operations, hedging and other derivative arrangements used to mitigate our exposure to fluctuations in foreign currency rates, translational reporting risks and exchange controls);
- As we may not have or have only a limited number of properties within a jurisdiction, our experience in that market and with local business may be limited, and our operating costs may be disproportionately higher;
- We may face challenges with expanding into current or new jurisdictions, such as identifying and securing investment opportunities, hiring and retaining employees, extended time periods for acquiring or disposing of investments, which may increase the cost of funding an investment, and potentially experiencing different cultural and business practices related to employees, rent adjustments, ground leases and property ownership requirements and limitations;
- Challenges in establishing effective systems, infrastructure, controls and procedures to manage and regulate operations in different regions and to monitor and ensure compliance with applicable regulations, such as applicable laws related to corrupt practices, employment, licensing, construction, energy usage, climate change or environmental compliance;
- Unexpected, new or other changes in regulatory requirements (including disclosure requirements) within jurisdictions outside the U.S., trade disputes between the U.S. and other countries, the possibility of changes to some international trade agreements and other government regulatory actions, including the imposition of tariffs, trade barriers or other protectionist actions;
- Potentially adverse tax consequences with respect to our properties and/or investment vehicles;
- Initial limited investments within certain regions or countries may result in industry or client concentration risks;
- The impact of regional or country-specific business cycles, inflation and economic instability, including deterioration in political relations with the U.S., instability in, or further withdrawals from, the European Union or other international trade alliances or agreements; and
- Political instability, uncertainty over property rights, civil unrest, acts of war, drug trafficking, political activism or the continuation or escalation of terrorist or gang activities.

We also engage external asset, fund and property managers, directors, trustees, contractors, and other third parties who assist with managing our international properties. If such a third party fails to meet its obligations or terminates its services, we may need to find a replacement; however, these services may be on less favorable terms and conditions, or we may not be able to find a suitable replacement in a timely manner or at all.

We have incurred and may continue to incur indebtedness that is denominated in local currencies to fund our international investments and operations. However, it is possible that such indebtedness may be insufficient or may be on unacceptable terms requiring us to use non-local currency indebtedness. In such event, we may be subject to foreign exchange rate volatility which may be impacted by various factors, including those described above. While we may enter into hedging and other derivatives instruments to mitigate our exposure to fluctuations in foreign exchange rates, we may not realize the anticipated benefits from these arrangements, or these arrangements may be insufficient to mitigate our exposure. For more information, see "—We are subject to risks associated with debt and preferred stock financing." If we are unable to adequately address these risks, they could have a significant adverse effect on our operations.

We may engage in development, speculative development or expansion projects or invest in new asset classes, which would subject us to additional risks that could negatively impact our operations.

We may engage in development, speculative development or other expansion projects, which could require us to raise capital directly or through co-investment ventures and obtain state and local permits. A decision by any governmental agency not to issue a required permit or substantial delays in the permitting process could cause us to incur penalties, subject us to lease termination or delayed/abated rent payments under the leases or prevent us from pursuing the development, speculative development or expansion project altogether. Additionally, any such new development, speculative development, or expansion project may not operate at designed capacity or may cost more to operate or construct than we expect. The inability to successfully complete development, speculative development, expansion or other value-added projects or to complete them on a timely basis could adversely affect our business and results of operations.

We have and may continue to make investments and utilize transaction structures that are outside of our traditional business, including entering into new asset classes, such as casinos, data centers, power centers, retail parks, loans, and vertical farms, and entering into (or expanding our use of) new transaction structures, such as strategic co-investment ventures, joint ventures, funds, lending, and increased exploration of sale-leaseback transactions. We invest and may continue to invest in new or different assets or enter into new transaction structures that may or may not be closely related to our current business and which could require new or additional processes, controls, systems and personnel, thereby increasing investment expense. These new assets and transaction structures may have new, different or increased risks than what we are currently exposed to in our business and we may not be able to manage these risks successfully which could have an adverse effect on our business, results of operations and financial condition. Such risks include, but are not limited to:

- When investing in new assets or transaction structures, we will be exposed to the risk that those assets or structures, or the income generated thereby, will affect our ability to meet the requirements to maintain our REIT status, or will subject us to additional regulatory requirements or limitations;
- New investment verticals may be outside our core expertise and subject our investments to new and different business risks and exposures;
- New investment verticals or transaction structures may be more inherently speculative or carry a higher degree of risk to us than our traditional investment verticals or transaction structures, thereby potentially increasing our overall risk profile and volatility;
- Lending and related transaction structures may subject us to new regulatory regimes, more attenuated remedies and recourse, and compliance risk;
- Our partners or investors may have been granted certain approval rights over major decisions, or have the ability to appoint persons to governing bodies or the ability for us to compete in certain verticals or industries, or provide for rights of first offer or first refusal to such parties that could adversely impact our operations;
- In general and subject to the terms of the applicable governing documents, our partners or investors may request to exit or redeem their investment, and may do so simultaneously, causing the venture or fund to seek capital to satisfy these requirements which may be on less than optimal terms;
- If our partners or investors fail to fund their share of any required capital contributions, then we may choose to contribute such capital or the venture or fund may have to raise additional capital or incur indebtedness on less than optimal terms;
- Our partners or investors may have economic or other business interests or goals that are inconsistent with our business interests or goals that would affect our ability to operate the venture or fund and adversely impact our consolidated financial position or results of operations;
- The venture or fund or other governing agreements may restrict the transfer of an interest in the co-investment venture or fund or in the underlying assets or may otherwise restrict our ability to sell the interest or underlying assets when we desire or on advantageous terms;
- Our agreements may contain certain exclusivity provisions or other restrictive covenants that may limit our flexibility to respond to other opportunities or financings or to optimize the terms of other transactions;
- Our relationships with our partners or investors are likely to be contractual in nature and may be terminated or dissolved under the terms of the agreements, and in such event, the venture or fund may terminate or we may not continue to invest in or manage the assets underlying such relationships resulting in a decrease in our assets under management and a reduction in fee revenues; and
- Disputes between us and our partners or investors may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our business and result in subjecting the properties owned by the applicable co-investment venture or fund to additional risk.

Our loans and investments, including in subordinated debt, expose us to risks associated with debt-oriented real estate investments generally.
We invest in debt instruments relating to real estate-related assets, which subject us to additional potential risks, including with respect to fluctuations in the value of the underlying assets, the risks of delinquency or defaults by borrowers, increased regulatory burdens or risks associated with lending, fluctuations in interest rates and credit spreads, loan repayment timing, the limitations on our rights with respect to, or control of, the underlying assets, risk of cost overruns, and increased illiquidity of the investments in light of the limited market for such investments. In addition, certain of our investments in debt instruments are subordinated, which can significantly reduce our ability to control decisions with respect to underlying assets or foreclosure, and, if a borrower were to default, the claims under our debt instrument would only be satisfied after senior debt is paid in full. As a result, a partial loss in the value of the underlying collateral can result in a total loss of the value of the debt instruments. For more information regarding the risks related to defaults by our borrowers, see "---The bankruptcy or insolvency of a client, borrower or guarantor could result in the termination of the lease agreement, loan agreement, or guarantee, as applicable."

We may face extensive regulations from gaming and other regulatory authorities regarding current and future gaming properties.
As a landlord of a gaming facility or future gaming facilities, we may be impacted by the risks associated with the gaming industry. The ownership, operation, and management of gaming facilities are subject to extensive regulation. Gaming authorities also retain great discretion such that gaming regulations can impact our gaming clients, individuals associated with the operation of gaming properties, and us as the owner of the real estate and landlord related to such facilities. Gaming laws and regulations can impact all facets of a gaming property, including but not limited to gaming, service and consumption of alcoholic beverages, hours of operation, staffing and licensing of employees, marketing, currency transactions including compliance with the Foreign Corruption Practices Act and other anti-corruption laws and safety and security of the gaming property. Such laws and regulations could change or could be interpreted differently in the future, or new laws and regulations could be enacted, which could adversely affect our operating results, and may also result in additional taxes or licensing fees imposed on us and our gaming clients. In addition, subject to certain administrative due process requirements, gaming regulators generally have broad authority to conduct investigations into the conduct or associations of our officers or certain investors to ensure compliance with applicable standards and suitability to hold a gaming license, and to deny any application or limit, condition, restrict, revoke, or suspend any gaming license, registration, or finding of suitability or approval, or fine any person licensed, registered, or found suitable or qualified as a licensee. As a result, our ability to obtain or maintain our required licenses and approvals, or avoid penalties related thereto, may be subject to risks, including risks outside of our control, and cannot be predicted.

Were a client unable to continue to perform under a lease because of the highly regulated nature of the industry, it may be difficult to re-lease gaming properties. This difficulty may be exacerbated to the extent the gaming property is located in a geography that does not have an expansive gaming footprint, such as one of the properties, in which we are invested. A transfer of interest, or a new management contract with a new operator will likely require approval of regulators and the licensing of a new gaming operator client.

Property taxes may increase without notice.
Real estate property taxes on our properties (including properties we develop or acquire) may increase as property tax rates change and as those properties are assessed or reassessed by tax authorities. While the majority of our leases are under a net lease structure, some or all of such property taxes may not be collectible from our clients, and, as we continue to expand into new verticals, the concentration of our leases under which we are primarily responsible for property taxes may increase, enhancing our exposure to such risks.

An uninsured loss or a loss that exceeds the policy limits on our properties could subject us to lost capital or revenue on those properties.
Our leases generally require our clients to indemnify and hold us harmless from liabilities resulting from injury to persons, air, water, land or property, due to activities conducted on the properties, except for claims arising from the negligence or intentional misconduct of us or our agents. Additionally, clients are generally required, at the client's expense, to obtain and keep in full force during the term of the lease, general liability and property damage insurance policies. The insurance policies our clients are required to maintain for property damage are generally in amounts not less than the full replacement cost of the improvements less slab, foundations, supports and other customarily excluded improvements.

Many of our properties are also covered by flood and earthquake insurance policies (subject to substantial deductibles) obtained and paid for by our clients as part of their risk management programs. Additionally, we have obtained blanket liability, flood and earthquake, and property damage insurance policies (subject to substantial deductibles) to protect us and our properties against loss should the indemnities and insurance policies provided by the clients fail to restore the properties to their condition prior to a loss. We do not carry insurance for certain losses and certain types of losses may be either uninsurable or not economically insurable. However, should a loss occur that is uninsured or in an amount exceeding the combined aggregate limits for the policies noted above, or in the event of a loss that is subject to a substantial deductible under an insurance policy, we could lose all or part of our capital invested in, and anticipated revenue from, one or more of the properties, which could have a material adverse effect on our results of operations or financial condition and on our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions to our stockholders. We also face the risk that our insurance carriers may not be able to provide payment under any potential claims that might arise under the terms of our insurance policies, and we may not have the ability to purchase insurance policies we desire.

In addition, although we obtain title insurance policies on our properties to help protect us and our properties against title defects (such as adverse claims of ownership, liens or other encumbrances), there may be certain title defects that our title insurance will not cover. If a material title defect related to any of our properties is not adequately covered by a title insurance policy, we could lose some or all of our capital invested in and our anticipated profits from such property, cause a financial misstatement or damage our reputation.

Changing and increasing expectations from regulators and other stakeholders regarding sustainability practices and reporting could impact our business practices, cause us to incur additional costs and expose us to new risks.

We seek to promote effective energy efficiency and other sustainability strategies and compliance with federal, state and international laws and regulations related to climate change, both internally and with our partners across our value chain, including with our clients. Our sustainability strategies and efforts to comply with the various federal, state and international laws and regulations related to climate change could result in significant capital expenditures to improve our existing properties, properties we may acquire, and other business practices. Any changes to such laws and regulations could also result in increased operating costs or capital expenditures at our properties. If we are unable to comply with laws and regulations on climate change or implement effective sustainability strategies, our reputation among our clients and investors may be damaged and we may incur fines and/or penalties.

Clients of net-leased properties are typically responsible for maintenance and other day-to-day management of the properties. This lack of control over our net-leased properties makes it difficult for us to collect property-level environmental data and to enforce related initiatives, which may impact our ability to comply with certain shareholder expectations or regulatory disclosure requirements to which we are subject or to comply with reporting frameworks or other established frameworks and standards. If we are unable to successfully collect the data necessary to comply with these disclosure requirements, standards or expectations, we may be subject to increased regulatory risk, or if such data is incomplete or unfavorable, our relationship with our investors or other stakeholders, our stock price, and our access to capital may be negatively impacted.

Additionally, our sustainability disclosures may reflect aspirational goals, targets, and other expectations and assumptions, which are necessarily uncertain and may not be realized. If we fail to satisfy the environmental, social, and governance expectations of investors, clients and other stakeholders, our initiatives are not executed as planned, or we do not satisfy our goals, then our third-party ratings, reputation and financial results could be adversely affected. There can be no assurance that any of our sustainability strategies will result in reduced operating costs, higher occupancy or higher rental rates or deter our existing clients from relocating to properties owned by our competitors. In addition, both advocates and opponents to certain sustainability matters are increasingly resorting to a range of activism forms, including shareholder proposals, media campaigns and litigation, to advance their perspectives. To the extent we are subject to such activism, it may require us to incur costs or otherwise adversely impact our business. The occurrence of any of the foregoing could have an adverse effect on the price of our stock and our financial condition and results of operations.

The value of certain of our investment in real property may be reduced as the result of the expiration or loss of local tax abatements, tax credit programs or other governmental incentives.

Certain of our investments have the benefit of governmental tax incentives aimed at inducing property users to relocate to incentivize development in areas and neighborhoods which have not historically seen robust commercial development. These incentives typically have specific sunset provisions and may be subject to governmental discretion in the eligibility or award of the applicable incentives. The expiration of these incentive programs or the inability of potential clients or users to be eligible for or to obtain governmental approval of the incentives, or the inability to remain compliant with such programs, may have an adverse effect on the value of our investment, cash flow and net income, and may result in impairment charges.

Our business is subject to risks associated with climate change.

Our business is subject to risks associated with the effects of climate change and a market shift to a lower carbon economy and may be subject to further risks in the future. A failure to adequately adapt to climate change could adversely affect our business through both chronic and acute perils including, but not limited to, extreme weather, changes in precipitation and temperature, and rising sea levels, all of which may result in physical damage to, or a decrease in demand for, our properties located in the areas affected by these conditions, and may adversely impact consumer behaviors, preferences and spending for our clients, and insurance costs, which may impact their ability to fulfill their obligations under our leases, or our ability to re-lease the properties in the future. In addition, should the impact of climate change be severe or occur for lengthy periods of time, connectivity, labor and supply chains could impact business continuity for ourselves and our clients. The effects of climate change may lead to increased costs for us and our clients to adapt to the demands and expectations of lowering our carbon footprint, including with respect to setting carbon reduction targets, implementing renewable energy, retrofitting properties to be more energy efficient and implementing longer-term low-carbon solutions. These risks could adversely affect our reputation, financial condition or results of operations. The structure of our leasing contracts and operating model presents challenges in partnering with clients to implement necessary decarbonization initiatives.

Risks Related to Our REIT Structure

If we fail to qualify as a REIT, it could adversely impact us, and the amount of dividends we are able to pay would decrease, which could adversely affect the market price of our capital stock and the value of our debt securities.

We are organized and have operated, and we intend to continue to operate, so as to qualify as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code"). However, we cannot make any assurances that we have been organized or have operated in a manner that has satisfied the requirements for qualification as a REIT, or that we will continue to be organized or operate in a manner that will allow us to continue to qualify as a REIT. Qualification as a REIT involves the satisfaction of numerous requirements under highly technical and complex Code provisions, for which there are only limited judicial and administrative interpretations, as well as the determination of various factual matters and circumstances not entirely within our control. Compliance with these tests may limit our ability to engage in certain activities or make certain otherwise attractive investments which may limit our opportunities and strategy. As we expand into new geographies and transactional structures, REIT qualification and our ability to ensure such qualification becomes more complex. For example, in order to qualify as a REIT, at least 95% of our gross income in each year must be derived from qualifying sources, and we must pay distributions to stockholders aggregating annually at least 90% of our taxable income (excluding net capital gains). If we fail to satisfy any of the requirements for qualification as a REIT, we may be subject to certain penalty taxes or, in some circumstances, we may fail to qualify as a REIT. If we were to fail to qualify as a REIT in any taxable year, among other things, we would be required to pay regular U.S. federal corporate income tax on our taxable income; we would not be allowed a deduction for amounts distributed to our stockholders in computing our taxable income; we could be subject to a federal alternative minimum tax and possibly increased state and local taxes; we would be disqualified from electing treatment as a REIT for the four taxable years following the year during which qualification is lost; and we would no longer be required to make distributions to stockholders. Loss of our REIT status would substantially reduce amounts available for investment or distribution to stockholders because of the additional tax liability for the years involved, which could have a material adverse effect on the market price of our capital stock and the value of our debt securities.

Even if we qualify for and maintain our REIT status, we may be subject to certain federal, state, local and non-U.S. taxes on our income and property. For example, if we have net income from a prohibited transaction, that income will be subject to a 100% tax. In addition, our taxable REIT subsidiaries are subject to federal, state and, in some cases, non-U.S. taxes at the applicable tax rates on their income and property. Any failure to comply with legal and regulatory tax obligations could adversely affect our ability to conduct business and could adversely affect the market price of our capital stock and the value of our debt securities.

Changes in U.S. or non-U.S. tax laws and regulations, including changes to tax rates and legislative or other actions may adversely affect us or our investors.

Federal income taxation laws are constantly under review and may change. Additionally, the governments of many of the other countries in which we operate may enact changes to the tax laws of such countries. Changes to the tax laws, with or without retroactive application, could adversely affect us or our investors, including holders of our common stock or debt securities. We cannot predict how changes in the tax laws might affect us or our investors. New legislation, Treasury regulations, administrative interpretations or court decisions could significantly and negatively affect our ability to qualify as a REIT, the federal income tax consequences of such qualification or the federal income tax consequences of an investment in us as well as the amount of tax we are required to pay. Also, the law relating to the tax treatment of other entities, or an investment in other entities, could change, making an investment in such other entities more attractive relative to an investment in a REIT. In addition, the tax treatment of certain of our sale-leaseback transactions could change, which could make such sale-leaseback transactions less attractive to potential sellers and lessees and negatively impact our operations.

Distribution requirements imposed by law limit our flexibility.

To maintain our status as a REIT for federal income tax purposes, we generally are required to distribute to our stockholders at least 90% of our taxable income, excluding net capital gains, each year. We also are subject to tax at regular corporate rates to the extent that we distribute less than 100% of our taxable income (including net capital gains) each year. In addition, we are subject to a 4% nondeductible excise tax to the extent that we fail to distribute during any calendar year at least the sum of 85% of our ordinary income for that calendar year, 95% of our capital gain net income for that calendar year and any amount of that income that was not distributed in prior years. We intend to continue to make distributions to our stockholders to comply with the distribution requirements of the Code as well as to reduce our exposure to federal income taxes and the nondeductible excise tax. Differences in timing between the receipt of income and the payment of expenses to arrive at taxable income, along with the effect of required debt amortization payments, could require us to borrow funds, sell assets or raise equity, even if the then-prevailing market conditions are not favorable for such transactions, in order to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT. If our cash flows are not sufficient to cover our REIT distribution requirements, it could adversely impact our ability to raise short- and long-term debt, sell assets or offer equity securities in order to fund the distributions required to maintain our qualification and taxation as a REIT. Furthermore, the REIT distribution requirements may increase the financing we need to fund capital expenditures, future growth and expansion initiatives, which would increase our total leverage. In addition, if we fail to comply with certain asset tests at the end of any calendar quarter, we must generally correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification. As a result, we may be required to liquidate otherwise attractive investments. These actions may reduce our income and amounts available for distribution to our stockholders.

Our charter contains restrictions upon ownership of our common stock.

Our charter contains restrictions on ownership and transfer of our common stock intended to, among other purposes, assist us in maintaining our status as a REIT for U.S. federal and/or state income tax purposes. For example, our charter restricts any person from acquiring beneficial or constructive ownership of more than 9.8% (by value or by number of shares, whichever is more restrictive) of our outstanding shares of common stock. These restrictions could have anti-takeover effects and could reduce the possibility that a third party will attempt to acquire control of us, which could adversely affect the market price of our common stock.

<u>Risks Related to Our Clients</u>

Our success is dependent on the financial stability of our clients.

The success of our business is dependent on the financial stability of the clients occupying our properties. A default of a client on its lease payments may cause us to lose anticipated revenue from an investment property.

Negative market conditions, global economic and political uncertainties or adverse events affecting our existing or potential clients or the industries in which they operate, could have an adverse impact on our ability to attract new clients, re-lease space, collect rent or renew leases, which could adversely affect our cash flow from operations, our ability to maintain or increase our current dividend levels and inhibit growth.

Cash flow from operations and our ability to maintain or increase our current dividend levels depends in part on our ability to lease space to our clients on economically favorable terms and to collect rent from our clients on a timely basis. We may be adversely affected by various facts and events over which we have limited or no control, such as:

- Lack of demand in areas where our properties are located;
- Inability to retain existing clients and attract new clients;
- Oversupply of space and changes in market rental rates;
- Declines in our clients’ creditworthiness and ability to pay rent, which may be affected by their operations (including as a result from changes in consumer behaviors or preferences impacting our clients' operations), economic downturns and competition within their industries from other operators;
- Defaults by and bankruptcies of clients, failure of clients to pay rent on a timely basis, or failure of our clients to comply with their contractual obligations;
- Changes in laws, rules or regulations that negatively impact us, our clients or our properties;
- Global economic (e.g., inflation, fluctuations in interest rates or foreign exchange rates, economic downturns or recessions), political and financial market conditions including as a result of geopolitical tensions and instability;

- Trade disputes, supply chain disruptions, the possibility of changes to international trade agreements, tariffs and other regulatory actions;
- Epidemics or pandemics that affect regions in which our clients operate in;
- Changes in consumer behaviors (e.g., decrease in discretionary consumer spending), preferences or demographics impacting our clients' operations;
- Economic or physical decline of the areas where the properties are located; and
- Deterioration of physical condition of our properties.

If clients do not renew their leases as they expire, we may not be able to rent or sell the properties. Leases that are renewed and new leases for properties that are re-leased, or leases that we assume as part of portfolio acquisitions or strategic mergers and acquisitions can have terms that are less economically favorable than expiring terms or leases that we negotiate directly, may require us to incur significant costs such as renovations, or lease transaction costs. Negative market conditions may cause us to sell properties for less than their carrying value, which could result in impairments. Any of these events could adversely affect our cash flow from operations and our ability to make distributions to our stockholders and service our indebtedness. A significant portion of the costs of owning property, such as real estate taxes, insurance and maintenance, are not necessarily reduced when circumstances cause a decrease in rental revenue from the properties. In a weakened financial condition, our clients may not be able to pay these costs of ownership and we may be unable to recover these operating expenses from them.

Downturns in any of the industries in which our clients operate as well as high interest rates, inflation and the imposition of tariffs, could adversely affect our clients, which in turn could also have a material adverse effect on our financial position, results of operations and our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions on our common stock and any outstanding preferred stock. In addition, some of our properties are leased to clients that may have limited financial and other resources and, therefore, they are more likely to be adversely affected by a downturn in their respective businesses or in the regional, national or international economy. Furthermore, we have made and may continue to make investments that fall outside of our historical focus on acquiring freestanding, single-tenant, net lease retail properties located in the U.S. As a result, we are exposed to a variety of new risks by expanding into new investments, co-investment ventures, development, industries, property types, revenue-generating activities and/or new jurisdictions outside the U.S. These risks may include limited experience in managing certain types of new properties, engaging in new types of revenue-generating activities, new types of real estate locations and lease structures (including with respect to multi-tenant properties or other leases structures that are not net lease), new co-investment ventures, and the laws and culture of non-U.S. jurisdictions.

The bankruptcy or insolvency of a client, borrower or guarantor could result in the termination of the lease agreement, loan agreement, or guarantee, as applicable.

We are subject to the credit risk of our clients, borrowers and guarantors in connection with their rental and other financial obligations owed to us under applicable leases, loans, guarantees, and other financing agreements. There can be no assurance that our clients and borrowers will make their payments and not default on their obligations to us. Clients, borrowers, or guarantors may experience a downturn in their business that may weaken their operating results or overall financial condition. As a result, a client may delay lease commencement, fail to make rental payments when due, decline to extend a lease upon its expiration, fail to maintain the property or otherwise pay its required expenses under the terms of the lease, become insolvent or declare bankruptcy. Client, borrower, or guarantor bankruptcy or insolvency, payment delay or failure to make payments when due could result in the termination of applicable leases, loans, guarantees, and other financing agreements and material losses to us.

The occurrence of a bankruptcy or insolvency could diminish or eliminate the income we receive from our leases, loans, guarantees, and other financing agreements. A bankruptcy court could authorize a client to terminate one or more of its leases with us. If that happens, our claim against the bankrupt client for unpaid future rent would be subject to statutory limitations that most likely would result in payments substantially less than the remaining rent we are owed under the leases or we may elect not to pursue claims against a client for terminated leases. Claims for unpaid past rent, if any, may not be paid in full, or at all. Client bankruptcies affecting a property may also adversely impact our ability to quickly re-lease that property at favorable terms, or at all. If a client’s leases are not terminated as the result of its bankruptcy, we may be required or elect to reduce the rent payable under those leases or provide other concessions, reducing amounts we receive under those leases. As a result, client bankruptcies may have a material adverse effect on our results of operations and financial condition. Any of these events could adversely affect our cash flow from operations and our ability to make distributions to stockholders and service our indebtedness.

Risks Related to Our Liquidity and Capital Resources

Future issuances of equity securities could dilute the interest of holders of our common stock.

Our future growth will depend upon our ability to raise additional capital. Raising capital through the issuance of equity securities, including securities exchangeable into our equity securities or convertible debt securities, can dilute the interests of holders of our common stock. The interests of our common stockholders could also be diluted by the issuance of shares of common stock pursuant to equity incentive plans. Our Board of Directors is authorized to cause us to issue preferred stock of any class or series with dividend, voting and other rights as determined by our Board which could dilute, or otherwise adversely affect, the holders of our common stock.

We are subject to risks associated with debt and preferred stock financing.

We have incurred significant indebtedness, including borrowings under our $4.0 billion unsecured credit facilities, our term loans and our $3.0 billion commercial paper programs. As of December 31, 2025, we have borrowed an aggregate of approximately $1.7 billion in multicurrency borrowings under our term loans. As of December 31, 2025, we also had a total of $25.3 billion of outstanding unsecured senior debt securities (excluding unamortized net original issuance premiums, deferred financing costs and basis adjustments on interest rate swaps designated as fair value hedges), including approximately $5.4 billion denominated in Sterling (of which $1.2 billion is related to our privately placed Sterling notes), $2.8 billion denominated in Euro thereunder, and approximately $37.9 million of outstanding mortgage debt (excluding unamortized net discounts and deferred financing costs).

We intend to incur additional indebtedness in the future which may be pursuant to accordion expansion features of our revolving credit and term loan facilities, the Fund, mergers, acquisitions, joint ventures, partnerships and other structures or arrangements. We also may in the future increase the size of our commercial paper programs or establish new commercial paper programs. We expect that we will continue to use our current and any new revolving credit facilities we may enter into (in each case as the same may be expanded, amended or restated, if applicable, from time to time), as a liquidity backstop for the repayment of notes issued under our current or any new commercial paper programs. We may in the future amend and restate current indebtedness or incur or assume other indebtedness for us, the Fund, and other co-investments which may increase the amounts we are entitled to borrow and amounts owned.

To the extent new indebtedness is added to our current debt levels, the related risks that we now face would increase. As a result, we are and will be subject to risks associated with debt financing, including the risk that our cash flow could be insufficient to make required payments on our debt or to pay dividends on our common stock. We also face variable interest rate risk as the interest rates on our revolving credit facility, term loan facilities, and commercial paper programs are variable (subject to our interest rate swaps on our term loan facilities, in effect from time to time), and the interest rates on any credit facilities and term loan facilities we may enter into in the future may be variable, and could therefore increase over time. Commercial paper borrowings are short-term obligations and the interest rate on newly issued commercial paper varies according to market conditions at the time of issuance. While we may enter into hedging and other derivatives instruments to mitigate our exposure to fluctuations in borrowing and currency rates, we may not realize the anticipated benefits from these arrangements or they may be insufficient to fully mitigate our exposure. We also face the risk that we may be unable to refinance or repay our debt as it comes due. Given past disruptions in the financial markets and ongoing global financial uncertainties, we also face the risk that one or more of the participants in our revolving credit facility may be unwilling or unable to lend us money.

We have incurred and may continue to incur indebtedness that is denominated in local currencies to fund our international investments and operations. However, it is possible that such indebtedness may be insufficient or may be on unacceptable terms requiring us to use non-local currency indebtedness. In such event, we may be subject to foreign exchange rate volatility. While we may enter into hedging and other derivatives instruments to mitigate our exposure to fluctuations in foreign exchange rates, we may not realize the anticipated benefits from these arrangements or these arrangements may be insufficient to mitigate our exposure.

Our credit agreements, mortgages and other debt documents could limit or, in certain cases, prohibit the payment of dividends and other distributions to holders of our common stock and any outstanding preferred stock. For example, the credit agreements governing our revolving credit facility and term loans generally provide that, if an event of default exists, we may not pay any dividends or make other distributions on, or repurchase or redeem, among other things, any shares of our common stock or any outstanding preferred stock. If such an event of default were to occur (including under any other credit agreement or debt instrument with similar terms that we may, in the future, enter into or be subject to), it would likely have a material adverse effect on the market price of our outstanding common stock and any outstanding preferred stock and on the market value of our debt securities which could limit the amount of dividends or other distributions payable to holders of our common stock and any outstanding preferred stock or the amount of interest and principal we are able to pay on our indebtedness, or prevent us from paying those dividends, other distributions, interest or principal altogether, and may adversely affect our ability to qualify, or prevent us from qualifying, as a REIT.

Our indebtedness could also have other important consequences to holders of our common stock, outstanding preferred stock, and our debt securities, including: increasing our vulnerability to general adverse economic and industry conditions; limiting our ability to obtain additional financing to fund future working capital, acquisitions, capital expenditures and other general corporate requirements; requiring the use of a substantial portion of our cash flow from operations for the payment of principal and interest on our indebtedness, thereby reducing our ability to use our cash flow to fund working capital, acquisitions, capital expenditures and general corporate requirements; limiting our flexibility in planning for, or reacting to, changes in our business and our industry; and putting us at a disadvantage compared to our competitors with less indebtedness.

If we default under a credit facility, loan agreement or other debt instrument, the lenders will generally have the right to demand immediate repayment of the principal and interest on all of their loans and, in the case of secured indebtedness, to exercise their rights to seize and sell the collateral. Moreover, a default under a single loan or debt instrument may trigger cross-default or cross-acceleration provisions in other indebtedness and debt instruments, giving the holders of such other indebtedness and debt instruments similar rights to demand immediate repayment and to seize and sell any collateral.

General Risk Factors

The market value and trading volume of our capital stock and debt securities could be substantially affected by various factors.

The market value and trading volume of our capital stock and debt securities will depend on many factors, which may change from time to time and may be outside of our control, including:

- Interest rates, increases in which may have an adverse effect on the market value of our capital stock and debt securities, inflation and foreign exchange rates;
- The market for similar securities issued by other REITs;
- General economic, political and financial market conditions;
- The financial condition, performance and prospects of us, our clients and our competitors;
- Changes in tax, legal and regulatory laws and obligations;
- Litigation and regulatory investigations and proceedings;
- Changes in credit ratings, financial estimates or recommendations by securities analysts with respect to us, our competitors or our industry;
- Tariffs, trade disputes, geopolitical tensions and instability, and other macroeconomic developments;
- Changes in our mix of investments and revenue-generating activities over time;
- Actual or anticipated variations in quarterly operating results of us and our competitors; and
- Failure to achieve the perceived benefits of mergers, acquisitions, co-investment ventures, new verticals, or other revenue-generating activities.

Common stock and debt securities prices in the U.S. trading markets have experienced extreme price fluctuations, and the market values of our common stock and debt securities have also fluctuated significantly during this period. Current or historical trading volumes and share prices may not be indicative of the future trading volumes and prices. As a result of these and other factors, investors who purchase our capital stock and debt securities may experience a decrease in the market value of our capital stock and debt securities, which could be substantial and rapid, including decreases unrelated to our operating performance or prospects. Further, net lease REITs must be able to deploy capital with agility and consistency, if we cannot access the capital markets upon favorable terms or at all, we may not be able to acquire investments upon favorable terms or at all and may be required to liquidate investments, including investments that have not yet realized maximum return, which could result in adverse tax consequences and/or adversely affect our ability to meet cash flow and other operational needs. Turmoil in the capital markets could lead to decreased consumer confidence and widespread reduction of business activity, adversely impacting our clients and us.

Litigation risks could affect our business.

From time to time, we are involved in legal proceedings, lawsuits, claims, regulatory inquiries, investigations, and other disputes that arise in the ordinary course of business. As our business has evolved and the scope and complexity of our operations and transactions have increased, including through mergers, acquisitions, development opportunities, dispositions, joint ventures, co-investment ventures, private capital transactions, debt investments, funds and other strategic transactions, we may be subject to an increased risk of litigation and other claims. Such matters may involve, among other things, contractual disputes, fiduciary duty claims, compliance with applicable laws and regulations (including the Americans with Disabilities Act of 1990 and building performance standards and related enforcement) and disagreements with partners, investors, clients or other counterparties. An unfavorable resolution of any such matter could have a material adverse effect on our business, results of operations, financial condition and cash flows. Regardless of outcome, litigation and related proceedings and investigations may result in substantial costs and expenses, be time-consuming and disruptive to our operations and brand, and significantly divert management and personnel attention and other resources.

We depend on key personnel.

We depend on the efforts of our executive officers and key employees and the loss of their services could have a material adverse effect on our results of operations or financial condition. We may not be able to recruit personnel with the experience of departing personnel or with the experience needed to manage the complexity of our business and it may be difficult to retain employees to the same extent as in the past.

Natural disasters, terrorist attacks, acts of violence or war or other unexpected events may affect the value of our debt and equity securities, the markets in which we operate and our results of operations.

Natural disasters, terrorist attacks, acts of violence or war or other unexpected events (e.g., pandemics or epidemics) may negatively affect our operations, the market price of our capital stock and the value of our debt securities. There can be no assurance that these events will not occur or have a direct impact on us, our clients, the U.S. or world. If events like these were to occur, they could materially interrupt our operations, cause consumer confidence and spending to decrease or result in increased volatility in the U.S. and worldwide financial markets and economy. They also could result in or prolong an economic recession in the U.S. or abroad. Any of these occurrences could have a significant adverse impact on our operating results and revenues and on the market price of our capital stock and on the value of our debt securities. It could also have an adverse effect on our ability to pay principal and interest on our debt securities or other indebtedness and to make distributions to our stockholders.

We rely on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology could harm our business.

We, like all businesses, are subject to cyberattacks and security incidents, which threaten the confidentiality, integrity and availability of our systems and information resources. Cyberattacks are malicious cyber activity and a security incident is a successful cyberattack that has the potential to expose sensitive data, internal systems or otherwise disrupt business operations. Those cyberattacks and security incidents may be due to intentional or unintentional acts by employees, contractors or third parties, who seek to gain unauthorized access to our or our service providers' systems to disrupt operations, corrupt data or steal confidential information through malware, computer viruses, ransomware, social engineering (e.g., phishing attachments to e-mails) or other vectors.

The risk of a cybersecurity breach or operational disruption, including by computer hackers, foreign governments and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks (including through the use of artificial intelligence) and intrusions from around the world have increased, particularly as remote working has become more common. Our IT networks and related systems are essential to the operation of our business and our ability to perform day-to-day operations and, in some cases, may be critical to the operations of certain of our clients. Although we make efforts to maintain the security and integrity of these types of IT networks and related systems, and we have implemented various measures to manage the risk of a security breach or disruption, there can be no assurance that our security efforts and measures will be effective or that attempted security breaches or disruptions would not be successful or damaging.

While we maintain some of our own critical IT networks and related systems, we depend on third parties to provide important software, technologies, tools and a broad array of services and functions, such as payroll, human resources, electronic communications, data storage and certain finance and treasury functions, among others. In the ordinary course of our business, we collect, process, transmit and store sensitive data within our own systems and utilize those of third-party providers, including intellectual property, our proprietary business information and that of our clients, suppliers, business partners and investors as well as personally identifiable information.

Our measures to prevent, detect and mitigate these threats may not be successful in preventing a security incident or data breach or limiting the effects of such a breach. This is particularly so because cyberattack methodologies change frequently or are not recognized until launched, and we also may be unable to investigate or remediate incidents because attackers are increasingly using techniques and tools designed to circumvent controls, to avoid detection and to remove or obfuscate forensic evidence. Our clients, joint venture partners, investors or other third parties with whom we do business may, themselves, become subject to cyberattacks or security incident which we may have no control, and which could have an indirect adverse impact on them, us or our business relationship.

The primary risks that could directly result from the occurrence of a cyberattack or security incident include operational interruption, damage to our relationship with our clients, reputational damage and private data exposure. We could be required to expend significant capital and other resources to address an attack or incident, which may not be covered or fully covered by our insurance, and which may involve payments for investigations, forensic analyses, legal advice, public relations advice, system repair or replacement or other services, in addition to any remedies or relief that may result from legal proceedings. Our financial results may be negatively impacted by any such cyberattacks and security incidents or any resulting negative media attention. Although we carry cyber liability insurance, such insurance may not be adequate to cover all losses related to such events.

Further, we also rely on innovation in our IT and our use of or inability to adopt and deliver new technological capabilities and enhancements in line with strategic objectives, including artificial intelligence and machine learning, may put us at a competitive disadvantage (including delayed implementation and utilization that causes us to lag behind our competitors); cause us to miss opportunities to innovate or achieve efficiencies; or adversely impact our business, reputation, results of operations, and financial condition. The use of emerging technologies, including artificial intelligence, entails risks including risks relating to the possibility of intellectual property infringement or misappropriation; data privacy; potential for inaccuracy; bias; new or enhanced governmental or regulatory scrutiny, requirements, litigation, or other liability; ethical concerns; negative perceptions as to automation and artificial intelligence; cybersecurity concerns; or other complications or liabilities that could adversely affect our business, reputation, results of operations, or financial results.

Volatility in market and economic conditions may impact the accuracy of the various estimates used in the preparation of our financial statements and footnotes to the financial statements.

Various estimates are used in the preparation of our financial statements, including estimates related to asset and liability valuations (or potential impairments) and receivables. Often these estimates require the use of market data values and involve estimates of future performance or receivables and collectability, all of which can be difficult to accurately predict. Although management believes it has been prudent and used reasonable judgment in making these estimates, it is possible that actual results may differ from these estimates.

Inherent limitations of internal controls over financial statements, disclosure controls and safeguarding of assets may adversely impact our financial condition and results of operations.

Our internal controls over financial reporting, disclosure controls and procedures and our operating internal controls may not prevent or detect financial misstatements or loss of assets because of inherent limitations, including the possibility of human error, the circumvention or overriding of controls or fraud. Effective internal controls can provide only reasonable assurance with respect to financial statement and disclosure accuracy and safeguarding of assets. Failures in our internal controls could result in adverse consequences in our financial reporting and operations, including delays, additional costs, impairment of our ability to access capital, adverse impacts to investor confidence, regulatory investigation and review and/or litigation.

Our business operations may not generate the cash needed to make distributions on our capital stock or to service our indebtedness.

Our ability to make distributions on our common stock and any outstanding preferred stock and payments on our indebtedness, and to fund acquisitions and capital expenditures will depend on our ability to generate cash in the future. We cannot make any assurances that our business will generate sufficient cash flow from operations or that future borrowings will be available to us in an amount sufficient to enable us to make distributions on our common stock and any outstanding preferred stock, to pay our indebtedness or to fund our other liquidity needs.

Disruptions in the financial markets could affect our ability to obtain financing on reasonable terms and have other adverse effects on us and the market price of our common stock and may make it more difficult or costly for us to raise capital.

Historically, there have been periods where the global equity and credit markets have experienced significant price volatility, dislocations and liquidity disruptions, which have caused market prices of equity and debt securities to fluctuate substantially and the spreads on prospective debt financings to widen considerably. These circumstances have materially impacted liquidity in the financial markets, making terms for certain financings less attractive and, in certain cases, have resulted in the unavailability of certain types of financing. Uncertainty in the equity and credit markets may negatively impact our ability to access additional financing at reasonable terms, which may adversely affect our ability to make acquisitions. A prolonged downturn in the equity or credit markets may cause us to refinance at higher rates, cause us to seek alternative sources of potentially less attractive financing and require us to adjust our business plan accordingly. These factors may make it more difficult for us to buy or sell properties and may adversely affect the price we purchase or receive for properties, as we and prospective buyers may experience increased costs of financing or difficulties in obtaining financing. These events in the equity and credit markets may make it more difficult or costly for us to raise capital through the issuance of common stock, preferred stock or debt securities. These disruptions in the financial markets may also have a material adverse effect on the market value of our common stock and debt securities, the income we receive from our properties and the lease rates we can charge for our properties, as well as other unknown adverse effects on us or the economy in general.

Inflation (including prolonged inflationary periods) may adversely affect our results of operations, financial condition and liquidity.

Increased inflation or anticipated inflationary periods, such as the period in which we are currently in, could have a more pronounced negative impact on any variable rate debt we incur in the future and on our results of operations. During times when inflation is greater than increases in rent, as provided for in our leases, rent increases may not keep up with the rate of inflation and other costs (including increases in employment and other fees and expenses). Government regulations may limit the indices we can utilize in lease adjustments, thereby limiting our ability to increase rent. Even though net leases are structured so as to reduce our exposure to rising property expenses due to inflation, substantial inflationary pressures and increased costs may have an adverse impact on our clients if increases in their operating expenses exceed increases in revenue, which may adversely affect our clients' ability to pay rent. The U.K. government plans to migrate away from the Retail Price Index ("RPI"), to alternatives such as the Consumer Price Index including owner occupiers' housing costs, that may result in a lower measure of inflation and, in turn, have a negative impact on our lease revenue currently tied to RPI in the U.K. Inflationary periods may cause us to experience increased costs of financing, making it difficult to incur or refinance debt at attractive rates or at all, and may adversely affect the investments we make if the cost of financing is in excess of our anticipated earnings from such investment thereby limiting the investments we can make. To the extent periods of high inflation are prolonged, these results may be exacerbated.

We are subject to complex and changing laws, regulations, policies and executive orders, which exposes us to potential liabilities, increased costs and other adverse effects on our business.

We are subject to complex and changing laws, regulations, policies and executive orders, locally, internationally and federally and the enforcement and interpretations thereof, and compliance with these laws, regulations, policies and executive orders is onerous and expensive. New and changing laws, regulations, policies and executive orders or the enforcement and interpretations thereof, can adversely affect our business in many ways, including by increasing costs, negatively impacting the creditworthiness of our existing or potential clients, changing the interpretations or enforceability of existing business relationships or agreements, creating legal liability or reputational harm to the Company or distractions for management, generating operational disruptions and requiring changes to our business, strategies or operations. Changes in law, enforcement priorities, policy and other actions that materially adversely affect our business may be announced with little or no advance notice and we may not be able to effectively mitigate all adverse impacts from such measures or ensure timely compliance. These changes could also expose us to significant fines, government investigations, litigation and reputation harm, all of which could be costly, result in distractions for management, adversely impact our operational results and could alter our ability to execute on our strategic plans. Our business, and the businesses of our clients, also depend on a stable and predictable legal and regulatory framework, including the consistent interpretation, application and enforcement of federal, state and local laws, regulations and policies. The instability and unpredictability caused by weakened institutional oversight and inconsistent regulatory enforcement can introduce legal and operational uncertainty that may hinder our ability to plan, operate and invest effectively and which may negatively impact our ability to rely on regulatory and administrative procedures. In addition, the industries in which our clients operate may be directly adversely affected by inconsistent or abrupt regulatory or legal changes that impact their businesses, such as shifts in commercial regulations, labor laws and policies or sector-specific compliance requirements, which in turn could also have a material adverse effect on our financial position, results of operations and our ability to pay the principal of and interest on our debt securities and other indebtedness and to make distributions on our common stock and any outstanding preferred stock. Legal unpredictability could also impede our human capital management. Collectively, these risks could materially adversely affect our business, reputation, results of operations and financial condition.

Item 1B: Unresolved Staff Comments

There are no unresolved staff comments.

Item 1C: Cybersecurity

We maintain a cyber risk management program to identify, assess, manage, mitigate, and respond to cybersecurity threats. We design and assess our program based on the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and use the NIST CSF as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business. The program is integrated within our enterprise risk management system and addresses our IT networks and related systems that are essential to the operation of our business.

We maintain controls and procedures, including third-party oversight procedures, and cybersecurity training for all employees on an annual basis.

We work with third parties that assist us to identify, assess, and manage cybersecurity risks, including professional services firms, consulting firms, threat intelligence service providers, and penetration testing firms.

Our cybersecurity program and designated incident response team are comprised of key employees, and third-party information security experts from leading cybersecurity incident response firms, who are responsible for efficiently and effectively responding to cybersecurity incidents. We have established comprehensive incident response and recovery plans and continue to evaluate the effectiveness of those plans.

We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us, including our operations, business strategy, results of operations, or financial condition. We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. See “Risk Factors – We rely on information technology in our operations, and any material failure, inadequacy, interruption or security failure of that technology could harm our business.”

Cybersecurity Governance

The Board of Directors considers cybersecurity risk as part of its risk oversight function, and the Audit Committee of our Board of Directors oversees Realty Income's cybersecurity and other information technology risk exposures and the steps taken by management to monitor and control such exposures. Our cybersecurity risk profile and cybersecurity program status are reported to the Audit Committee on a quarterly basis. In addition, management updates the Audit Committee, as necessary, regarding any significant cybersecurity incidents, as well as any incidents with lesser impact potential. The Audit Committee reports to the full Board of Directors regarding its activities, including those related to cybersecurity, and the full Board of Directors also receives briefings from management on our cybersecurity risk management program, as appropriate.

Our Senior Vice President of Information Technology is primarily responsible for assessing and managing our material risks from cybersecurity threats, including our overall cybersecurity risk management program, and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our Senior Vice President of Information Technology has served in IT roles for the Company since 2007, and has led the department since 2020. He has over 20 years of experience implementing and operating cybersecurity technologies, policies, and procedures throughout various industries.

Our Senior Vice President of Information Technology works closely with our management team to keep them informed about and to monitor the Company’s efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in the IT environment.

Item 2: Properties

Information pertaining to our properties can be found under Item 1.

Item 3: **Legal Proceedings**

Information regarding legal proceedings is included in note *22*, *Commitments and Contingencies,* to the consolidated financial statements.

Item 4: **Mine Safety Disclosures**

None.

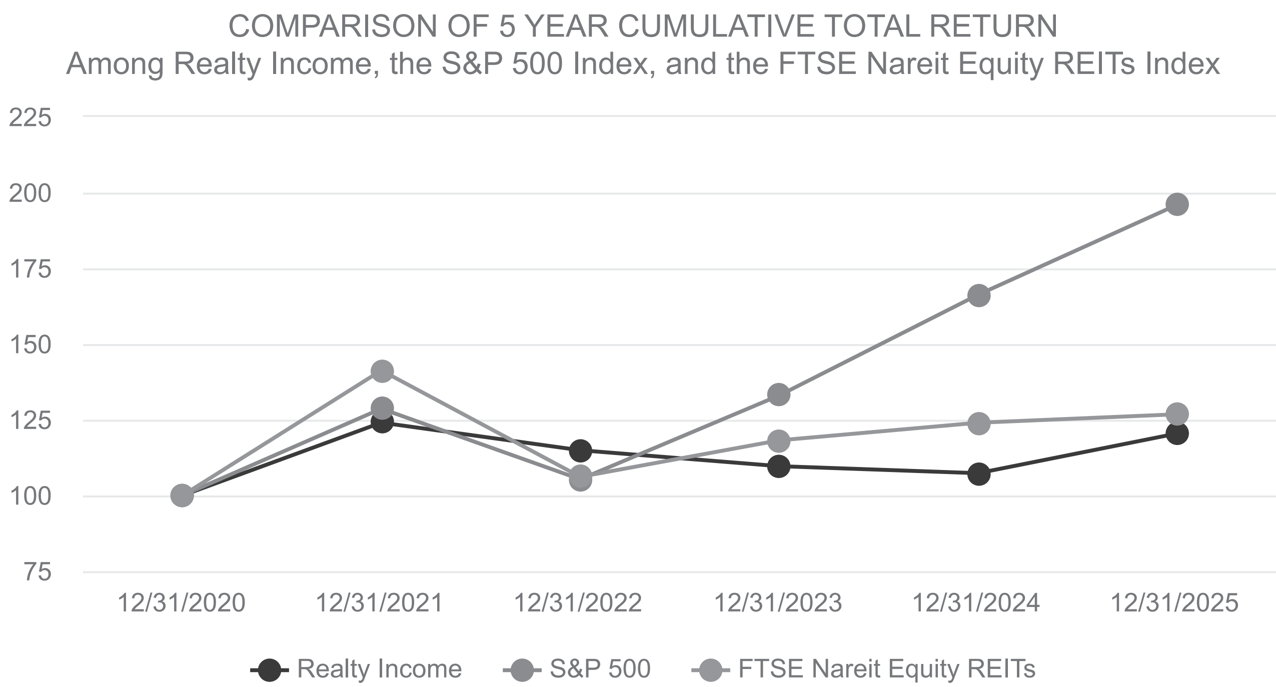
PART II

Item 5: Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market Information
Our common stock is traded on the NYSE under the ticker symbol “O.”

Holders
There were approximately 12,700 registered holders of record of our common stock as of January 30, 2026. This figure does not reflect the beneficial ownership of shares of our common stock.

Stock Performance Graph
The line graph below compares the cumulative total stockholder return of Realty Income’s common stock from December 31, 2020 to December 31, 2025 with the cumulative total returns of the S&P 500 Index and the Financial Times and Stock Exchange ("FTSE") Nareit Equity REITs Index. The graph illustrates the performance of a $100 investment in our common stock and in each index (with reinvestment of all dividends as required by the SEC) from December 31, 2020 until December 31, 2025. Historical stock price performance should not be relied upon as an indication of future stock price performance.



Company/Index	Base Period 12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025
Realty Income	$ 100.00	$ 124.07	$ 114.95	$ 109.69	$ 107.37	$ 120.47
S&P 500	$ 100.00	$ 128.68	$ 105.36	$ 133.03	$ 166.28	$ 195.98
FTSE Nareit Equity REITs	$ 100.00	$ 141.31	$ 106.18	$ 118.22	$ 124.03	$ 126.82

Repurchases of Equity Securities

The following table presents the number and average price of shares purchased during the three months ended December 31, 2025:

Period	Total Number of Shares Purchased [1]	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Program [2]	Maximum Dollar Value of Shares that May be Repurchased Under the Program
October 1, 2025 — October 31, 2025	802	$ 60.17	—	$ 2,000,000,000
November 1, 2025 — November 30, 2025	1,100	$ 57.01	—	$ 2,000,000,000
December 1, 2025 — December 31, 2025	266	$ 57.42	—	$ 2,000,000,000
Total	2,168	$ 58.23	—	

[1] All 2,168 shares of common stock purchased during the three months ended December 31, 2025 were withheld for state and federal payroll taxes on the vesting of employee stock awards, as permitted under the Realty Income 2021 Incentive Award Plan, (the "2021 Plan"). The withholding of common stock by us could be deemed a purchase of such common stock.

[2] In February 2025, our Board of Directors authorized a share repurchase program for up to $2.0 billion in shares of our common stock, which will expire in January 2028.

Item 6: [Reserved]

Item 7: Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis reflect our financial condition and results of operations for the year ended December 31, 2025 compared to the year ended December 31, 2024. For a discussion of the year ended December 31, 2024 compared to the year ended December 31, 2023, please refer to Part II, Item 7. "Management’s Discussion and Analysis of Financial Condition and Results of Operations" in our annual report on Form 10-K for the year ended December 31, 2024.

GENERAL

Realty Income (NYSE: O), an S&P 500 company, is *real estate partner to the world's leading companies®*. Founded in 1969, we serve our clients as a full-service real estate capital provider. As of December 31, 2025, we have a portfolio of over 15,500 properties in all 50 U.S. states, the U.K., and eight other countries in Europe. We are known as “The Monthly Dividend Company®” and have a mission to invest in people and places to deliver dependable monthly dividends that increase over time. Since our listing on the NYSE in 1994, we have had 133 dividend increases and are a member of the S&P 500 Dividend Aristocrats® index for having increased our dividend for over 31 consecutive years.

As of December 31, 2025, we owned or held interests in 15,511 properties, with approximately 355.0 million square feet of leasable space leased to 1,761 clients doing business in 92 separate industries. Of the 15,511 properties in our portfolio as of December 31, 2025, 15,167, or 97.8%, were single-tenant properties, and the remaining were multi–tenant properties. Our total portfolio had a weighted average remaining lease term (excluding rights to extend a lease at the option of the client) of approximately 8.8 years. Total portfolio annualized base rent (defined as the monthly cash base rent for all leases in place as of the end of the period, multiplied by 12, excluding percentage rent) on our leases as of December 31, 2025 was $5.31 billion.

As of December 31, 2025, approximately 32.2% of our total portfolio annualized base rent came from properties leased to our investment grade clients, their subsidiaries or affiliated companies. As of December 31, 2025, our top 20 clients (based on percentage of total portfolio annualized base rent) represented approximately 35.8% of our annualized base rent and 11 of these clients had investment grade credit ratings or were subsidiaries or affiliates of investment grade companies. Approximately 91% of our annualized retail base rent as of December 31, 2025, was derived from our clients with a service, non-discretionary, and/or low price point component to their business.

Unless otherwise specified, references to rental revenue in the Management's Discussion and Analysis of Financial Condition and Results of Operations are exclusive of reimbursements from clients for recoverable real estate taxes and operating expenses totaling $340.4 million, $303.1 million, and $274.2 million for the years ended December 31, 2025, 2024, and 2023, respectively.

RECENT DEVELOPMENTS

Increases in Monthly Dividends to Common Stockholders

We have continued our 57-year history of paying monthly dividends by increasing the dividend five times during 2025 and once during 2026. As of February 2026, we have paid 113 consecutive quarterly dividend increases and increased the dividend 133 times since our listing on the NYSE in 1994.

2025 Dividend increases	Month Declared	Month Paid	Monthly Dividend per share	Increase per share
1st increase	Dec 2024	Jan 2025	$ 0.2640	$ 0.0005
2nd increase	Feb 2025	Mar 2025	$ 0.2680	$ 0.0040
3rd increase	Mar 2025	Apr 2025	$ 0.2685	$ 0.0005
4th increase	Jun 2025	Jul 2025	$ 0.2690	$ 0.0005
5th increase	Sep 2025	Oct 2025	$ 0.2695	$ 0.0005
2026 Dividend increase				
1st increase	Dec 2025	Jan 2026	$ 0.2700	$ 0.0005

The dividends paid per share during the year ended December 31, 2025 totaled $3.2170, as compared to $3.1255 during the year ended December 31, 2024, an increase of $0.0915, or 2.9%.

The monthly dividend of $0.2700 per share represents a current annualized dividend of $3.240 per share, and an annualized dividend yield of 5.7% based on the last reported sale price of our common stock on the NYSE of $56.37 on December 31, 2025. Although we expect to continue our policy of paying monthly dividends, we cannot guarantee that we will maintain our current level of dividends, that we will continue our pattern of increasing dividends per share, or what our actual dividend yield will be in any future period.

U.S. Private Fund Business
In December 2025, we secured an additional $816.3 million in commitments for the Fund, bringing total commitments to approximately $1.5 billion. As a result of this and previously announced closings, the Company anticipates to close its cornerstone equity capital raise round on or before March 31, 2026 and is capping its commitments during this round at $1.7 billion.

Investments
During the year ended December 31, 2025, we invested $6.3 billion at an initial weighted average cash yield of 7.3%, including investments in 380 properties, properties under development or expansion, unconsolidated entities, a preferred equity investment, and loans. See notes *4* through *7* to the consolidated financial statements for further details.

Preferred Equity Investment in CityCenter Las Vegas Real Estate Assets
In December 2025, we acquired an $800.0 million preferred equity interest in the real estate assets of CityCenter Las Vegas, comprised of the ARIA Resort & Casino and Vdara Hotel & Spa, which is owned by funds affiliated with Blackstone Real Estate. Blackstone Real Estate will retain 100% of the common equity ownership of the property, which will continue to be operated by MGM Resorts International.

Establishment of Joint Venture with GIC
In January 2026, we announced the establishment of a strategic relationship with GIC, a leading global institutional investor, including the formation of a build-to-suit development joint venture with total combined commitments of over $1.5 billion.

Dispositions
During the year ended December 31, 2025, we sold 425 properties with total net proceeds received of $744.0 million.

Equity Capital Raising
In November 2025, we replaced our prior ATM program with a new ATM program, pursuant to which we may offer and sell up to 150.0 million shares of common stock.

During the year ended December 31, 2025, we raised $2.4 billion of proceeds from the sale of common stock at a weighted average price of $57.14 per share, primarily through the settlement of 42.0 million shares of common stock under our ATM program. As of December 31, 2025, we had outstanding forward sale agreements under our ATM program for a total of 12.6 million shares of common stock, representing expected net proceeds of approximately $708.5 million (assuming full physical settlement of such agreements). See note *16*, *Stockholders' Equity*, to the consolidated financial statements contained in this annual report for further details.

Credit Facilities
In April 2025, we closed on the recast and expansion of our multi-currency unsecured credit facilities totaling $5.38 billion, including a $1.38 billion unsecured facility for the Fund. See note *8*, *Credit Facilities and Commercial Paper Programs*, to the consolidated financial statements for further details.

Term Loan Amendment
In November 2025, we entered into a term loan agreement that amends and restates the previous agreement governing our $1.5 billion multi-currency term loan, dated January 6, 2023. The agreement provides for a £900.0 million Sterling-denominated term loan facility that will initially mature in January 2028, before giving effect to one twelve-month extension option. See note *9, Term Loans,* to the consolidated financial statements for further details.

Note Issuances
In October 2025, we issued $400.0 million of 3.950% senior unsecured notes due February 2029 and $400.0 million of 4.500% senior unsecured notes due February 2033.

In June 2025, we issued €650.0 million of 3.375% senior unsecured notes due June 2031 and €650.0 million of 3.875% senior unsecured notes due June 2035.

In April 2025, we issued $600.0 million of 5.125% senior unsecured notes due April 2035.

See note *11*, *Notes Payable*, to the consolidated financial statements for further details.

Convertible Bond Issuance

In January 2026, we issued $862.5 million aggregate principal amount of 3.500% convertible senior notes due January 2029 in a private offering, for estimated net proceeds of $845.5 million. We used approximately $101.9 million of the net proceeds to repurchase approximately 1.8 million shares of our common stock concurrently with the pricing of the offering.

Portfolio Discussion

Leasing Results

As of December 31, 2025, we had 173 properties available for lease or sale out of 15,511 properties in our portfolio, which represents a 98.9% occupancy rate based on the number of properties in our portfolio. Our property-level occupancy rate excludes properties with ancillary leases only, such as cell towers and billboards, and properties with possession pending, and includes properties owned by unconsolidated joint ventures. Below is a summary of our portfolio activity for the periods indicated below:

Three months ended December 31, 2025	
Properties available for lease as of September 30, 2025	204
Lease expirations [1]	378
Re-leases to same client	(285)
Re-leases to new client	(9)
Vacant dispositions	(115)
Properties available for lease as of December 31, 2025	173
Year ended December 31, 2025	
Properties available for lease as of December 31, 2024	205
Lease expirations [1]	1,317
Re-leases to same client	(963)
Re-leases to new client	(52)
Vacant dispositions	(334)
Properties available for lease as of December 31, 2025	173

[1] Includes scheduled and unscheduled expirations (including leases rejected in bankruptcy), as well as future expirations resolved in the periods indicated above.

During the three months ended December 31, 2025, the new annualized base rent on re-leased units was $88.30 million, as compared to the previous annual rent of $84.21 million on the same units, representing a rent recapture rate of 104.9% on the re-leased units.

During the year ended December 31, 2025, the new annualized base rent on re-leased units was $301.99 million, as compared to the previous annual rent of $290.61 million on the same units, representing a rent recapture rate of 103.9% on the re-leased units.

As part of our re-leasing costs, we pay leasing commissions to unrelated, third-party real estate brokers consistent with the commercial real estate industry standard, and sometimes provide rent concessions to our clients. We do not consider the collective impact of the leasing commissions or rent concessions to our clients to be material to our financial position or results of operations.

Impact of Inflation

Leases generally provide for limited increases in rent as a result of fixed increases, increases in the consumer price index, retail price index in the case of certain leases in the U.K. (typically subject to ceilings), or increases in clients' sales volumes. We expect that inflation will cause these lease provisions to result in rent increases over time.

During times when inflation is greater than increases in rent, as provided for in the leases, rent increases may not keep up with the rate of inflation and other costs.

Moreover, our strategic focus on the use of net lease agreements reduces our exposure to rising property expenses due to inflation because the client is responsible for property expenses. Even though the utilization of net leases reduces our exposure to rising property expenses due to inflation, substantial inflationary pressures and increased costs may have an adverse impact on our clients if increases in their operating expenses exceed increases in revenue, which may adversely affect our clients' ability to pay rent. Additionally, inflationary periods may cause us to experience increased costs of financing, make it difficult to refinance debt at attractive rates or at all, and may adversely affect the properties we can acquire if the cost of financing an acquisition is in excess of our anticipated earnings from such property, thereby limiting the properties that can be acquired.

Impact of Real Estate and Capital Markets
In the commercial real estate market, property prices generally continue to fluctuate. Likewise, during certain periods, the global capital markets have experienced significant price volatility, dislocations, and liquidity disruptions, which may impact our access to and cost of capital. We continually monitor the commercial real estate and global capital markets carefully and, if required, will make decisions to adjust our business strategy accordingly.

Impact of Current Macroeconomic Conditions
We monitor developments related to macroeconomic factors that could have an adverse impact on our business and our clients. Our clients face challenges that may differ from or be additional to challenges we face, including potential changes in consumer confidence levels, behavior and spending and increased operational expenses, including potential impacts from changes in global trade policies. The extent of the future effects on our business, results of operations, cash flows, and growth strategies is highly uncertain and will ultimately depend on future developments, none of which can be predicted.

LIQUIDITY AND CAPITAL RESOURCES

Our primary cash obligations are included in the “Material Cash Requirements” table, which is presented later in this section. We expect to fund our operating expenses and other short-term liquidity requirements, including property acquisitions and development costs, payment of principal and interest on our outstanding indebtedness, property improvements, re-leasing costs, and cash distributions to common stockholders, primarily through a combination of the following:

- Cash and cash equivalents;
- Future cash flows from operations;
- Issuances of common stock or debt, or other securities offerings;
- Additional borrowings under our credit facilities or commercial paper programs, which are backstopped by our credit facilities;
- Short-term loans;
- Asset dispositions; and
- Credit investment repayments.

In addition to these sources of liquidity, in 2025 we launched a perpetual life fund, raising approximately $1.5 billion in commitments from institutional investors. The Company anticipates to close its cornerstone equity capital raise round on or before March 31, 2026 and is capping its commitments during this round at $1.7 billion. The Company seeks to hold additional closings during the life of the Fund, and the Company intends to evaluate other opportunities to raise private capital in the future, including potentially through additional funds and/or joint venture opportunities.

We believe that our cash and cash equivalents on hand, cash provided from operating activities, and borrowing capacity are sufficient to meet our liquidity needs for the next twelve months. We intend, however, to use permanent or long-term capital to fund property acquisitions and to repay future borrowings under our credit facilities and commercial paper programs.

Long-Term Liquidity Requirements
Our primary goal is to deliver dependable monthly dividends to stockholders that increase over time. Historically, we have met our principal short-term and long-term capital needs, including the funding of high-quality real estate acquisitions, investments in loans to clients, property development, and capital expenditures by issuing common stock, long-term unsecured notes, and term loan borrowings. While the issuance of common stock has historically been an important component of our capital structure, we continue to broaden and diversify our sources of capital to reduce reliance on the public capital markets. This approach enhances capital availability across market cycles, improves cost-of-capital certainty, and increases financial flexibility. However, there can be no assurance that our efforts will be successful.

Capitalization
As of December 31, 2025, our total capitalization was $82.5 billion. Total capitalization consisted of $52.8 billion of common equity (based on the December 31, 2025 closing price on the NYSE of $56.37 and assuming the conversion of 2.7 million common units of Realty Income, L.P.), and total outstanding borrowings of $29.7 billion on our credit facilities, commercial paper, term loans, mortgages payable, and senior unsecured notes and bonds and our proportionate share of joint venture debt (excluding unamortized deferred financing costs, discounts, and premiums).

Share Repurchase Program
In February 2025, our Board of Directors authorized a share repurchase program for up to $2.0 billion in shares of our common stock, which will expire in January 2028. Repurchases under the repurchase program may be made at management's discretion from time to time using a variety of methods, which may include open market purchases, privately negotiated transactions, Rule 10b5-1 plans or otherwise, all in accordance with the rules of the SEC and other applicable legal requirements. The repurchase program does not obligate us to acquire any particular amount of common stock, and the repurchase program may be suspended or discontinued at any time at our discretion. No shares were repurchased in 2025. In January 2026, we repurchased approximately 1.8 million shares of our common stock for approximately $101.9 million. See note *23*, *Subsequent Events,* to the consolidated financial statements for further details.

ATM Program
During the year ended December 31, 2025, we settled approximately 42.0 million shares of common stock previously sold pursuant to forward sale agreements through our ATM program for approximately $2.4 billion of net proceeds. As of December 31, 2025, we had outstanding forward-sale agreements under our ATM program for a total of 12.6 million shares of common stock, representing approximately $708.5 million in expected net proceeds, which have been executed at a weighted average price of $56.26 per share (assuming full physical settlement of all outstanding shares of common stock, subject to such forward sale agreements and certain assumptions made with respect to settlement dates). Additionally, as of December 31, 2025, we had 141.1 million shares remaining for future issuance under our ATM program. We anticipate maintaining the availability of our ATM program in the future, including the replenishment of authorized shares issuable thereunder.

Debt Financing Activities
As of December 31, 2025, our total outstanding borrowings of credit facilities, commercial paper, term loans, mortgages payable, and senior unsecured notes and bonds were $29.1 billion, with a weighted average maturity of 5.5 years and a weighted average interest rate of 3.9%. As of December 31, 2025, approximately 93% of our total debt was fixed rate debt. See notes 8 through 11 to the consolidated financial statements for additional information about our outstanding debt, along with our debt financing activities during the year ended December 31, 2025 below.

<u>*Credit Facilities*</u>
In April 2025, we entered into new $4.0 billion unsecured multicurrency revolving credit facilities, to amend and restate our previous $4.25 billion unsecured revolving credit facility. Our new revolving credit facilities consist of (a) a $2.0 billion unsecured multicurrency revolving credit facility, consisting of two tranches, that will mature in April 2027 and (b) a $2.0 billion unsecured multicurrency revolving credit facility, consisting of two tranches, that will mature in April 2029 (collectively, the "RI Credit Facilities"). The RI Credit Facilities also include two six-month extensions for each facility, which can be exercised at our option. As of December 31, 2025, we had a borrowing capacity of $2.7 billion available on our RI Credit Facilities (subject to customary conditions to borrowing) and an outstanding balance of $1.3 billion.

In connection with the closing of the RI Credit Facilities, the Fund entered into a newly-established $1.38 billion unsecured credit facility, which provides for (a) an up to $1.0 billion unsecured revolving credit facility and (b) an up to $380.0 million unsecured delayed draw term loan which is available to be drawn for twelve months after April 29, 2025 (the "Closing Date") (collectively, the "Fund Credit Facilities"). The revolving credit facility under the Fund Credit Facilities matures in April 2029 and the delayed draw term loan under the Fund Credit Facilities matures in April 2028. The Fund Credit Facilities also include two six-month extensions for each facility, which can be exercised at our option. The aggregate amount under the Fund Credit Facilities can be increased to up to $2.0 billion pursuant to an accordion expansion feature, which is subject to obtaining lender commitments. As of December 31, 2025, we had a borrowing capacity of $1.2 billion available on our Fund Credit Facilities (subject to customary conditions to borrowing) and an outstanding balance of $182.0 million.

Term Loan Amendment
In November 2025, we entered into a term loan agreement that amends and restates the previous agreement governing our $1.5 billion multi-currency term loan, dated January 6, 2023. The agreement provides for a £900.0 million Sterling-denominated term loan facility that will initially mature in January 2028, before giving effect to one twelve-month extension option.As of December 31, 2025, we had an outstanding balance of $1.2 billion. In conjunction with the closing, we executed variable-to-fixed interest rate swaps, which fix the weighted average per annum interest rate at 4.3% over the two-year term.

Term Loan Redemptions
In August 2025, we repaid our $300.0 million unsecured term loan in full upon maturity, plus $0.3 million in accrued and unpaid interest.

In June 2025, we repaid our $500.0 million unsecured term loan in full upon maturity, plus $2.3 million in accrued and unpaid interest.

Mortgage Repayments
During the year ended December 31, 2025, we made $44.6 million in principal payments, including the full repayment of three mortgages for $42.9 million.

Note Issuances
During the year ended December 31, 2025, we issued the following notes and bonds:

2025 Issuances	Date of Issuance	Maturity Date	Principal amount (in millions)		Price of par value	Effective yield to maturity
5.125% Notes	April 2025	April 2035	$	600.0	98.37 %	5.337 %
3.375% Notes	June 2025	June 2031	€	650.0	99.57 %	3.456 %
3.875% Notes	June 2025	June 2035	€	650.0	99.55 %	3.930 %
3.950% Notes	October 2025	February 2029	$	400.0	99.41 %	4.143 %
4.500% Notes	October 2025	February 2033	$	400.0	98.87 %	4.685 %

Convertible Bond Issuance
In January 2026, we issued $862.5 million aggregate principal amount of 3.500% convertible senior notes due January 2029 in a private offering, for estimated net proceeds of $845.5 million. We used approximately $101.9 million of the net proceeds to repurchase approximately 1.8 million shares of our common stock concurrently with the pricing of the offering. The notes will be senior, unsecured obligations of Realty Income and will accrue interest at a rate of 3.500% per annum, payable semi-annually in arrears. The notes will mature on January 15, 2029, unless earlier repurchased, redeemed or converted. See note *23*, *Subsequent Events,* to the consolidated financial statements for further details.

Note Repayments

2025 Repayments	Date of Issuance	Maturity Date	Principal amount (in millions)	
3.875% Notes	April 2018	April 2025	$	500.0
4.625% Notes	October 2018	November 2025	$	550.0

2026 Repayment	Date of Issuance	Maturity Date	Principal amount (in millions)	
5.050% Notes	January 2023	January 2026	$	500.0

Note Covenants
The following is a summary of the key financial covenants for our senior unsecured notes, as defined and calculated per the terms of our senior notes and bonds. These calculations, which are not based on U.S. GAAP measurements, are presented to investors to show our ability to incur additional debt under the terms of our senior notes and bonds as well as to disclose our current compliance with such covenants and are not measures of our liquidity or performance. The actual amounts as of December 31, 2025, are:

Note Covenants	Required	Actual
Limitation on incurrence of total debt	≤ 60% of adjusted assets	41.4%
Limitation on incurrence of secured debt	≤ 40% of adjusted assets	0.2%
Debt service and fixed charge coverage (trailing 12 months) [(1)]	≥ 1.5x	4.7x
Maintenance of total unencumbered assets	≥ 150% of unsecured debt	242.7%

(1) Our debt service coverage ratio is calculated on a pro forma basis for the preceding four-quarter period on the assumptions that: (i) the incurrence of any Debt (as defined in the covenants) by us since the first day of such four-quarter period and the application of the proceeds therefrom (including to refinance other Debt since the first day of such four-quarter period), (ii) the repayment or retirement of any of our Debt since the first day of such four-quarter period, and (iii) any acquisition or disposition by us of any asset or group since the first day of such four quarters and subject to certain additional adjustments. Such pro forma ratio has been prepared on the basis required by that debt service covenant, reflects various estimates and assumptions and is subject to other uncertainties, and therefore does not purport to reflect what our actual debt service coverage ratio would have been had transactions referred to in clauses (i), (ii) and (iii) of the preceding sentence occurred as of the first day of four-quarter period, nor does it purport to reflect our debt service coverage ratio for any future period. Fixed charge coverage is calculated in the same manner as the debt service coverage. The following is our calculation of debt service and fixed charge coverage as of December 31, 2025 (in thousands, for trailing twelve months):

Net income attributable to the Company	$	1,058,590
Plus: interest expense, excluding the amortization of deferred financing costs		1,106,037
Plus: provision for taxes		85,346
Plus: depreciation and amortization		2,524,200
Plus: provisions for impairment		471,335
Plus: pro forma adjustments		211,434
Less: gain on sales of real estate		(177,640)
Income available for debt service, as defined	$	5,279,302
Total pro forma debt service charge	$	1,121,370
Debt service and fixed charge coverage ratio		4.7x

Credit Agency Ratings

The borrowing interest rates under our revolving credit facilities are based upon our ratings assigned by credit rating agencies. As of December 31, 2025, we were assigned the following investment grade corporate credit ratings on our senior unsecured notes and bonds: Moody’s Investors Service has assigned a rating of A3 with a “stable” outlook and Standard & Poor’s Ratings Group has assigned a rating of A- with a “stable” outlook. In addition, we were assigned the following ratings on our commercial paper as of December 31, 2025: Moody's Investors Service has assigned a rating of P-2 and Standard & Poor's Ratings Group has assigned a rating of A-2.

Based on our credit rating agency ratings as of December 31, 2025, our credit facilities provide for (i) USD borrowings at Secured Overnight Financing Rate ("SOFR") plus 0.725% and (ii) British Pound Sterling ("GBP") borrowings at the Sterling Overnight Indexed Average (“SONIA”) plus 0.725%, and (iii) EURO ("EUR") borrowings at a benchmark rate selected in accordance with the credit agreement. A revolving credit facility commitment fee of 0.125% is payable on the total commitment amount. The credit agreement also provides flexibility to elect different interest rate tenors or daily rate options for each currency tranche.

In addition, our credit facilities provide that the interest rates can range between: (i) SOFR/SONIA/Euro Interbank Offered Rate (“EURIBOR”), plus 1.40% if our credit rating is lower than BBB-/Baa3 or our senior unsecured debt is unrated and (ii) SOFR/SONIA/EURIBOR, plus 0.70% if our credit rating is A/A2 or higher. In addition, our credit facilities provide for a facility commitment fee based on our credit ratings, which ranges from: (i) 0.30% for a rating lower than BBB-/Baa3 or unrated, and (ii) 0.10% for a credit rating of A/A2 or higher.

We also issue senior debt securities from time to time and our credit ratings can impact the interest rates charged in those transactions. If our credit ratings or ratings outlook change, our cost to obtain debt financing could increase or decrease. The credit ratings assigned to us could change based upon, among other things, our results of operations and financial condition. These ratings are subject to ongoing evaluation by credit rating agencies, and we cannot assure you that our ratings will not be changed or withdrawn by a rating agency in the future if, in its judgment, circumstances warrant. Moreover, a rating is not a recommendation to buy, sell or hold our debt securities or common stock.

Material Cash Requirements

The following table summarizes the maturity of each of our obligations as of December 31, 2025 (in millions):

	2026	2027	2028	2029	2030	Thereafter	Total
Credit Facilities [1]	$ —	$ 823.5	$ —	$ 683.1	$ —	$ —	$ 1,506.6
Commercial Paper [2]	516.8	—	—	—	—	—	516.8
Unsecured Term Loans	—	500.0	1,211.0	—	—	—	1,711.0
Mortgages Payable	12.0	22.3	1.3	1.3	1.0	—	37.9
Senior Unsecured Notes and Bonds	2,375.0	2,374.5	2,499.8	2,820.3	2,472.3	12,801.9	25,343.8
Interest [3]	1,069.4	964.5	801.1	731.4	597.5	2,877.8	7,041.7
Ground Leases Paid by the Company [4]	20.4	13.8	11.7	12.9	13.4	570.7	642.9
Ground Leases Paid by Our Clients [5]	31.7	30.1	27.2	24.9	23.3	311.0	448.2
Other [6]	663.8	175.0	4.6	—	—	4.6	848.0
Total	$ 4,689.1	$ 4,903.7	$ 4,556.7	$ 4,273.9	$ 3,107.5	$ 16,566.0	$38,096.9

[1] The initial terms of the RI Credit Facilities expire in April 2027 and April 2029 and include, at our option, two six-month extensions. The initial term of the revolving credit facility under the Fund Credit Facilities expires in April 2029 and includes, at our option, two six-month extensions.

[2] Commercial paper programs outstanding were $516.8 million, maturing between January 2026 and February 2026.

[3] Interest on the commercial paper programs, term loans, mortgages payable, and senior unsecured notes and bonds has been calculated based on outstanding balances at period end through their respective maturity dates.

[4] We currently pay the ground lessors directly for the rent under certain ground lease arrangements.

[5] Our clients, who are generally sub-tenant clients under ground leases, are responsible for paying the rent under these ground leases.

[6] “Other” consists of $805.0 million of commitments under construction contracts, and $43.0 million for tenant improvements, recurring capital expenditures, and building improvements.

Investments in Unconsolidated Entities

As of December 31, 2025, our pro-rata share of secured debt of unconsolidated entities was approximately $659.2 million.

DIVIDEND POLICY

Distributions are paid monthly to holders of shares of our common stock.

Distributions are paid monthly to the limited partners holding common units of Realty Income, L.P., each on a per unit basis that is equal to the amount paid per share to our common stockholders (subject to the adjustment factor applicable to those units at the time of such distribution).

In order to maintain our status as a REIT for federal income tax purposes, we generally are required to distribute dividends to our stockholders aggregating annually at least 90% of our taxable income (excluding net capital gains), and we are subject to income tax to the extent we distribute less than 100% of our taxable income (including net capital gains). In 2025, our cash distributions to common stockholders totaled $2.92 billion, or approximately 159.0% of our estimated taxable income of $1.84 billion. Certain measures are available to us to reduce or eliminate our tax exposure as a REIT, and accordingly, no provision for U.S. federal income taxes, other than our taxable REIT subsidiaries (each, a "TRS"), has been made. Our estimated taxable income reflects non-cash deductions for depreciation and amortization. Our estimated taxable income is presented to show our compliance with REIT dividend requirements and is not a measure of our liquidity or operating performance. We intend to continue to make distributions to our stockholders that are sufficient to meet this dividend requirement and that will reduce or eliminate our exposure to income taxes. Furthermore, we believe our cash on hand and funds from operations are sufficient to support our current level of cash distributions to our stockholders. We distributed $3.22 per share to stockholders during the year ended December 31, 2025, representing 75.2% of our diluted Adjusted Funds from Operations Available to Common Stockholders ("AFFO") per share of $4.28.

Future distributions will be at the discretion of our Board of Directors and will depend on, among other things, our results of operations, Funds from Operations Available to Common Stockholders ("FFO"), Normalized Funds from Operations Available to Common Stockholders ("Normalized FFO"), AFFO, cash flow from operations, financial condition, capital requirements, the annual distribution requirements under the REIT provisions of the Code, our debt service requirements, and any other factors the Board of Directors may deem relevant. In addition, our RI Credit Facilities contain financial covenants that could limit the amount of distributions payable by us in the event of a default, and which prohibit the payment of distributions on our common stock in the event that we fail to pay when due (subject to any applicable grace period) any principal or interest on borrowings under our RI Credit Facilities.

Distributions of our current and accumulated earnings and profits for federal income tax purposes generally will be taxable to stockholders as ordinary income, except to the extent that we recognize capital gains and declare a capital gains dividend, or that such amounts constitute "qualified dividend income" subject to a reduced rate of tax. The maximum tax rate of non-corporate taxpayers for "qualified dividend income" is generally 20%. In general, dividends payable by REITs are not eligible for the reduced tax rate on qualified dividend income, except to the extent that certain holding requirements have been met with respect to the REIT's stock and the REIT's dividends are attributable to dividends received from certain taxable corporations (such as our TRSs) or to income that was subject to tax at the corporate or REIT level (for example, if we distribute taxable income that we retained and paid tax on in the prior taxable year). However, non-corporate stockholders, including individuals, generally may deduct up to 20% of dividends from a REIT, other than capital gain dividends and dividends treated as qualified dividend income.

Distributions in excess of earnings and profits generally will first be treated as a non-taxable reduction in the stockholders' basis in their stock, but not below zero. Distributions in excess of that basis generally will be taxable as a capital gain to stockholders. Approximately 33.6% of the distributions to our common stockholders, made or deemed to have been made in 2025, were classified as a return of capital for federal income tax purposes.

RESULTS OF OPERATIONS

The following is a comparison of our results of operations for the years ended December 31, 2025 and 2024.

Total Revenue

The following summarizes our total revenue (in thousands):

	Years ended December 31,		
	2025	2024	Change
Rental (excluding reimbursements)	$ 5,096,934	$ 4,740,660	$ 356,274
Rental (reimbursements)	340,398	303,088	37,310
Other	312,045	227,394	84,651
Total revenue	$ 5,749,377	$ 5,271,142	$ 478,235

Rental Revenue (excluding reimbursements)

The table below summarizes the increase in rental revenue (excluding reimbursements) in the years ended December 31, 2025 and 2024 (dollars in thousands):

	Years ended December 31,			
	Number of Properties	2025	2024	Change
Properties acquired during 2025 & 2024	746	$ 329,648	$ 69,434	$ 260,214
Same store rental revenue [1]	14,345	4,551,915	4,494,957	56,958
Constant currency adjustment [2]	N/A	(16,493)	(37,794)	21,301
Properties sold during and prior to 2025	745	36,267	100,920	(64,653)
Straight-line rent and other non-cash adjustments	N/A	(1,677)	1,683	(3,360)
Vacant rents, development and other [3]	420	138,560	138,906	(346)
Other excluded revenue [4]	N/A	58,714	19,601	39,113
Less: Spirit rental revenue [5]	N/A	—	(47,047)	47,047
Total		$ 5,096,934	$ 4,740,660	$ 356,274

(1) The same store rental revenue percentage increased by 1.3% for the year ended December 31, 2025 as compared to the same period in 2024.

(2) For purposes of comparability, same store rental revenue is presented on a constant currency basis using the exchange rate as of December 31, 2025.

(3) Relates to the aggregate of (i) rental revenue from 294 properties that were available for lease during part of 2025 or 2024 for the year ended December 31, 2025, respectively and (ii) rental revenue for 126 properties under development or completed developments that do not meet our same store pool definition for the years ended December 31, 2025, respectively.

(4) "Other excluded revenue" primarily consists of reimbursements related to lease termination fees and other settlement income.

(5) Amounts for the year ended December 31, 2024 represent rental revenue from Spirit Realty Capital, Inc. ("Spirit") properties, which were not included in our financial statements prior to the close of the merger (the "Merger") with Spirit on January 23, 2024.

For purposes of determining the same store rent property pool, we include all properties that were owned for the entire year-to-date period, for both the current and prior year, except for properties during the current or prior year that; (i) were vacant at any time, (ii) were under development or redevelopment, or (iii) were involved in eminent domain and rent was reduced. Each of the exclusions from the same store pool are separately addressed within the applicable sentences above, explaining the changes in rental revenue for the period.

Of the 17,204 in-place leases in the portfolio, 13,860, or 80.6%, were under leases that provide for increases in rents through: base rent increases tied to inflation (typically subject to ceilings), percentage rent based on a percentage of the clients' gross sales, fixed increases, or a combination of two or more of the aforementioned rent provisions.

Rent based on a percentage of our clients' gross sales, or percentage rent, was $18.2 million and $16.0 million for the years ended December 31, 2025 and 2024, respectively. Percentage rent represents less than 1% of rental revenue.

As of December 31, 2025, our portfolio of 15,511 properties was 98.9% leased with 173 properties available for lease or sale, as compared to 98.7% leased with 205 properties available for lease as of December 31, 2024. It has been our experience that approximately 1% to 4% of our property portfolio will be available for lease at any given time; however, it is possible that the number of properties available for lease or sale could increase in the future, given the nature of economic cycles and other unforeseen global events.

Rental Revenue (reimbursements)
A number of our leases provide for contractually obligated reimbursements from clients for recoverable real estate taxes and operating expenses. Contractually obligated reimbursements by our clients increased by $37.3 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to higher reimbursable property taxes and maintenance due to growth in our portfolio.

Other Revenue
The following summarizes our total other revenue (in thousands):

	Years ended December 31,		
	2025	2024	Change
Interest income on financing receivables	$ 128,774	$ 124,288	$ 4,486
Interest income on loans and preferred equity investments	179,388	99,967	79,421
Other	3,883	3,139	744
	$ 312,045	$ 227,394	$ 84,651

Total other revenue increased by $84.7 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to higher interest income on loans and preferred equity investments driven by growth in our loan portfolio.

Expenses

The following summarizes our total expenses (in thousands):

	Years ended December 31,		
	2025	2024	Change
Depreciation and amortization	$ 2,524,200	$ 2,395,644	$ 128,556
Interest	1,134,879	1,016,955	117,924
Property (excluding reimbursements)	88,402	74,587	13,815
Property (reimbursements)	340,398	303,088	37,310
General and administrative	202,554	176,895	25,659
Provisions for impairment	471,335	425,833	45,502
Merger, transaction, and other costs, net	24,214	96,292	(72,078)
Total expenses	$ 4,785,982	$ 4,489,294	$ 296,688
Total revenue (1)	$ 5,408,979	$ 4,968,054	
General and administrative expenses as a percentage of total revenue (1)	3.7 %	3.6 %	
Property expenses (excluding reimbursements) as a percentage of total revenue (1)	1.6 %	1.5 %	

(1) Excludes client reimbursements.

Depreciation and Amortization

Depreciation and amortization increased by $128.6 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to the acquisitions of properties in 2024 and 2025, which were partially offset by property dispositions.

Interest Expense

The following is a summary of the components of our interest expense (in thousands):

	Years ended December 31,		
	2025	2024	Change
Interest on our revolving credit facilities, commercial paper, term loans, mortgages, senior unsecured notes and bonds, and interest rate swaps	$ 1,114,048	$ 1,018,445	$ 95,603
Credit facility commitment fees	6,052	5,401	651
Amortization of debt origination and deferred financing costs	29,652	23,939	5,713
Gain on interest rate swaps	(7,322)	(7,180)	(142)
Amortization of net mortgage and note discounts (premiums)	7,069	(3,279)	10,348
Capital lease obligation	2,414	2,025	389
Interest capitalized	(17,034)	(22,396)	5,362
Interest expense	$ 1,134,879	$ 1,016,955	$ 117,924
Revolving credit facilities, commercial paper, term loans, mortgages and senior unsecured notes and bonds			
Average outstanding balances	$ 28,319,680	$ 25,508,037	$ 2,811,643
Weighted average interest rates	3.93 %	4.07 %	

Interest expense increased by $117.9 million, or 11.6%, for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to higher average borrowings in 2025, as well as higher amortization of net note discounts (premiums) and deferred financing costs. See notes to the accompanying consolidated financial statements for additional information regarding our indebtedness.

Property Expenses (excluding reimbursements)

Property expenses (excluding reimbursements) consist of costs associated with properties available for lease, non-net-leased properties and general portfolio expenses and include, but are not limited to, property taxes, maintenance, insurance, utilities, property inspections and legal fees.

Property expenses (excluding reimbursements) increased by $13.8 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to the volume of asset acquisitions during the period resulting in higher repairs and maintenance costs and property management expenses.

Property Expenses (reimbursements)

Property expenses (reimbursements) consist of property taxes and operating costs paid on behalf of our clients. Property expenses (reimbursements) increased by $37.3 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to higher reimbursable property taxes and maintenance due to growth in our portfolio.

General and Administrative Expenses

General and administrative expenses are expenditures related to the operations of our company, including employee-related costs, professional fees, and other general overhead costs associated with running our business.

General and administrative expenses increased by $25.7 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily due to higher employee costs and professional fees as we continue to invest in our people and our platform.

Provisions for Impairment

The following table summarizes our provisions for impairment during the periods indicated below (in thousands):

	Years ended December 31,		
	2025	2024	Change
Provisions for impairment of real estate	$ 434,497	$ 319,032	$ 115,465
Provisions for credit losses	36,838	106,801	(69,963)
Provisions for impairment	$ 471,335	$ 425,833	$ 45,502

Provisions for impairment of real estate increased by $115.5 million during the year ended December 31, 2025 as compared to the same period in 2024, primarily due to properties that were sold or are more likely than not to be sold in the next twelve months and properties leased to clients in bankruptcy or experiencing financial distress.

Provisions for credit losses decreased by $70.0 million during the year ended December 31, 2025 as compared to the same period in 2024, primarily due to lower credit losses recognized on financing receivables related to distressed clients accounted for under sales leaseback transactions.

Merger, Transaction, and Other Costs, Net

During the year ended December 31, 2025, we incurred $24.2 million of merger, transaction, and other costs, net consisting primarily of placement fees incurred in fundraising for the Fund.

During the year ended December 31, 2024, we incurred $96.3 million of merger, transaction, and other costs, net consisting primarily of transaction and integration-related costs related to Spirit, $5.1 million related to the lease termination of a legacy corporate facility, and $4.5 million related to the establishment of the Fund.

Gain on Sales of Real Estate

The following summarizes our property dispositions (dollars in thousands):

	Years ended December 31,		
	2025	2024	Change
Number of properties sold	425	294	131
Net sales proceeds	$ 744,014	$ 589,450	$ 154,564
Gain on sales of real estate	$ 177,640	$ 117,275	$ 60,365

Foreign Currency and Derivative (Loss) Gain, Net

We borrow in the functional currencies of the countries in which we invest. Net foreign currency gain and loss are primarily related to the remeasurement of intercompany debt from foreign subsidiaries and outstanding borrowings denominated in the local currencies we invest in. Derivative gain and loss are primarily related to mark-to-market adjustments on derivatives that do not qualify for hedge accounting and settlement of designated derivatives reclassified from Accumulated Other Comprehensive Income ("AOCI").

Foreign currency and derivative (loss) gain, net was a $28.7 million loss for the year ended December 31, 2025, compared to a $3.4 million gain for the same period in 2024, primarily due to the impact of foreign currency fluctuations on our foreign-denominated assets and liabilities, as well as derivative instruments we executed to reduce the effect of these fluctuations.

Equity in Earnings of Unconsolidated Entities

Equity in earnings of unconsolidated entities increased by $5.5 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily attributable to an increase in earnings in our data center development joint venture, which commenced leasing in 2024.

Other Income, Net
Other income, net increased by $5.8 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily from higher interest earned on cash and cash equivalent balances, in addition to higher insurance proceed gains and miscellaneous other income.

Income Taxes
Income taxes primarily consist of international income taxes accrued or paid by us and our subsidiaries, as well as state and local taxes. The increase of $18.7 million in income taxes for the year ended December 31, 2025 as compared to the same period in 2024 is primarily attributable to higher taxable income in the U.K. and Europe and higher state franchise taxes.

Net Income Attributable to Noncontrolling Interests
Net income attributable to noncontrolling interests increased by $4.6 million for the year ended December 31, 2025 as compared to the same period in 2024, primarily attributable to the launch of the Fund, with the first closing of third-party investments occurring at the beginning of the fourth quarter.

Preferred Stock Dividends
The decrease in preferred stock dividends of $7.8 million for the year ended December 31, 2025 as compared to the same period in 2024 is due to the issuance of Realty Income Series A Preferred Stock during the year ended December 31, 2024 in connection with the Merger. In September 2024, we redeemed all 6.9 million of Realty Income Series A Preferred Stock outstanding.

Excess of Redemption Value Over Carrying Value of Preferred Shares Redeemed
In September 2024, we redeemed all 6.9 million of Realty Income Series A Preferred Stock outstanding. The excess of the $25.00 liquidation price per share over the carrying value of Realty Income Series A Preferred Stock redeemed resulted in a loss on redemption of $5.1 million for the year ended December 31, 2024.

CRITICAL ACCOUNTING POLICIES

Our consolidated financial statements have been prepared in accordance with U.S. GAAP and are the basis for our discussion and analysis of financial condition and results of operations. Preparing our consolidated financial statements requires us to make a number of estimates and assumptions that affect the reported amounts and disclosures in the consolidated financial statements. We believe that we have made these estimates and assumptions in an appropriate manner and in a way that accurately reflects our financial condition. We continually test and evaluate these estimates and assumptions using our historical knowledge of the business, as well as other factors, to ensure that they are reasonable for reporting purposes. However, actual results may differ from these estimates and assumptions. This summary should be read in conjunction with the more complete discussion of our accounting policies and procedures included in note *1, Summary of Significant Accounting Policies*, to our consolidated financial statements in this annual report. In order to prepare our consolidated financial statements according to the rules and guidelines set forth by U.S. GAAP, many subjective judgments must be made with regard to critical accounting policies. We believe the following are our most critical accounting policies and estimates:

Allocation of the Purchase Price of Real Estate Acquisitions
Management must make significant assumptions in determining the fair value of assets acquired and liabilities assumed. When acquiring a property for investment purposes, we allocate the cost of real estate acquired, inclusive of transaction costs, to: (1) land, (2) building and improvements, and (3) identified intangible assets and liabilities, based in each case on their relative estimated fair values. Intangible assets and liabilities consist of above-market or below-market lease value and the value of in-place leases, as applicable. Additionally, above-market rents on leases acquired through sale-leaseback transactions under which we are a lessor are accounted for as financing receivables amortizing over the lease term, while below-market rents on leases under which we are a lessor are accounted for as prepaid rent. In an acquisition of multiple properties, we must also allocate the purchase price among the properties. The allocation of the purchase price is based on our assessment of estimated fair value of the land, building and improvements, and identified intangible assets and liabilities and is often based upon the various characteristics of the market where the property is located. In addition, any assumed mortgages are recorded at their estimated fair values. The estimated fair values of our mortgages payable have been calculated by discounting the future cash flows using applicable interest rates that have been adjusted for factors, such as industry type, client investment grade, maturity date, and comparable borrowings for similar assets. The use of different assumptions in the allocation of the purchase price of the acquired properties and liabilities assumed could affect the timing of recognition of the related revenue and expenses.

Provisions for Impairment - Real Estate Assets

Management must make significant judgment as to if, and when, impairment losses should be taken on our properties when events or a change in circumstances indicate that the carrying amount of the asset may not be recoverable. If estimated future operating cash flows (undiscounted and without interest charges) plus estimated disposition proceeds (undiscounted) are less than the current book value of the property, a fair value analysis is performed and, to the extent the estimated fair value is less than the current book value, a provision for impairment is recorded to reduce the book value to estimated fair value. Key inputs that we utilize in this analysis include projected rental rates, estimated holding periods, capital expenditures, and property sales capitalization rates. If a property is held for sale, it is carried at the lower of carrying cost or estimated fair value, less estimated cost to sell. The carrying value of our real estate is the largest component of our consolidated balance sheets. Our strategy of primarily holding properties, long-term, directly decreases the likelihood of their carrying values not being recoverable, thus requiring the recognition of an impairment. However, if our strategy, or one or more of the above assumptions were to change in the future, an impairment may need to be recognized. If events should occur that require us to reduce the carrying value of our real estate by recording provisions for impairment, they could have a material impact on our results of operations.

NON-GAAP FINANCIAL MEASURES

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization for Real Estate ("Adjusted EBITDA*re*")

Nareit established an EBITDA metric for real estate companies (i.e., EBITDA for real estate, or EBITDA*re*) it believed would provide investors with a consistent measure to help make investment decisions among REITs. Our definition of “Adjusted EBITDA*re*” is generally consistent with the Nareit definition, other than our adjustment to remove foreign currency and derivative gain and loss and merger, transaction, and other costs, net. We define Adjusted EBITDA*re*, a non-GAAP financial measure, for the most recent quarter as earnings (net income) before (i) interest expense, (ii) income taxes, (iii) depreciation and amortization, (iv) provisions for impairment, (v) merger, transaction, and other costs, net, (vi) gain on sales of real estate, (vii) foreign currency and derivative gain and loss, net, and (viii) our proportionate share of adjustments from unconsolidated entities and consolidated entities with noncontrolling interests. Our Adjusted EBITDA*re* may not be comparable to Adjusted EBITDA*re* reported by other companies or as defined by Nareit, and other companies may interpret or define Adjusted EBITDA*re* differently than we do. Management believes Adjusted EBITDA*re* to be a meaningful measure of a REIT’s performance because it provides a view of our operating performance, analyzes our ability to meet interest payment obligations before the effects of income tax, depreciation and amortization expense, provisions for impairment, gain on sales of real estate and other items, as defined above, that affect comparability, including the removal of non-recurring and non-cash items that industry observers believe are less relevant to evaluating the operating performance of a company. In addition, EBITDA*re* is widely followed by industry analysts, lenders, investors, rating agencies, and others as a means of evaluating the operating performance of business activities prior to servicing debt obligations. Management also believes the use of an Annualized Adjusted EBITDAre metric is meaningful because it represents our current earnings run rate for the period presented. Annualized Adjusted EBITDA*re* and Annualized Pro Forma Adjusted EBITDA*re*, as defined below, are also used to determine the vesting of performance share awards granted to executive officers. Annualized Adjusted EBITDA*re* should be considered along with, but not as an alternative to net income as a measure of our operating performance. We define Annualized Pro Forma Adjusted EBITDA*re* as Annualized Adjusted EBITDA*re*, subject to certain adjustments to incorporate Adjusted EBITDA*re* from investments we acquired or stabilized during the applicable quarter and Adjusted EBITDA*re* from investments we disposed of during the applicable quarter, and include transaction accounting adjustments in accordance with U.S. GAAP, giving pro forma effect to all transactions as if they occurred at the beginning of the applicable quarter, and adjusted for our pro-rata share. Our calculation includes all adjustments consistent with the requirements to present Adjusted EBITDA*re* on a pro forma basis in accordance with Article 11 of Regulation S-X. We believe Annualized Pro Forma Adjusted EBITDA*re* is a useful non-GAAP supplemental measure, as it excludes investments that were no longer owned at the balance sheet date and includes the annualized base rent from investments acquired during the quarter. Management also uses our ratios of Net Debt/Annualized Adjusted EBITDA*re* and Net Debt/Annualized Pro Forma Adjusted EBITDA*re* as measures of leverage in assessing our financial performance, which is calculated as net debt (which we define as total debt, excluding deferred financing costs and net discounts, less cash and cash equivalents, at our pro-rata share), divided by Annualized Adjusted EBITDA*re* and Annualized Pro Forma Adjusted EBITDA*re*, respectively.

The following is a reconciliation of net income (which we believe is the most comparable U.S. GAAP measure) to Adjusted EBITDA*re* and Annualized Pro Forma EBITDA*re* calculations for the periods indicated below (dollars in thousands):

		Three months ended December 31,
		2025
Net income	$	301,636
Interest		288,199
Income taxes		21,800
Depreciation and amortization		635,435
Provisions for impairment		124,411
Merger, transaction, and other costs, net		10,261
Gain on sales of real estate		(67,430)
Foreign currency and derivative loss, net		18,902
Proportionate share of adjustments from unconsolidated entities		19,576
Adjustments attributable to noncontrolling interests		(12,236)
Adjusted EBITDA*re*	$	1,340,554
Annualized Adjusted EBITDA*re* (1)	$	5,362,216
Annualized Pro Forma Adjustments	$	51,811
Annualized Pro Forma Adjusted EBITDA*re*	$	5,414,027
Total debt per the consolidated balance sheets, excluding deferred financing costs and net discounts	$	29,116,111
Proportionate share of unconsolidated entities debt, excluding deferred financing costs		659,190
Noncontrolling interests share of debt, excluding deferred financing costs		(55,637)
Less: Pro-Rata Share of cash and cash equivalents (2)		(419,402)
Net Debt (3)	$	29,300,262
Net Debt/Annualized Adjusted EBITDA*re*		5.5x
Net Debt/Annualized Pro Forma Adjusted EBITDA*re*		5.4x
Reconciliation of Consolidated Cash to Pro-Rata Share of Cash and Cash equivalents		
Cash and cash equivalents per the consolidated balance sheet	$	434,842
Add: proportionate share of unconsolidated entities cash		6,609
Less: adjustments allocable to noncontrolling interests		(22,049)
Total Pro-Rata Share of cash and cash equivalents	$	419,402

(1) We calculate Annualized Adjusted EBITDA*re* by multiplying the Adjusted EBITDA*re* for the applicable quarter by four.
(2) Reflects adjustments for our share based on our proportionate economic ownership of our joint ventures (which adds our pro-rata share of unconsolidated entities and deducts our noncontrolling interests share).
(3) Net Debt is total debt, excluding deferred financing costs and net discounts, less cash and cash equivalents, at our Pro-Rata Share.

As described above, the Annualized Pro Forma Adjustments, which include transaction accounting adjustments in accordance with U.S. GAAP and adjusted for our pro-rata share, consist of adjustments to incorporate the Adjusted EBITDA*re* from investments we acquired or stabilized during the applicable quarter and Adjusted EBITDA*re* from investments we disposed of during the applicable quarter, giving pro forma effect to all transactions as if they occurred at the beginning of the periods, consistent with the requirements of Article 11 of Regulation S-X. The following table summarizes our Annualized Pro Forma Adjustments related to our Annualized Pro Forma Adjusted EBITDA*re* calculation for the period indicated below (in thousands):

		Three months ended December 31,
		2025
Annualized pro forma adjustments from investments acquired or stabilized	$	116,680
Annualized pro forma adjustments from investments disposed		(64,869)
Annualized Pro Forma Adjustments	$	51,811

FUNDS FROM OPERATIONS AVAILABLE TO COMMON STOCKHOLDERS AND NORMALIZED FUNDS FROM OPERATIONS AVAILABLE TO COMMON STOCKHOLDERS

We define FFO, a non-GAAP measure, consistent with the National Association of Real Estate Investment Trusts' definition, as net income available to common stockholders, plus depreciation and amortization of real estate assets, plus provisions for impairments of depreciable real estate assets, and reduced by gain on property sales. We define Normalized FFO, a non-GAAP financial measure, as FFO excluding merger, transaction, and other costs, net. We define diluted FFO and diluted normalized FFO as FFO and normalized FFO adjusted for dilutive noncontrolling interests.

The following summarizes our FFO and Normalized FFO (in millions, except per share data):

	Years ended December 31,		
	2025	2024	% Change
FFO available to common stockholders	$ 3,860.3	$ 3,467.7	11.3 %
FFO per common share [1]	$ 4.25	$ 4.01	6.0 %
Normalized FFO available to common stockholders	$ 3,884.5	$ 3,564.0	9.0 %
Normalized FFO per common share [1]	$ 4.27	$ 4.12	3.6 %

[1] All per share amounts are presented on a diluted per common share basis.

We consider FFO and Normalized FFO to be appropriate supplemental measures of a REIT’s operating performance as they are based on a net income analysis of property portfolio performance that adds back items such as depreciation and impairments for FFO, and adds back merger, transaction, and other costs, net, for Normalized 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. Since real estate values historically rise and fall with market conditions, presentations of operating results for a REIT, using historical accounting for depreciation, could be less informative.

The following is a reconciliation of net income available to common stockholders (which we believe is the most comparable U.S. GAAP measure) to FFO and Normalized FFO. Also presented is information regarding distributions paid to common stockholders and the weighted average number of common shares used for the basic and diluted computation per share (in thousands, except per share amounts):

	Years ended December 31,	
	2025	2024
Net income available to common stockholders	$ 1,058,590	$ 847,893
Depreciation and amortization	2,524,200	2,395,644
Depreciation of furniture, fixtures and equipment	(2,622)	(2,857)
Provisions for impairment of real estate	434,497	319,032
Gain on sales of real estate	(177,640)	(117,275)
Proportionate share of adjustments for unconsolidated entities	33,345	29,124
FFO adjustments allocable to noncontrolling interests	(10,047)	(3,902)
FFO available to common stockholders	$ 3,860,323	$ 3,467,659
FFO allocable to dilutive noncontrolling interests	9,396	6,611
Diluted FFO	$ 3,869,719	$ 3,474,270
FFO available to common stockholders	$ 3,860,323	$ 3,467,659
Merger, transaction, and other costs, net [1]	24,214	96,292
Normalized FFO available to common stockholders	$ 3,884,537	$ 3,563,951
Normalized FFO allocable to dilutive noncontrolling interests	9,396	6,611
Diluted Normalized FFO	$ 3,893,933	$ 3,570,562
FFO per common share:		
Basic	$ 4.26	$ 4.02
Diluted	$ 4.25	$ 4.01
Normalized FFO per common share:		
Basic	$ 4.28	$ 4.13
Diluted	$ 4.27	$ 4.12
Distributions paid to common stockholders	$ 2,920,895	$ 2,691,719
FFO after distributions	$ 939,428	$ 775,940
Normalized FFO after distributions	$ 963,642	$ 872,232
Weighted average number of common shares used for FFO and Normalized FFO:		
Basic	907,169	862,959
Diluted	911,015	865,842

[1] During the year ended December 31, 2025, we incurred $24.2 million of merger, transaction, and other costs, net, consisting primarily of placement fees incurred in fundraising for the Fund. During the year ended December 31, 2024, we incurred $96.3 million of merger transaction and other costs, net, primarily related to transaction and integration related costs related to the Spirit merger.

ADJUSTED FUNDS FROM OPERATIONS AVAILABLE TO COMMON STOCKHOLDERS

We define AFFO, a non-GAAP measure, as FFO adjusted for unique revenue and expense items, which we believe are not as pertinent to the measurement of our ongoing operating performance. We define diluted AFFO as AFFO adjusted for dilutive noncontrolling interests.

The following summarizes our AFFO (in millions, except per share data):

	Years ended December 31,		
	2025	2024	% Change
AFFO available to common stockholders	$ 3,885.9	$ 3,621.4	7.3 %
AFFO per common share (1)	$ 4.28	$ 4.19	2.1 %

(1) All per share amounts are presented on a diluted per common share basis.

We consider AFFO to be an appropriate supplemental measure of our performance. Most companies in our industry use a similar measurement, but they may use the term “CAD” (for Cash Available for Distribution), “FAD” (for Funds Available for Distribution) or other terms. Our AFFO calculations may not be comparable to AFFO, CAD or FAD reported by other companies, and other companies may interpret or define such terms differently than we do.

We believe the non-GAAP financial measure AFFO provides useful information to investors because it is a widely accepted industry measure of the operating performance of real estate companies that is used by industry analysts and investors who look at and compare those companies. In particular, AFFO provides an additional measure to compare the operating performance of different REITs without having to account for differing depreciation assumptions and other unique revenue and expense items which are not pertinent to measuring a particular company’s on-going operating performance. Therefore, we believe that AFFO is an appropriate supplemental performance metric, and that the most appropriate U.S. GAAP performance metric to which AFFO should be reconciled is net income available to common stockholders. Presentation of the information regarding FFO, Normalized FFO, and AFFO is intended to assist the reader in comparing the operating performance of different REITs, although it should be noted that not all REITs calculate FFO, Normalized FFO, and AFFO in the same way, so comparisons with other REITs may not be meaningful. Furthermore, FFO, Normalized FFO, and AFFO are not necessarily indicative of cash flow available to fund cash needs and should not be considered as alternatives to net income as an indication of our performance. FFO, Normalized FFO, and AFFO should not be considered as alternatives to reviewing our cash flows from operating, investing, and financing activities. In addition, FFO, Normalized FFO, and AFFO should not be considered as measures of liquidity, our ability to make cash distributions, or our ability to pay interest payments.

The following is a reconciliation of net income available to common stockholders (which we believe is the most comparable U.S. GAAP measure) to Normalized FFO and AFFO. Also presented is information regarding distributions paid to common stockholders and the weighted average number of common shares used for the basic and diluted computation per share (in thousands, except per share amounts).

	Years ended December 31,	
	2025	2024
Net income available to common stockholders	$ 1,058,590	$ 847,893
Cumulative adjustments to calculate Normalized FFO [1]	2,825,947	2,716,058
Normalized FFO available to common stockholders	3,884,537	3,563,951
Debt-related non-cash items:		
Amortization of net debt discounts and deferred financing costs	36,705	15,361
Amortization of acquired interest rate swap value [2]	11,048	13,935
Capital expenditures from operating properties:		
Leasing costs and commissions	(9,481)	(8,558)
Recurring capital expenditures	(335)	(402)
Other non-cash items:		
Non-cash change in allowance for credit losses	36,838	106,801
Amortization of share-based compensation	30,770	32,741
Straight-line rent and expenses, net	(169,217)	(171,887)
Amortization of above and below-market leases, net	47,228	55,870
Deferred tax expense	603	3,552
Proportionate share of adjustments for unconsolidated entities	(2,991)	(2,078)
Excess of redemption value over carrying value of preferred shares redeemed	—	5,116
Other adjustments [3]	20,193	7,035
AFFO available to common stockholders	$ 3,885,898	$ 3,621,437
AFFO allocable to dilutive noncontrolling interests	9,323	6,599
Diluted AFFO	$ 3,895,221	$ 3,628,036
AFFO per common share:		
Basic	$ 4.28	$ 4.20
Diluted	$ 4.28	$ 4.19
Distributions paid to common stockholders	$ 2,920,895	$ 2,691,719
AFFO after distributions	$ 965,003	$ 929,718
Weighted average number of common shares used for AFFO:		
Basic	907,169	862,959
Diluted	911,015	865,842

(1) See reconciling items for Normalized FFO presented under “Funds from Operations Available to Common Stockholders and Normalized Funds from Operations Available to Common Stockholders".
(2) Includes the amortization of the purchase price allocated to interest rate swaps acquired in the Merger.
(3) Includes non-cash foreign currency losses (gains) from remeasurement to USD, mark-to-market adjustments on investments and derivatives that are non-cash in nature, obligations related to financing lease liabilities, and adjustments allocable to noncontrolling interests.

Item 7A: Quantitative and Qualitative Disclosures about Market Risk

We are exposed to economic risks from interest rates and foreign currency exchange rates. A portion of these risks is hedged, but the risks may affect our financial statements.

Interest Rates

We are exposed to interest rate changes primarily as a result of our revolving credit facilities and commercial paper programs, term loans, mortgages payable, and long-term notes and bonds used to maintain liquidity and expand our real estate investment portfolio and operations. Our interest rate risk management objective is to limit the impact of interest rate changes on earnings and cash flow and to lower our overall borrowing costs. To achieve these objectives, we primarily issue long-term notes and bonds, primarily at fixed rates.

In order to mitigate and manage the effects of interest rate risks on our operations, we may utilize a variety of financial instruments, including interest rate swaps, interest rate swaptions, interest rate locks and caps. The use of these types of instruments to hedge our exposure to changes in interest rates carries additional risks, including counterparty credit risk, the enforceability of hedging contracts and the risk that unanticipated and significant changes in interest rates will cause a significant loss of basis in the contract. To limit counterparty credit risk, we will seek to enter into such agreements with major financial institutions with favorable credit ratings. There can be no assurance that we will be able to adequately protect against the foregoing risks or realize an economic benefit that exceeds the related amounts incurred in connection with engaging in such hedging activities. We do not enter into any derivative transactions for speculative or trading purposes.

The following table presents, by year of expected maturity, the principal amounts, average interest rates and estimated fair values of our fixed and variable rate debt as of December 31, 2025. This information is presented to evaluate the expected cash flows and sensitivity to interest rate changes.

Expected Maturity Data

The following table summarizes the maturity of our debt as of December 31, 2025 (dollars in millions):

	Consolidated Fixed Rate Debt				Consolidated Variable Rate Debt				End of Period Interest Rate [3]	
Year Principal Due	Unsecured Term Loans	Mortgages Payable	Senior Unsecured Notes and Bonds	Subtotal	RI Credit Facilities	Fund Credit Facilities	Commercial Paper	Total Consolidated Debt Principal	Fixed Rate Debt [4]	Variable Rate Debt
2026	$ —	$ 12.0	$ 2,375.0	$ 2,387.0	$ —	$ —	$ 516.8	$ 2,903.8	4.09%	2.34%
2027	500.0	22.3	2,374.5	2,896.8	823.5	—	—	3,720.3	2.80	4.07
2028	1,211.0	1.3	2,499.8	3,712.1	—	—	—	3,712.1	3.72	—
2029	—	1.3	2,820.3	2,821.6	501.1	182.0	—	3,504.7	3.96	3.86
2030	—	1.0	2,472.3	2,473.3	—	—	—	2,473.3	3.73	—
Thereafter	—	—	12,801.9	12,801.9	—	—	—	12,801.9	4.15	—
Total [1]	$ 1,711.0	$ 37.9	$25,343.8	$27,092.7	$1,324.6	$ 182.0	$ 516.8	$ 29,116.1	3.88%	3.55%
Fair Value [2]	$ 1,711.0	$ 37.6	$24,647.5	$26,396.1	$1,324.6	$ 182.0	$ 516.8	$ 28,419.5		

(1) Excludes net discounts recorded on mortgages payable, net discounts recorded on notes payable, and deferred financing costs on term loans, mortgages payable, and notes payable.

(2) We base the estimated fair value of our fixed rate mortgages and private senior notes payable as of December 31, 2025, on the relevant forward interest rate curve, plus an applicable credit-adjusted spread. We base the estimated fair value of the publicly traded fixed rate senior notes and bonds as of December 31, 2025, on the indicative market prices and recent trading activity of our senior notes and bonds payable. We believe that the carrying values of the credit facilities, commercial paper borrowings, and term loans reasonably approximate their estimated fair values as of December 31, 2025.

(3) Calculated as the weighted average interest rate as of December 31, 2025. The weighted average interest rates reflect the effective fixed rate for floating rate debt that is fixed through interest rate swaps.

(4) In connection with our merger with Spirit in January 2024, we effectively assumed Spirit's existing term loans and fixed rate swaps, which carry a weighted average fixed interest rate of 3.3% for our term loan maturing in August 2027. In November 2025, we entered into interest rate swaps, which fixed our per annum interest rate at 4.3% for our term loan initially maturing in January 2028.

The table above incorporates only those exposures that exist as of December 31, 2025. It does not consider those exposures or positions that could arise after that date. As a result, our ultimate realized gain or loss, with respect to interest rate fluctuations, would depend on the exposures that arise during the period, our hedging strategies at the time, and interest rates.

As of December 31, 2025, our outstanding mortgages payable, notes, and bonds had fixed interest rates. Interest on our credit facilities and commercial paper borrowings and term loans is variable. However, the variable interest rate feature on our term loans has been mitigated by interest rate swap agreements. As of December 31, 2025, a 1% change in interest rates on our variable-rate debt would change our interest rate costs by $20.2 million.

Foreign Currency Exchange Rates

We are exposed to foreign currency exchange variability related to investments in and earnings from our foreign investments. Foreign currency market risk is the possibility that our results of operations or financial position could be better or worse than planned because of changes in foreign currency exchange rates. We primarily hedge our foreign currency risk by borrowing in the currencies in which we invest thereby providing a natural hedge. We continuously evaluate and manage our foreign currency risk through the use of derivative financial instruments, including currency exchange swaps, and foreign currency forward contracts with financial counterparties where practicable. Such derivative instruments are viewed as risk management tools and are not used for speculative or trading purposes. Additionally, our inability to redeploy rent receipts from our international operations on a timely basis subjects us to foreign exchange risk.

Item 8: <u>Financial Statements and Supplementary Data</u>

Table of Contents

A. Reports of Independent Registered Public Accounting Firm

B. Consolidated Balance Sheets, December 31, 2025 and December 31, 2024

C. Consolidated Statements of Income and Comprehensive Income, Years ended December 31, 2025, 2024, and 2023

D. Consolidated Statements of Equity, Years ended December 31, 2025, 2024, and 2023

E. Consolidated Statements of Cash Flows, Years ended December 31, 2025, 2024, and 2023

F. Notes to Consolidated Financial Statements

G. Schedule III - Real Estate and Accumulated Depreciation

Schedules not filed: All schedules, other than that indicated in the Table of Contents, have been omitted as the required information is either not material, inapplicable or the information is presented in the financial statements or related notes.

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Realty Income Corporation:

Opinion on the Consolidated Financial Statements
We have audited the accompanying consolidated balance sheets of Realty Income Corporation and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of income and comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement schedule III (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated February 24, 2026 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion
These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter
The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Assessment of the expected holding period for long-lived assets
As discussed in Note 1 to the consolidated financial statements, the Company evaluates long-lived assets for impairment whenever events or changes in circumstances, including shortening the estimated holding periods of such assets, indicate that the carrying amount of these assets may not be recoverable. The Company's long-lived assets primarily consist of its real estate held for investment and the related lease intangible assets, net of accumulated depreciation and amortization, which were $59.1 billion as of December 31, 2025.

We identified the assessment of the Company's impairment analysis for certain long-lived assets as a critical audit matter. Specifically, subjective auditor judgment was required in identifying and assessing the events or changes in circumstances which may indicate a shortening of the estimated holding periods for long-lived assets. Changes in the estimated holding periods could have a significant impact on the recoverability of the long-lived assets.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls, which included identification and assessment of events or changes in circumstances that indicate a shortening of the estimated holding period of long-lived assets. We evaluated the Company's estimated holding period by (i) inquiring of the Company's management, including personnel outside of the accounting department, regarding changes to the estimated holding period, (ii) obtaining written representations from management, (iii) reading the minutes of the board of directors of the Company, (iv) analyzing documents prepared by the Company regarding potential long-lived asset disposition transactions, and (v) evaluating events occurring after December 31, 2025.

/s/ KPMG LLP

We have served as the Company’s auditor since 1993.

San Diego, California
February 24, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
Realty Income Corporation:

Opinion on Internal Control Over Financial Reporting

We have audited Realty Income Corporation and subsidiaries' (the Company) internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheets of the Company as of December 31, 2025 and 2024, the related consolidated statements of income and comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement schedule III (collectively, the consolidated financial statements), and our report dated February 24, 2026 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ KPMG LLP

San Diego, California
February 24, 2026

Item 1: Financial Statements

REALTY INCOME CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except per share amounts)

	December 31, 2025	December 31, 2024
ASSETS		
Real estate held for investment, at cost:		
Land	$ 18,368,029	$ 17,320,520
Buildings and improvements	43,824,410	40,974,535
Total real estate held for investment, at cost	62,192,439	58,295,055
Less accumulated depreciation and amortization	(8,778,536)	(7,381,083)
Real estate held for investment, net	53,413,903	50,913,972
Real estate and lease intangibles held for sale, net	91,784	94,979
Cash and cash equivalents	434,842	444,962
Accounts receivable, net	1,053,487	877,668
Lease intangible assets, net	5,717,241	6,322,992
Goodwill	4,932,199	4,932,199
Investment in unconsolidated entities	1,256,456	1,229,699
Other assets, net	5,895,700	4,018,568
Total assets	$ 72,795,612	$ 68,835,039
LIABILITIES AND EQUITY		
Distributions payable	$ 255,171	$ 238,045
Accounts payable and accrued expenses	1,060,969	759,416
Lease intangible liabilities, net	1,493,958	1,635,770
Other liabilities	1,066,809	923,128
Revolving credit facilities and commercial paper	2,023,414	1,130,201
Term loans, net	1,701,615	2,358,417
Mortgages payable, net	37,761	80,784
Notes payable, net	25,031,947	22,657,592
Total liabilities	$ 32,671,644	$ 29,783,353
Commitments and contingencies (Note 22)		
Stockholders' equity:		
Common stock and paid in capital, par value $0.01 per share, 1,300,000 shares authorized, 933,975 and 891,511 shares issued and outstanding as of December 31, 2025 and December 31, 2024, respectively	$ 49,861,660	$ 47,451,068
Distributions in excess of net income	(10,527,984)	(8,648,559)
Accumulated other comprehensive income	105,019	38,229
Total stockholders' equity	$ 39,438,695	$ 38,840,738
Noncontrolling interests	685,273	210,948
Total equity	$ 40,123,968	$ 39,051,686
Total liabilities and equity	$ 72,795,612	$ 68,835,039

The accompanying notes to consolidated financial statements are an integral part of these statements.

REALTY INCOME CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME AND COMPREHENSIVE INCOME

(in thousands, except per share amounts)

	Years ended December 31,		
	2025	2024	2023
REVENUE			
Rental (including reimbursements)	$ 5,437,332	$ 5,043,748	$ 3,958,150
Other	312,045	227,394	120,843
Total revenue	5,749,377	5,271,142	4,078,993
EXPENSES			
Depreciation and amortization	2,524,200	2,395,644	1,895,177
Interest	1,134,879	1,016,955	730,423
Property (including reimbursements)	428,800	377,675	316,964
General and administrative	202,554	176,895	144,536
Provisions for impairment	471,335	425,833	87,082
Merger, transaction, and other costs, net	24,214	96,292	14,464
Total expenses	4,785,982	4,489,294	3,188,646
Gain on sales of real estate	177,640	117,275	25,667
Foreign currency and derivative (loss) gain, net	(28,653)	3,420	(13,414)
Equity in earnings of unconsolidated entities	13,330	7,793	2,546
Other income, net	29,417	23,606	23,789
Income before income taxes	1,155,129	933,942	928,935
Income taxes	(85,346)	(66,601)	(52,021)
Net income	1,069,783	867,341	876,914
Net income attributable to noncontrolling interests	(11,193)	(6,569)	(4,605)
Net income attributable to the Company	1,058,590	860,772	872,309
Preferred stock dividends	—	(7,763)	—
Excess of redemption value over carrying value of preferred shares redeemed	—	(5,116)	—
Net income available to common stockholders	$ 1,058,590	$ 847,893	$ 872,309
Amounts available to common stockholders per common share:			
Net income, basic and diluted	$ 1.17	$ 0.98	$ 1.26
Weighted average common shares outstanding:			
Basic	907,169	862,959	692,298
Diluted	908,334	863,792	693,024
Net income available to common stockholders	$ 1,058,590	$ 847,893	$ 872,309
Other comprehensive income (loss):			
Foreign currency translation adjustment	91,941	(32,883)	64,326
Unrealized loss on derivatives, net	(25,151)	(2,782)	(37,265)
Total other comprehensive income (loss)	$ 66,790	$ (35,665)	$ 27,061
Comprehensive income available to common stockholders	$ 1,125,380	$ 812,228	$ 899,370

The accompanying notes to consolidated financial statements are an integral part of these statements.

REALTY INCOME CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY

(in thousands)

Years ended December 31, 2025, 2024, and 2023

	Shares of preferred stock	Preferred stock and paid in capital	Shares of common stock	Common stock and paid in capital	Distributions in excess of net income	Accumulated other comprehensive income	Total stockholders' equity	Non-controlling interests	Total equity
Balance, December 31, 2022	—	$ —	660,300	$34,159,509	$ (5,493,193)	$ 46,833	$ 28,713,149	$ 130,140	$ 28,843,289
Net income	—	—	—	—	872,309	—	872,309	4,605	876,914
Other comprehensive income	—	—	—	—	—	27,061	27,061	—	27,061
Distributions paid and payable	—	—	—	—	(2,141,252)	—	(2,141,252)	(9,340)	(2,150,592)
Share issuances, net of costs	—	—	91,902	5,450,982	—	—	5,450,982	—	5,450,982
Contributions by noncontrolling interests	—	—	—	—	—	—	—	40,097	40,097
Share-based compensation, net	—	—	258	19,218	—	—	19,218	—	19,218
Balance, December 31, 2023	—	$ —	752,460	$39,629,709	$ (6,762,136)	$ 73,894	$ 32,941,467	$ 165,502	$ 33,106,969
Net income	—	—	—	—	860,772	—	860,772	6,569	867,341
Other comprehensive loss	—	—	—	—	—	(35,665)	(35,665)	—	(35,665)
Distributions paid and payable	—	—	—	—	(2,742,079)	—	(2,742,079)	(10,398)	(2,752,477)
Share issuances, net of costs	—	—	30,381	1,754,895	—	—	1,754,895	—	1,754,895
Shares issued with merger	6,900	167,394	108,308	6,043,641	—	—	6,043,641	—	6,043,641
Contributions by noncontrolling interests	—	—	—	—	—	—	—	2,022	2,022
Issuance of common partnership units	—	—	—	(768)	—	—	(768)	47,253	46,485
Preferred shares redeemed	(6,900)	(167,394)	—	—	(5,116)		(5,116)	—	(5,116)
Share-based compensation, net	—	—	362	23,591	—	—	23,591	—	23,591
Balance, December 31, 2024	—	$ —	891,511	$47,451,068	$ (8,648,559)	$ 38,229	$ 38,840,738	$ 210,948	$ 39,051,686
Net income	—	—	—	—	1,058,590	—	1,058,590	11,193	1,069,783
Other comprehensive income	—	—	—	—	—	66,790	66,790	—	66,790
Distributions paid and payable	—	—	—	—	(2,938,015)	—	(2,938,015)	(12,041)	(2,950,056)
Share issuance, net of costs	—	—	42,182	2,376,144	—	—	2,376,144	—	2,376,144
Contributions by noncontrolling interests	—	—	—	—	—	—	—	488,455	488,455
Reallocation of equity	—	—	—	13,282	—	—	13,282	(13,282)	—
Share-based compensation, net	—	—	282	21,166	—	—	21,166	—	21,166
Balance, December 31, 2025	—	$ —	933,975	$49,861,660	$ (10,527,984)	$ 105,019	$ 39,438,695	$ 685,273	$ 40,123,968

The accompanying notes to consolidated financial statements are an integral part of these statements.

REALTY INCOME CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

	Years ended December 31,		
	2025	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Net income	$ 1,069,783	$ 867,341	$ 876,914
Adjustments to net income:			
Depreciation and amortization	2,524,200	2,395,644	1,895,177
Amortization of share-based compensation	30,770	57,493	26,227
Non-cash revenue adjustments	(121,989)	(116,017)	(62,029)
Amortization of net discounts (premiums) on mortgages payable	287	30	(12,803)
Amortization of net discounts (premiums) on notes payable	6,782	(3,309)	(60,657)
Amortization of deferred financing costs	29,652	23,939	26,670
Foreign currency and unrealized derivative loss (gain), net	54,947	(19,394)	37,776
Non-cash interest expense (income)	1,646	11,505	(7,189)
Gain on sales of real estate	(177,640)	(117,275)	(25,667)
Equity in earnings of unconsolidated entities	(13,330)	(7,793)	(2,546)
Distributions on common equity from unconsolidated entities	39,860	21,038	5,807
Provisions for impairment	471,335	425,833	87,082
Deferred income taxes	603	3,552	—
Change in assets and liabilities			
Accounts receivable and other assets	(115,792)	28,082	(111,286)
Accounts payable, accrued expenses and other liabilities	193,640	2,607	285,293
Net cash provided by operating activities	3,994,754	3,573,276	2,958,769
CASH FLOWS FROM INVESTING ACTIVITIES			
Investment in real estate	(4,647,873)	(3,262,437)	(8,053,595)
Improvements to real estate, including leasing costs	(131,800)	(121,411)	(68,692)
Investment in unconsolidated entities	(52,265)	(70,381)	(1,179,306)
Investment in loans and preferred equity	(1,613,276)	(631,650)	(201,621)
Proceeds from sales of real estate	744,014	589,450	117,354
Return of investment from unconsolidated entities	—	—	3,927
Proceeds from note receivable	31,390	57,300	—
Insurance proceeds received	3,487	2,788	27,279
Non-refundable escrow deposits	3,150	(225)	(200)
Net cash acquired in merger	—	93,683	—
Net cash used in investing activities	(5,663,173)	(3,342,883)	(9,354,854)
CASH FLOWS FROM FINANCING ACTIVITIES			
Cash distributions to common stockholders	(2,920,895)	(2,691,719)	(2,111,793)
Cash distributions to preferred stockholders	—	(7,763)	—
Borrowings on revolving credit facilities and commercial paper programs	20,280,426	36,887,003	77,338,040
Payments on revolving credit facilities and commercial paper programs	(19,557,427)	(36,528,598)	(79,398,193)
Proceeds from term loan	406,999	—	1,029,383
Principal payment on term loans	(1,139,489)	(250,000)	—
Proceeds from notes payable issued	2,891,750	2,657,925	4,239,745
Principal payment on notes payable	(1,049,997)	(849,999)	—
Principal payments on mortgages payable	(44,634)	(740,505)	(22,015)
Proceeds from common stock offerings, net	2,364,144	1,742,810	5,439,462
Proceeds from dividend reinvestment and stock purchase plan	12,002	11,812	11,519
Redemption of preferred stock	—	(172,510)	—
Distributions to noncontrolling interests	(12,024)	(10,143)	(7,725)
Contributions from noncontrolling interests	488,455	—	—
Net receipts on derivative settlements	—	—	7,853
Debt issuance costs	(88,365)	(60,615)	(81,898)
Other financing activities, net	46,850	(8,856)	(7,022)
Net cash provided by (used in) financing activities	1,677,795	(21,158)	6,437,356
Effect of exchange rate changes on cash and cash equivalents	15,874	(5,904)	24,023
Net increase in cash, cash equivalents and restricted cash	25,250	203,331	65,294
Cash, cash equivalents and restricted cash, beginning of period	495,506	292,175	226,881
Cash, cash equivalents and restricted cash, end of period	$ 520,756	$ 495,506	$ 292,175

For supplemental disclosures, see note *19*, *Supplemental Disclosures of Cash Flow Information.*

The accompanying notes to consolidated financial statements are an integral part of these statements.

1. Summary of Significant Accounting Policies

Realty Income Corporation (“Realty Income,” the “Company,” “we,” “our” or “us”), a Maryland corporation, is an S&P 500 company and *real estate partner to the world's leading companies*®. The Company was founded in 1969 and our shares of common stock trade on the New York Stock Exchange ("NYSE") under the symbol “O”.

As of December 31, 2025, we owned or held interests in a diversified portfolio of 15,511 properties located in all 50 states of the United States ("U.S."), the United Kingdom ("U.K."), and eight other countries in Europe, with approximately 355.0 million square feet of leasable space.

Information with respect to number of properties, leasable square feet, average initial lease term and initial weighted average cash yield is unaudited.

Basis of Presentation. These consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP"). Intercompany accounts and transactions are eliminated in consolidation. The U.S. Dollar ("USD") is our reporting currency. Unless otherwise indicated, all dollar amounts are expressed in USD.

For our consolidated subsidiaries whose functional currency is not the USD, we translate their financial statements into USD at the time we consolidate those subsidiaries’ financial statements. Generally, assets and liabilities are translated at the exchange rate in effect at the balance sheet date. The resulting translation adjustments are included in 'Accumulated other comprehensive income' ("AOCI") on our consolidated balance sheets. Certain balance sheet items, primarily equity and capital-related accounts, are reflected at the historical exchange rate. Income statement accounts are translated using the average exchange rate for the period.

We and certain of our consolidated subsidiaries have intercompany and third-party debt that is not denominated in our functional currency. When the debt is remeasured to the functional currency of the entity, a gain or loss can result. The resulting adjustment is reflected in 'Foreign currency and derivative (loss) gain, net' in our consolidated statements of income and comprehensive income. In the statement of cash flows, cash flows denominated in foreign currencies are translated using the exchange rates in effect at the time of the respective cash flows or at average exchange rates for the period, depending on the nature of the cash flow items.

Principles of Consolidation. These consolidated financial statements include the accounts of Realty Income and all other entities in which we have a controlling financial interest. We evaluate whether we have a controlling financial interest in an entity in accordance with Accounting Standards Codification ("ASC") 810, *Consolidation.*

Voting interest entities ("VOEs") are entities considered to have sufficient equity at risk and which the equity holders have the obligation to absorb losses, the right to receive residual returns and the right to make decisions about the entity’s activities. We consolidate voting interest entities in which we have a controlling financial interest, which we typically have through holding of a majority of the entity’s voting equity interests.

Variable interest entities ("VIEs") are entities that lack sufficient equity at risk or where the equity holders either do not have the obligation to absorb losses, do not have the right to receive residual returns, do not have the right to make decisions about the entity’s activities, or some combination of the above. A controlling financial interest in a VIE is present when an entity has a variable interest, or a combination of variable interests, that provides the entity with (i) the power to direct the activities of the VIE that most significantly impact the VIE’s economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could potentially be significant to the VIE. An entity that meets both conditions above is deemed the primary beneficiary and consolidates the VIE. We reassess our initial evaluation of whether an entity is a VIE when certain reconsideration events occur. We reassess our determination of whether we are the primary beneficiary of a VIE on an ongoing basis based on current facts and circumstances.

During the year ended December 31, 2025, we formed and announced closings with respect to our open-end, perpetual life private capital vehicle (the "Fund"). As of December 31, 2025, we are considered the primary beneficiary of the Fund, Realty Income, L.P. and certain investments, including investments in joint ventures. Below is a summary of selected financial data of such consolidated VIEs, included on our consolidated balance sheets as of December 31, 2025 and 2024 (in thousands):

	December 31, 2025	December 31, 2024
Net real estate	$ 4,831,968	$ 2,882,135
Total assets	$ 5,579,888	$ 3,461,843
Total liabilities	$ 422,092	$ 131,096

The portion of a consolidated entity not owned by us is recorded as a noncontrolling interest. Noncontrolling interests are reflected on our consolidated balance sheets as a component of equity. Noncontrolling interests that were created or assumed as part of a business combination or asset acquisition were recognized at fair value as of the date of the transaction. For further details, see note *12, Noncontrolling Interests*.

Use of Estimates. The consolidated financial statements were prepared in conformity with U.S. GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Net Income per Common Share. Basic net income per common share is computed by dividing net income available to common stockholders by the weighted average number of common shares outstanding during each period. Diluted net income per common share is computed by dividing net income available to common stockholders, plus income attributable to dilutive shares and convertible common units for the period, by the weighted average number of common shares that would have been outstanding assuming the issuance of common shares for all dilutive common shares outstanding during the reporting period. For more detail, see note *18, Net Income per Common Share.*

Cash Equivalents and Restricted Cash. We consider all short-term, highly liquid investments that are readily convertible to cash and have an original maturity of three months or less at the time of purchase to be cash equivalents. Restricted cash includes cash proceeds from the sale of assets held by qualified intermediaries in anticipation of the acquisition of replacement properties in tax-free exchanges under Section 1031 of the U.S. Internal Revenue Code of 1986, as amended (the “Code”), impounds related to mortgages payable and cash that is not immediately available to Realty Income (i.e. escrow deposits for future acquisitions).

Cash accounts maintained on behalf of Realty Income in demand deposits at commercial banks and money market funds may exceed federally insured levels or may be held in accounts without any federal insurance or any other insurance or guarantee. However, Realty Income has not experienced any losses in such accounts.

Income Taxes. We have elected to be taxed as a real estate investment trust ("REIT"), under the Code, as amended. We believe we have qualified and continue to qualify as a REIT. Under the REIT operating structure, we are permitted to deduct dividends paid to our stockholders in determining our taxable income. Assuming our dividends equal or exceed our taxable net income in the U.S., we generally will not be required to pay U.S. income taxes on such income. Accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements, except for federal income taxes of our taxable REIT subsidiaries ("TRS"). A TRS is a subsidiary of a REIT that is subject to federal, state and local income taxes, as applicable. Our use of TRS entities enables us to engage in certain business activities while complying with the REIT qualification requirements and to retain any income generated by these businesses for reinvestment without the requirement to distribute those earnings. We are liable for taxes in our applicable international territories and have made the appropriate provisions in those territories. Therefore, the income taxes recorded in our consolidated statements of income and comprehensive income represent amounts for U.S. income taxes on our TRS entities, city and state income and franchise taxes, as well as income taxes for the applicable international territories.

We recognize deferred income tax in our taxable subsidiaries, including certain international jurisdictions. Deferred income tax assets and liabilities are generally the result of temporary differences between book and tax accounting, such as timing differences caused by different useful lives used for depreciation. We provide for a valuation allowance for deferred income tax assets if we believe some or all of the deferred income tax assets may not be realized.

Earnings and profits that determine the taxability of distributions to stockholders differ from net income reported for financial reporting purposes primarily due to differences in the estimated useful lives and methods used to compute depreciation and the carrying value (basis) of the investments in properties for tax purposes, among other things.

We regularly analyze our various international, federal and state filing positions and only recognize the income tax effect in our financial statements when certain criteria regarding uncertain income tax positions have been met. We believe that our income tax positions would more likely than not be sustained upon examination by all relevant taxing authorities. Therefore, no provisions for uncertain tax positions have been recorded on our consolidated financial statements.

Lease Revenue Recognition and Accounts Receivable. The majority of our leases are accounted for as operating leases. Under this method, leases that have fixed and determinable rent increases are recognized on a straight-line basis over the lease term. Any rental revenue contingent upon our client's sales, or percentage rent, is recognized only after our client exceeds their sales breakpoint. Rental increases based upon changes in the consumer price indices are recognized only after the changes in the indexes have occurred and are then applied according to the lease agreements. Lease termination fees, which are included in rental revenue, are amortized over the remaining term of the lease until we have no continuing obligation to provide services to such former client. Contractually obligated rental revenue from our clients for recoverable real estate taxes and operating expenses are included in contractually obligated reimbursements by our clients, a component of rental revenue, in the period when such costs are incurred. Taxes and operating expenses paid directly by our clients are recorded on a net basis.

Other revenue includes certain property-related revenue not included in rental revenue and interest income recognized on financing receivables for certain leases with above-market terms.

We assess the probability of collecting substantially all of the lease payments to which we are entitled under the original lease contract as required under ASC 842, *Leases*. We assess the collectability of our future lease payments based on an analysis of creditworthiness, economic trends and other facts and circumstances related to the applicable clients. If we conclude the collection of substantially all of lease payments under a lease is less than probable, rental revenue recognized for that lease is limited to cash received going forward, existing operating lease receivables, including those related to straight-line rental revenue, must be written off as an adjustment to rental revenue, and no further operating lease receivables are recorded for that lease until such future determination is made that substantially all lease payments under that lease are now considered probable. If we subsequently conclude that the collection of substantially all lease payments under a lease is probable, a reversal of lease receivables previously written off is recognized.

In addition to the client-specific collectability assessment conducted, we may also recognize a general allowance, as a reduction to rental revenue, for our operating lease receivables which are not expected to be fully collectible. We had $5.1 million of general allowance as of December 31, 2025. There was no general allowance as of December 31, 2024.

Loans Receivable. Our acquired loans are classified as held for investment and are carried at their amortized cost basis. We recognize interest income on loans receivable using a method that approximates the effective-interest method. Direct costs associated with originating loans, along with any premium or discount, are deferred and amortized as an adjustment to interest income over the term of the loan using the effective interest method. When management identifies the full recovery of the contractually specified payments of principal and interest of a loan is less than probable, we evaluate the expected loss amount and place it on non-accrual status. We made the accounting policy election to record accrued interest on our loan portfolio separate from our loan receivable and other lending investments. These loans and the related interest receivable are presented in 'Other assets, net' on our consolidated balance sheets.

Financing Receivables. For properties we acquire that qualify as sale-leaseback transactions and for which the purchase price is in excess of the fair value of the real estate acquired, the difference is accounted for as financing receivables, presented within 'Other assets, net' on our consolidated balance sheets. Rent payments are allocated between rental income and the financing receivable. Interest income on the financing receivable is recognized using the interest rate implicit in the leaseback and presented within 'Other' revenue in our consolidated statements of income and comprehensive income.

Allowance for Credit Losses. The allowance for credit losses, which is recorded as a reduction to loans receivable and financing receivable within 'Other assets, net' on our consolidated balance sheets, is using a probability of default method based on our clients respective credit ratings, our historical experience, and the expected value of the underlying collateral upon its repossession. If we determine a financing receivable no longer shares risk characteristics with other financing receivables in the pool, we evaluate the financing receivable for expected credit losses on an individual basis. Included in our model are factors that incorporate forward-looking information. Changes in our allowance for credit losses are presented in 'Provisions for impairment' in our consolidated statements of income and comprehensive income. For further details, see note *7, Investments in Loans and Financing Receivables.*

Merger, Transaction, and Other Costs, Net. Merger, transaction, and other costs, net include (i) merger-related transaction costs, primarily consisting of employee severance, post-combination share-based compensation, transfer taxes, and various professional fees directly attributable to a merger, (ii) organization costs for potential strategic ventures and business lines, (iii) placement fees incurred in fundraising of the Fund, (iv) corporate facilities lease termination costs, and (v) other costs that do not align with the ongoing operations of our business. During the year ended December 31, 2025, we incurred $24.2 million of merger, transaction, and other costs, net consisting primarily of placement fees incurred in fundraising for the Fund. During the year ended December 31, 2024, we incurred $96.3 million of merger, transaction, and other costs, net consisting of $86.7 million of transaction and integration-related costs related to our merger (the "Merger") with Spirit Realty Capital, Inc. ("Spirit") (see note 2), $5.1 million related to the lease termination of a legacy corporate facility, and $4.5 million related to the establishment of the Fund.

Gain on Sales of Real Estate. When real estate is sold, the carrying amount of the applicable assets is derecognized with a corresponding gain from the sale recognized in our consolidated statements of income and comprehensive income. We record a gain on sale of real estate pursuant to provisions under ASC 610-20*, Gains and Losses from the Derecognition of Nonfinancial Assets*. We determine whether we would have a controlling financial interest in the property after the sale. We record a gain from the sale of real estate provided that various criteria, relating to the terms of the sale and any subsequent involvement by us with the real estate, have been met.

Allocation of the Purchase Price of Real Estate Acquisitions. We evaluate whether or not substantially all of the fair value of acquired assets is concentrated in a single identifiable asset or group of identifiable assets to determine whether a transaction is accounted for as an asset acquisition or a business combination. As the fair value of most of our real estate acquisitions is concentrated in either a single identifiable asset or a group of similar identifiable assets, our real estate transactions are generally accounted for as asset acquisitions, and the transaction costs associated with those acquisitions are capitalized to the basis of the acquired properties. Any difference between the total cost and estimated fair value of an asset acquisition is allocated to the real estate properties (i.e., land and buildings/improvements) and related lease intangibles (i.e., in-place lease and any related off-market terms) on a relative fair value basis. All other assets acquired and liabilities assumed are recorded at fair value.

For business combinations, on the other hand, we expense the transaction costs and categorize them as 'Merger, transaction, and other costs, net' in our consolidated statements of income and comprehensive income. All assets acquired and liabilities assumed in a business combination are recorded at fair value. The amount of any purchase consideration that exceeds the fair value of all identified assets acquired and liabilities assumed is recognized as goodwill. To the extent that the purchase price is less than the fair value, however, a gain on bargain purchase is recognized. As permitted under ASC 805, *Business Combinations,* we may record measurement period adjustments within one year of the acquisition date.

Whether a transaction is accounted for as an asset acquisition or business combination, the measurement of fair value is based on management's judgment and various factors, including market land and building values, market rental rates, discount rates, and capitalization rates. Our methodology for measuring and allocating the fair value of real estate acquisitions includes both observable market data (categorized as level 2 on the three-level valuation hierarchy of ASC 820, *Fair Value Measurement*), and unobservable inputs that reflect our own internal assumptions (categorized as level 3 under ASC 820). Given the significance of the unobservable inputs, we believe the allocations of fair value of real estate acquisitions should be categorized as level 3 under ASC 820. From time to time, we have used, and may continue to use, the assistance of independent third parties specializing in real estate valuations to prepare our purchase price allocations.

The allocation of tangible assets (which includes land and buildings/improvements) of an acquired property with an in-place lease is based upon fair value. Land is typically valued utilizing the sales comparison (or market) approach.

Buildings and improvements are typically valued under the replacement cost approach. Operating properties may be valued using the direct capitalization method, a type of income approach where a capitalization rate is applied to the stabilized estimated net operating income of a property. The determined fair value of each property is then allocated to land, building, and improvements at a property level. In allocating the fair value to identified intangibles for above-market or below-market leases, an amount is recorded based on the present value of the difference between (i) the contractual amount to be paid pursuant to the in-place lease and (ii) our estimate of fair market lease rate for the corresponding in-place lease, measured over the remaining assumed contract term of the lease. The value of in-place leases is determined by our estimated costs related to acquiring a client and the carrying costs that would be incurred over the vacancy period to locate a client if the property were vacant, considering market conditions and costs to execute similar leases at the time of acquisition.

The values of the above-market and below-market leases are amortized over the term of the respective leases, including any bargain renewal options, as an adjustment to rental revenue in our consolidated statements of income and comprehensive income. The value of in-place leases, exclusive of the value of above-market and below-market in-place leases, is amortized to depreciation and amortization expense over the remaining periods of the respective leases. If a lease is terminated prior to its stated expiration, all unamortized amounts relating to that lease are recorded to revenue or expense as appropriate.

Real Estate and Lease Intangibles Held for Sale. We generally reclassify assets to held for sale when the disposition has been approved, there are no known contingencies relating to the sale and the consummation of the disposition is considered probable within one year. Upon classifying a real estate investment as held for sale, we will no longer recognize depreciation expense related to the depreciable assets of the property. Assets held for sale are recorded at the lower of carrying value or estimated fair value, less the estimated cost to dispose of the assets. Sixty-four properties were classified as held for sale as of December 31, 2025.

If circumstances arise that we previously considered unlikely and, as a result, we decide not to sell a property previously classified as held for sale, we will reclassify the property as held for investment. We measure and record a property that is reclassified as held for investment at the lower of (i) its carrying value before the property was classified as held for sale, adjusted for any depreciation expense that would have been recognized had the property been continuously classified as held for investment or (ii) the estimated fair value at the date of the subsequent decision not to sell.

Investment in Unconsolidated Entities. Investments in unconsolidated entities of which we are not considered the primary beneficiary, include VIEs and are accounted for using the equity method as we have the ability to exercise significant influence over operating and financing policies of these investments. We initially recognize the fair value of our contribution as an equity method investment. We subsequently adjust these balances for our proportionate share of net earnings/losses of the entities, distributions received, and contributions made. Transaction costs related to the formation of equity method investments are also capitalized, resulting in a basis difference. This basis difference is amortized over the estimated useful life of the respective underlying assets and/or liabilities. The carrying value of our investment is included in 'Investment in unconsolidated entities' on our consolidated balance sheets. We record our proportionate share of net income from the unconsolidated entities in 'Equity in earnings of unconsolidated entities' in our consolidated statements of income and comprehensive income. With regard to distributions from unconsolidated entities, we have elected the nature of distribution approach as the information is available to us to determine the nature of the underlying activity that generated the distributions. In accordance with such approach, cash flows generated from the operations of an unconsolidated entity are classified as a return on investment (cash inflow from operating activities) and cash flows that are generated from other activities, such as property sales, debt refinancing or sale and redemptions of our investments are classified as a return of investment (cash inflow from investing activities). Our contribution to the unconsolidated entities or any distributions from them as returns of investment are classified as investing activities.

Our investment in unconsolidated entities includes preferred interests. Upon acquisition, we assess whether such investment should be considered debt or equity securities based on investment terms. As of December 31, 2025, our investment balance includes preferred interests classified as equity securities without a readily determinable fair value, for which we elect to apply the measurement alternative and record the value of the investment at cost, less any applicable impairment.

Goodwill. Upon the closing of a business combination, after identifying all tangible and intangible assets and liabilities, the excess consideration paid over the fair value of the assets and liabilities acquired and assumed, respectively, represents goodwill. In connection with the Merger, we recorded goodwill as a result of consideration exceeding the net assets acquired. For further details, see note *2, Merger with Spirit Realty Capital, Inc.*

Deferred Financing Costs. Deferred financing costs represent commitment fees, legal fees and other costs associated with obtaining or originating financing. Deferred financing costs, other than those associated with the line of credit, are presented on our consolidated balance sheets as a direct deduction from the carrying amount of the related debt liability. Deferred financing costs related to the line of credit are included in 'Other assets, net' in the accompanying consolidated balance sheets. These costs are amortized to interest expense over the terms of the respective financing agreements that approximates the effective interest method.

Depreciation and Amortization. Land, buildings and improvements are recorded and stated at cost. Major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over their estimated useful lives, while ordinary repairs and maintenance are expensed as incurred. Buildings and improvements that are under redevelopment, or are being developed, are carried at cost and no depreciation is recorded on these assets. Additionally, amounts essential to the development of the property, such as pre-construction, development, construction, interest and other costs incurred during the period of development are capitalized. We cease capitalization when the property is available for occupancy upon substantial completion of property improvements to accommodate the client's use, but in any event no later than one year from the completion of major construction activity.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Buildings	25 to 35 years
Building improvements	4 to 35 years
Equipment	5 to 25 years
Lease commissions and property improvements to accommodate the client's use	The shorter of the term of the related lease or useful life
Acquired in-place leases	Remaining terms of the respective leases

Provisions for Impairment - Real Estate Assets. We review long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If estimated future operating cash flows (undiscounted and without interest charges) plus estimated disposition proceeds (undiscounted) are less than the current book value of the property, a fair value analysis is performed and, to the extent the estimated fair value is less than the current book value, a provision for impairment is recorded to reduce the book value to estimated fair value. Key assumptions that we utilize in this analysis include projected rental rates, estimated holding periods, capital expenditures and property sales capitalization rates. For further details, see note *13, Fair Value Measurements.*

Provisions for Impairment - Goodwill. Goodwill is not amortized, but is subject to impairment reviews annually, or more frequently if necessary. Goodwill is qualitatively assessed to determine whether a quantitative impairment assessment is necessary. Impairment is the condition that exists when the carrying amount of goodwill exceeds its implied fair value. If the carrying value of the asset exceeds its estimated fair value, an impairment loss is recognized, and the asset is written down to its estimated fair value. We perform our annual goodwill impairment assessment as of June 30. During the years ended December 31, 2025, 2024, and 2023, there were no impairments of goodwill.

Provisions for Impairment - Investment in Unconsolidated Entities. During our ownership of properties that are accounted for under the equity method and considered unconsolidated entities, and when circumstances indicate that a decrease in the value of an equity method investment has occurred that is other than temporary, we recognize an impairment loss, which requires significant judgment. To determine whether the impairment loss is other-than-temporary, we consider whether we have the ability and intent to hold the investment until the carrying value is fully recovered. We evaluate the impairment of our investment in unconsolidated entities in accordance with accounting standards for equity investments by first reviewing each investment for indicators of impairment. If indicators are present, we estimate the fair value of the investments. If the carrying value of the investment is greater than the estimated fair value, we make an assessment of whether the impairment is temporary or other-than-temporary. In making this assessment, we consider the length of time and the extent to which fair value has been less than cost, the financial condition and near-term prospects of the entity, and our intent and ability to retain the interest long enough for a recovery in market value. The investment is then reduced to its estimated fair value if conclusions indicate the impairment is other than temporary.

Equity Offering Costs. Underwriting commissions and offering costs have been reflected as a reduction of additional paid-in-capital on our consolidated balance sheets.

Derivative and Hedging Activities. Derivatives are financial arrangements among two or more parties with returns linked to or “derived” from an underlying equity, debt, commodity, other asset, liability, interest rate, foreign exchange rate or another index, or the occurrence or nonoccurrence of a specified event. The settlement of a derivative is determined by its underlying notional amount specified in the contract. Derivative contracts may be entered into outright or embedded within a non-derivative host contract, and may be listed, traded on exchanges or privately negotiated directly between two parties.

We actively manage interest rate and foreign currency exposures arising from our liquidity and funding activities using derivative instruments. We record all derivatives on the balance sheet at fair value. The majority of inputs used to value our derivatives fall within level 2 of the fair value hierarchy. Changes in the fair value of derivatives are recognized in earnings unless the derivative is designated in a hedging relationship and qualifying changes are deferred in AOCI in accordance with hedge accounting guidance. Amounts deferred in AOCI are subsequently recognized in our consolidated statements of income and comprehensive income as the hedged item affects earnings or when other triggering events occur that require reclassification.

Newly Issued Accounting Standards. In September 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software,* which simplifies the capitalization guidance by removing references to software development project stages and further updates so that the guidance considers various software development methods. The amendments in this ASU are effective for annual reporting periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, with early adoption permitted. The amendments in this update permit an entity to apply the new guidance using a prospective, retrospective or modified transition approach. While we are currently evaluating the impact of this pronouncement, we do not expect it will have a material impact on our consolidated financial statements.

In November 2024, the FASB issued ASU 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures,* requiring all public business entities to provide additional disclosure of the nature of expenses included in the income statement. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim reporting periods beginning after December 15, 2027, on a prospective basis, with early adoption permitted. We are currently evaluating the impact on our financial statement disclosures.

2. Merger with Spirit Realty Capital, Inc.

On January 23, 2024, we completed our previously announced merger with Spirit. For further details, please see note *2, Merger with Spirit Realty Capital, Inc.,* to our consolidated financial statements in our annual report on Form 10-K for the year ended December 31, 2024.

The Merger has been accounted for using the acquisition method of accounting in accordance with ASC 805, *Business Combinations*, with Realty Income as the accounting acquirer, which requires, among other things, that the assets acquired, and liabilities assumed be recognized at their acquisition date fair value. The fair value of the consideration transferred on the date of the acquisition is as follows (in thousands, except share and per share data):

Shares of Spirit common stock exchanged [(1)]		142,136,567
Exchange Ratio		0.762
Shares of Realty Income common stock issued		108,308,064
Opening price of Realty Income common stock on January 23, 2024	$	55.80
Fair value of Realty Income common stock issued to the former holders of Spirit common stock	$	6,043,590
Shares of Realty Income Series A Preferred Stock issued in exchange for Spirit Series A Preferred Stock [(2)]		6,900,000
Opening price of Realty Income Series A Preferred Stock on January 23, 2024	$	24.26
Fair value of Realty Income Series A Preferred Stock issued to the former holders of Spirit Series A Preferred Stock	$	167,394
Cash paid for fractional shares	$	51
Less: Fair value of Spirit restricted stock and performance awards attributable to post-combination costs [(3)]	$	(24,751)
Consideration transferred	$	6,186,284

(1) Includes 142.1 million shares of Spirit common stock outstanding as of January 23, 2024, which were converted into Realty Income common stock at the effective time of the Merger (the “Effective Time”) at an Exchange Ratio of 0.762 per share of Spirit common stock. The portion of the converted unvested Spirit restricted stock awards related to post-combination expense is removed in footnote (3) below.

[2] In September 2024, we redeemed all 6.9 million shares of Realty Income Series A Preferred Stock outstanding.

[3] Represents the fair value of fully vested Spirit restricted stock and performance share awards that were accelerated and converted into Realty Income common stock at the Effective Time, reflecting the value attributable to post-combination services. Spirit restricted stock and performance share awards are included in Spirit's outstanding common stock as of the date of the Merger. The fair value attributable to pre-combination services was $41.7 million and is included in the consideration transferred above.

A. Merger-related Transaction Costs

In conjunction with the Merger, during the year ended December 31, 2024, we incurred $86.7 million of merger-related transaction costs primarily consisting of employee severance, post-combination share-based compensation, transfer taxes, and various professional fees directly attributable to the Merger. We incurred $0.2 million of merger-related transaction costs during the year ended December 31, 2025, primarily related to the resolution of certain contingencies which existed at the date of the Merger. Merger-related transaction costs are presented in 'Merger, transaction, and other costs, net' in our consolidated statements of income and comprehensive income.

B. Unaudited Pro Forma Financial Information

The following unaudited pro forma information presents a summary of our combined results of operations for the year ended December 31, 2024, as if the Merger had occurred on January 1, 2023 (in millions, except per share data). The pro forma financial information is not necessarily indicative of the results of operations had the acquisition been effected on the assumed date, nor is it necessarily an indication of trends in future results for a number of reasons, including, but not limited to, differences between the assumptions used to prepare the pro forma information, basic shares outstanding and dilutive equivalents, cost savings from operating efficiencies, potential synergies, and the impact of incremental costs incurred in integrating the businesses.

	Year ended December 31, 2024
Total revenues	$ 5,319.1
Net income	$ 945.9
Basic and diluted earnings per share	$ 1.10

Our consolidated results of operations for the year ended December 31, 2024 include $762.7 million of revenues and $103.1 million of net income, respectively, associated with the results of operations of Spirit from the closing of the Merger on January 23, 2024 to December 31, 2024.

3. Supplemental Detail for Certain Components of Consolidated Balance Sheets (in thousands):

A. Accounts receivable, net, consist of the following at:	December 31, 2025	December 31, 2024
Straight-line rent receivables, net	$ 880,341	$ 694,844
Client receivables, net	173,146	182,824
	$ 1,053,487	$ 877,668

B. Lease intangible assets, net, consist of the following at:	December 31, 2025	December 31, 2024
In-place leases	$ 7,627,840	$ 7,347,301
Above-market leases	2,251,857	2,203,420
Accumulated amortization of in-place leases	(3,220,426)	(2,487,302)
Accumulated amortization of above-market leases	(944,198)	(742,338)
Other items	2,168	1,911
	$ 5,717,241	$ 6,322,992

C. Other assets, net, consist of the following at:	December 31, 2025	December 31, 2024
Loans receivable, net	$ 1,682,117	$ 828,500
Financing receivables, net	1,574,574	1,609,044
Right of use asset - financing leases, net	827,644	653,353
Investment in preferred equity	800,472	—
Right of use asset - operating leases, net	592,319	619,350
Restricted escrow deposits	83,200	36,326
Prepaid expenses	76,207	63,499
Value-added tax receivable	75,005	48,075
Interest receivable	33,805	16,071
Revolving credit facilities origination costs, net	25,246	7,331
Corporate assets, net	15,159	12,763
Derivative assets and receivables - at fair value	8,018	47,165
Investment in sales type lease	6,206	6,138
Non-refundable escrow deposits	3,150	225
Impounds related to mortgages payable	2,714	14,218
Other items	89,864	56,510
	$ 5,895,700	$ 4,018,568

D. Accounts payable and accrued expenses consist of the following at:	December 31, 2025	December 31, 2024
Notes payable - interest payable	$ 303,557	$ 261,605
Derivative liabilities and payables - at fair value	205,695	81,524
Accrued income taxes	120,228	84,884
Property taxes payable	92,246	92,440
Value-added tax payable	76,009	26,829
Accrued property expenses	69,258	61,118
Accrued costs on properties under development	36,064	59,602
Mortgages, term loans, and credit line - interest payable	2,699	4,584
Other items	155,213	86,830
	$ 1,060,969	$ 759,416

E. Lease intangible liabilities, net, consist of the following at:	December 31, 2025	December 31, 2024
Below-market leases	$ 2,135,262	$ 2,119,200
Accumulated amortization of below-market leases	(641,304)	(483,430)
	$ 1,493,958	$ 1,635,770

F. Other liabilities consist of the following at:	December 31, 2025	December 31, 2024
Rent received in advance and other deferred revenue	$ 460,968	$ 352,334
Lease liability - operating leases	429,675	452,956
Lease liability - financing leases	121,434	77,190
Security deposits	39,036	35,594
Other items	15,696	5,054
	$ 1,066,809	$ 923,128

4. Investments in Real Estate

A. *Acquisitions of Real Estate*

Below is a summary of our acquisitions for the year ended December 31, 2025 (unaudited):

	Number of Properties	Investment ($ in millions)	Weighted Average Lease Term (Years)
Acquisitions			
U.S. real estate	180	$ 1,240.3	13.7
Europe real estate	88	2,911.8	8.7
Total real estate acquisitions	268	$ 4,152.1	10.1
Initial weighted average cash yield [1]		7.0 %	
Real estate properties under development			
U.S. real estate	91	$ 285.7	16.6
Europe real estate	18	199.7	12.5
Total real estate properties under development	109	$ 485.4	14.9
Initial weighted average cash yield [1]		7.4 %	
Total [2]	377	$ 4,637.5	10.7
Initial weighted average cash yield [1]		7.0 %	

[1] The initial weighted average cash yield for a property is generally computed as estimated contractual first year cash net operating income, which, in the case of a net leased property, is equal to the aggregate cash base rent for the first full year of each lease, divided by the total cost of the property. Since it is possible that a client could default on the payment of base rent (defined as the monthly aggregate cash amount charged to clients, inclusive of monthly base rent receivables), we cannot provide assurance that the actual return on the funds invested will remain at the percentages listed above. Contractual net operating income used in the calculation of initial weighted average cash yield includes approximately $6.5 million received as settlement credits as reimbursement of free rent period for the year ended December 31, 2025.

In the case of a property under development or expansion, the contractual lease rate is generally fixed such that rent varies based on the actual total investment in order to provide a fixed rate of return. When the lease does not provide for a fixed rate of return on a property under development or expansion, the initial weighted average cash yield is computed as follows: estimated cash net operating income (determined by the lease) for the first full year of each lease, divided by our projected total investment in the property, including land, construction and capitalized interest costs.

[2] Our clients occupying the new properties are 70.4% retail, 29.1% industrial, and 0.5% other property types based on net operating income. Approximately 40% of the net operating income generated from acquisitions during the year ended December 31, 2025 was from investment grade rated clients, their subsidiaries, or affiliated companies at the date of acquisition.

The aggregate purchase price, including properties acquired through takeout financing and reported in properties under development in the table above, was allocated as follows (in millions):

	Acquisitions - USD	Acquisitions - Sterling	Acquisitions - Euro
Land	$ 220.9	£ 345.5	€ 243.2
Buildings and improvements	1,001.8	568.4	956.9
Lease intangible assets [1]	196.5	147.6	74.3
Other assets [2]	48.5	92.8	7.7
Lease intangible liabilities [3]	(29.5)	(14.8)	(15.4)
Other liabilities [4]	(40.5)	(5.1)	(15.3)
Total	$ 1,397.7	£ 1,134.4	€ 1,251.4

[1] The weighted average amortization period for acquired lease intangible assets is 9.9 years.

[2] USD-denominated other assets consists of $33.7 million of right-of-use assets accounted for as finance leases and $14.8 million of financing receivables allocated to sales-leaseback transactions. Sterling-denominated other assets consists of £89.4 million of right-of-use assets accounted for as finance leases and £3.4 million of financing receivables allocated to sales-leaseback transactions. Euro-denominated other assets consists entirely of €7.7 million of right-of-use assets under long-term ground leases.

[3] The weighted average amortization period for acquired lease intangible liabilities is 13.3 years.

[4] USD-denominated other liabilities consists entirely of $40.5 million of lease liabilities under financing leases. Sterling-denominated other liabilities consists primarily of £2.2 million of lease liabilities under financing leases and £2.0 million of other liabilities. Euro-denominated other liabilities consists primarily of €15.0 million of deferred rent on certain below-market leases.

The properties acquired during the year ended December 31, 2025 generated total revenue and net income of $145.1 million and $41.3 million, respectively.

B. Investments in Existing Properties

During the year ended December 31, 2025, we capitalized costs of $142.7 million on existing properties in our portfolio, consisting of $132.9 million for building improvements, $9.5 million for re-leasing costs, and $0.3 million for recurring capital expenditures. In comparison, during the year ended December 31, 2024, we capitalized costs of $122.9 million on existing properties in our portfolio, consisting of $113.9 million for building improvements, $8.6 million for re-leasing costs, and $0.4 million for recurring capital expenditures.

C. Properties with Existing Leases

The value of the in-place and above-market leases is recorded to 'Lease intangible assets, net' on our consolidated balance sheets, and the value of the below-market leases is recorded to 'Lease intangible liabilities, net' on our consolidated balance sheets.

The values of the in-place leases are amortized as depreciation and amortization expense. The amounts amortized to expense for all of our in-place leases for the years ended December 31, 2025, 2024, and 2023 were $885.7 million, $870.2 million, and $651.1 million, respectively.

The values of the above-market and below-market leases are amortized over the term of the respective leases, including any bargain renewal options, as an adjustment to rental revenue in our consolidated statements of income and comprehensive income. The amounts amortized as a net decrease to rental revenue for capitalized above-market and below-market leases for the years ended December 31, 2025, 2024, and 2023 were $19.0 million, $34.7 million, and $61.5 million, respectively.

The following table presents the estimated impact during the next five years and thereafter related to the amortization of the above-market and below-market lease intangibles and the amortization of the in-place lease intangibles as of December 31, 2025 (in thousands):

	Net increase (decrease) to rental revenue	Increase to amortization expense
2026	$ (40,971)	$ 749,582
2027	(39,956)	636,037
2028	(30,879)	538,737
2029	(26,966)	462,262
2030	(15,094)	388,597
Thereafter	340,165	1,632,199
Total	$ 186,299	$ 4,407,414

D. Gain on Sales of Real Estate

The following table summarizes our properties sold during the periods indicated below (dollars in millions):

	Years ended December 31,		
	2025	2024	2023
Number of properties	425	294	121
Net sales proceeds	$ 744.0	$ 589.5	$ 117.4
Gain on sales of real estate	$ 177.6	$ 117.3	$ 25.7

5. Investments in Unconsolidated Entities

The following is a summary of our investments in unconsolidated entities for the periods indicated below (dollars in thousands):

	Ownership %	Number of Properties	Carrying Amount [(1)] of Investment as of		Equity in earnings of unconsolidated entities — Years ended December 31,		
	As of December 31, 2025		December 31, 2025	December 31, 2024	2025	2024	2023
Data Center Joint Venture	80.0%	2	$ 293,073	$ 299,165	$11,310	$ 6,940	$ —
Bellagio Las Vegas Joint Venture - Common Equity Interest	21.9%	1	253,625	274,057	2,026	(980)	2,139
Bellagio Las Vegas Joint Venture - Preferred Equity Interest	n/a	n/a	650,000	650,000	—	—	—
Passport Park Joint Venture	95.0%	3	59,758	6,477	(6)	—	—
Industrial Partnerships	n/a	n/a	—	—	—	1,833	407
Total investment in unconsolidated entities			$ 1,256,456	$ 1,229,699	$13,330	$ 7,793	$ 2,546

(1) As of December 31, 2025, the total carrying amount of the investments exceeded the underlying equity in net assets (i.e., basis difference) by $8.6 million. This basis difference is primarily due to the capitalized interest related to the data center and passport park development joint ventures.

A. Data Center Joint Venture

We own an 80.0% equity interest in a joint venture that we formed with Digital Realty Trust, Inc. in November 2023. As we do not control this VOE, we account for our investment under the equity method. This joint venture is expanding the capacity of its two data centers for the existing client, and our pro-rata share of the remaining estimated costs for this second phase of the development was $216.8 million as of December 31, 2025.

B. Bellagio Las Vegas Joint Venture Interests

The joint venture we formed with Blackstone Real Estate Income Trust ("Blackstone") owns a 95.0% equity interest in the real estate of The Bellagio Las Vegas. We made an initial investment in October 2023, including $301.4 million of common equity for an indirect interest of 21.9% in the property and a $650.0 million preferred equity interest. During the years ended December 31, 2025, 2024, and 2023, we recognized interest income of $52.7 million, $52.8 million, and $13.0 million, respectively, for 8.1% preferential cumulative distributions, included within 'Other' revenue in our consolidated statements of income and comprehensive income. The unconsolidated entity had total debt outstanding of $3.0 billion as of December 31, 2025, all of which was non-recourse to us with limited customary exceptions.

We have determined that this joint venture is a VIE, and we are not the primary beneficiary as we do not have power to direct activities that most significantly impact the joint venture's economic performance. As a holder of preferred interests, we do not receive any additional voting rights, nor do we have conversion and redemption rights. Our maximum exposure to loss associated with this VIE is limited to our common and preferred equity investments.

C. Passport Park Joint Venture

In November 2024, we established a joint venture with Trammell Crow Company ("TCC") to develop and operate three industrial facilities in Irving, Texas. As of December 31, 2025, we held a 95.0% common equity interest in the joint venture with $39.4 million in preferred equity. We have committed to investing an additional $105.5 million for development of the three industrial facilities. We have determined that we are not the primary beneficiary of this VIE because significant activities affecting economic performance are shared. TCC is the managing member, and we do not have substantive kick-out rights. We will continuously evaluate whether we are the primary beneficiary as power to direct significant activities can change during the joint venture's life. Our maximum loss exposure is limited to our common and preferred equity investments and committed funding.

D. Industrial Partnerships

All seven assets held by our industrial partnerships were sold during the year ended December 31, 2022. During the years ended December 31, 2024 and 2023, equity in earnings was primarily related to the resolution of income tax disputes and resulting distribution of cash the partnership had reserved for possible tax payments.

6. Investment in Preferred Equity

During the three months ended December 31, 2025, we acquired an $800.0 million noncontrolling, perpetual preferred equity interest in the real estate assets of CityCenter Las Vegas. The underlying partnership that owns the real estate assets is a VIE. Blackstone retained 100% of the common equity ownership of the partnership, and MGM Resorts International continues to operate the properties. We are not the primary beneficiary of the VIE because we do not have the power to direct the activities that most significantly impact the VIE's economic performance. Accordingly, the partnership is not consolidated. Our involvement with the VIE is limited to our investment in preferred equity, which is presented within 'Other assets, net' on our consolidated balance sheets. Our maximum exposure to loss is limited to the carrying value of the investment, as we do not provide financial support to the VIE beyond our contractual investment. As of December 31, 2025, the 'Investment in preferred equity' balance was $800.5 million, including $0.5 million of direct transaction costs.

The preferred equity provides for a cumulative preferred return at an initial rate of 7.4%, payable monthly in arrears. The preferred return is subject to scheduled rate increases starting on the fifth anniversary of closing. Blackstone may cause the partnership to redeem all or a portion of the preferred equity investment, and we may require redemption upon the occurrence of specified events. Early redemptions are subject to early redemption fees based on the timing and circumstances of the redemption, equal to 3.0% if redeemed prior to the first anniversary of closing, 2.0% if redeemed after the first anniversary and prior to the fourth anniversary, and no premium thereafter. Upon redemption, if we have not received an 8.325% unlevered internal rate of return on the redeemed amount, we will receive a make-whole payment to ensure that such return is achieved.

Preferred return income is determined by applying the contractual rate to the outstanding preferred equity balance, including any accrued but unpaid cumulative preferred return, which increases the carrying value of the investment. During the year ended December 31, 2025, we recognized $3.7 million of preferred return income related to the investment, which is included within 'Other revenue' in our consolidated statements of income and comprehensive income.

7. Investments in Loans and Financing Receivables

A. Loans

The following table presents information about our loans as of December 31, 2025 and 2024 (dollars in millions):

			December 31, 2025			
Loan Type	**Maturity**	**Interest Rates**	**Principal**	**Amortized Cost**	**Allowance**	**Carrying Amount [2]**
Senior Secured Notes Receivable	October 2029 - July 2031	8.00% - SONIA[1] +6.03%	$ 1,250.4	$ 1,241.3	$ (27.2)	$ 1,214.1
Mortgage Loans	June 2028 - September 2038	7.50% - 8.50%	256.2	256.4	(0.2)	256.2
Unsecured and Other Loans	December 2026 - December 2028	10.25% - 11.00%	214.7	214.9	(3.1)	211.8
Total			$ 1,721.3	$ 1,712.6	$ (30.5)	$ 1,682.1

			December 31, 2024			
Loan Type	**Maturity**	**Interest Rates**	**Principal**	**Amortized Cost**	**Allowance**	**Carrying Amount [2]**
Senior Secured Notes Receivable	October 2029 - November 2030	8.125% - SONIA+5.75%	$ 803.7	$ 797.2	$ (11.4)	$ 785.8
Mortgage Loan	September 2038	8.37%	33.5	33.5	—	33.5
Unsecured Loan	December 2026	11.00%	11.0	10.1	(0.9)	9.2
Total			$ 848.2	$ 840.8	$ (12.3)	$ 828.5

[1] Sterling Overnight Indexed Average ("SONIA")

[2] As of December 31, 2025 and 2024, the total carrying amount of the investment in loans excluded accrued interest of $27.8 million and $13.8 million, respectively, which is presented in 'Other assets, net' on our consolidated balance sheets.

2025 Activity

In July 2025, we acquired EUR-denominated senior secured notes at par value with a principal amount of €100.0 million. The interest-only notes mature in July 2031 and bear interest at a fixed rate of 8.00%.

In July 2025, we acquired GBP-denominated senior secured notes with a principal amount of £200.0 million. The interest-only notes mature in November 2030 and bear interest at SONIA plus a margin ranging from 4.50% to 5.25%, based on the borrower's leverage ratio, and a credit adjustment spread of 0.11%. As of December 31, 2025, the all-in margin was determined to be 5.36%. We paid £197.0 million for the notes and accounted for the discount at amortized cost.

In June 2025, we invested £121.5 million in a mortgage loan secured by an office property in London which provides for additional funding commitments of £20.5 million. The interest-only loan bears a fixed interest rate of 7.50% and matures in June 2030. As of December 31, 2025, the remaining additional funding commitments were £17.8 million.

In June 2025, we invested £40.3 million in a mortgage loan secured by a logistics property in the U.K. which provides for additional funding commitments of £8.5 million. The interest-only loan bears a fixed interest rate of 7.50% and matures in June 2028, with one 12-month extension option available. As of December 31, 2025, the remaining additional funding commitments were £7.5 million.

In February 2025, we invested in a $200.0 million loan, maturing in December 2028 with two 12-month extension options. This interest-only loan bears interest at either a cash rate of 10.25% or a payment-in-kind rate of 10.75%. We paid $199.8 million for this loan and incurred $1.1 million in origination costs.

2024 Activity

In December 2024, we acquired a senior secured note with a principal amount of £200.0 million. The interest-only note matures in November 2030 and bears interest at SONIA plus all-in rate of 5.36%. The Company paid £199.0 million for the note and accounted for the discount at amortized cost.

In September 2024, our interest in a loan with a carrying amount of $5.3 million, which was acquired in conjunction with the Merger, was transferred to a third-party buyer. As a result of this transfer, we recorded a loss of $1.5 million, presented in 'Other income, net' in our consolidated statements of income and comprehensive income.

In May 2024, we acquired a senior secured note, maturing in May 2030, with a principal amount of £300.0 million. The interest-only note bears interest at a fixed rate of 8.125% and is callable at par beginning in May 2026.

In April 2024, a $33.0 million secured loan to an operator of Emagine Theaters, assumed in the Spirit merger, was repaid in full.

In January 2024, in conjunction with the Merger, we acquired an 11.0% fixed-rate, unsecured loan with a principal amount of $11.0 million. This interest-only loan was recorded at its acquisition-date fair value of $9.8 million and matures in December 2026.

2023 Activity

In November 2023, we acquired a senior secured note with a principal amount of £142.0 million. The interest-only note matures in October 2029 and bears interest that has been adjusted to SONIA plus 5.75% and a credit adjustment spread of 0.28% as of December 31, 2025. The Company paid £136.7 million for the note and accounted for the discount at amortized cost.

In October 2023, we issued a $33.5 million mortgage loan which is collateralized by nine automotive service properties located across seven different states. The interest-only loan bears interest at 8.37% subject to annual increases and matures in October 2038.

B. Financing Receivables

The following table presents information about our investments in sale-leaseback transactions accounted for as financing receivables in accordance with ASC 842, *Leases,* as of December 31, 2025 and 2024 (dollars in millions):

		Carrying Value as of	
	Maturity	**December 31, 2025**	**December 31, 2024**
Financing receivables, net	2026 - 2050	$ 1,574.6	$ 1,609.0
Total		$ 1,574.6	$ 1,609.0

C. Allowance for Credit Losses

The following table summarizes the activity within the allowance for credit losses related to loans and financing receivable through December 31, 2025 (in millions):

	Loans Receivable	Financing Receivable	Total
Allowance for credit losses as of December 31, 2023	$ 2.5	$ 2.4	$ 4.9
Provisions for credit losses [1]	10.0	96.8	106.8
Initial allowance for PCD assets [2]	1.8	—	1.8
Write-offs [2]	(1.8)	—	(1.8)
Foreign currency remeasurement	(0.2)	—	(0.2)
Allowance for credit losses as of December 31, 2024	$ 12.3	$ 99.2	$ 111.5
Provisions for credit losses [1]	17.3	19.5	36.8
Write-offs [3]	—	(40.4)	(40.4)
Foreign currency remeasurement	0.9	0.1	1.0
Allowance for credit losses as of December 31, 2025	$ 30.5	$ 78.4	$ 108.9

[1] Provisions for credit losses on loans receivable during the year ended December 31, 2024 and 2025 were primarily attributable to initial expected credit losses on loans acquired during the respective years. The increase in credit losses on financing receivables during those years were primarily attributable to deterioration in the creditworthiness of certain clients.

[2] Relates to an initial expected credit loss of $1.8 million for a purchased credit deteriorated loan we acquired in conjunction with the Merger and subsequently sold in September 2024.

[3] Write-offs during the year ended December 31, 2025 were related to lease amendments made to facilitate two clients' reorganization plans.

8. Credit Facilities and Commercial Paper Programs

A. RI Credit Facilities

In April 2025, we entered into new $4.0 billion unsecured multicurrency revolving credit facilities, to amend and restate our previous $4.25 billion unsecured revolving credit facility. Our new revolving credit facilities include (a) a $2.0 billion unsecured multicurrency revolving credit facility, consisting of two tranches, that will mature in April 2027 and (b) a $2.0 billion unsecured multicurrency revolving credit facility, consisting of two tranches, that will mature in April 2029 (collectively, the “RI Credit Facilities”). The RI Credit Facilities also include two six-month extensions for each facility, which can be exercised at our option.

The RI Credit Facilities allow us to borrow (a) under the two-year revolving credit facility (i) in up to four currencies (including USD) under a $1.5 billion tranche thereunder and (ii) in up to 15 currencies (including USD) under a $500.0 million tranche thereunder, and (b) under the four-year revolving credit facility (i) in up to four currencies (including USD) under a $1.5 billion tranche thereunder and (ii) in up to 15 currencies (including USD) under a $500.0 million tranche thereunder. The aggregate capacity of the RI Credit Facilities can be increased to up to $5.0 billion pursuant to an accordion expansion feature, which is subject to obtaining lender commitments.

Under the RI Credit Facilities, our investment grade credit ratings as of December 31, 2025 provide for (i) USD borrowings at the Secured Overnight Financing Rate (“SOFR”) plus 0.725% and (ii) British Pound Sterling ("GBP") borrowings at the SONIA plus 0.725%, and (iii) EURO ("EUR") borrowings at EURIBOR plus 0.725%. A revolving credit facility commitment fee of 0.125% is payable on the total commitment amount. The credit agreement also provides flexibility to elect different interest rate tenors or daily rate options for each currency tranche.

As of December 31, 2025, we had a borrowing capacity of $2.7 billion available on our RI Credit Facilities (subject to customary conditions to borrowing) and an outstanding balance of $1.3 billion, including £597.0 million GBP and €444.0 million EUR borrowings. As of December 31, 2024, under our previous revolving credit facility, we had an outstanding balance of $1.1 billion, including £376.0 million GBP and €572.0 million EUR borrowings.

The weighted average interest rate on outstanding borrowings under our RI Credit Facilities was 4.3% during the year ended December 31, 2025. The weighted average interest rate on outstanding borrowings under our previous revolving credit facility was 5.7% during the year ended December 31, 2024. As of December 31, 2025, the weighted average interest rate on outstanding borrowings under our RI Credit Facilities was 3.7%.

As of December 31, 2025, origination costs of $19.0 million for RI Credit Facilities are included in 'Other assets, net', as compared to $7.3 million related to our previous revolving credit facility as of December 31, 2024, on our consolidated balance sheets. These costs are being amortized over the remaining term of our RI Credit Facilities.

B. Fund Credit Facilities

In connection with the closing of the RI Credit Facilities, the Fund entered into a newly-established $1.38 billion unsecured credit facility, which provides for (a) up to $1.0 billion unsecured revolving credit facility and (b) up to $380.0 million unsecured delayed draw term loan which is available to be drawn for twelve months after April 29, 2025 (the "Closing Date") (collectively, the “Fund Credit Facilities”). The revolving credit facility under the Fund Credit Facilities matures in April 2029 and the delayed draw term loan under the Fund Credit Facilities matures in April 2028. The Fund Credit Facilities also include two six-month extensions for each facility, which can be exercised at our option. The aggregate amount under the Fund Credit Facilities can be increased to up to $2.0 billion pursuant to an accordion expansion feature, which is subject to obtaining lender commitments.

Borrowings under the Fund Credit Facilities bear interest at one-month term SOFR plus 0.725%. A revolving credit facility commitment fee of 0.125% is payable on the total commitment amount. In addition, a commitment fee of 0.20% is payable on undrawn delayed draw term loan commitments.

As of December 31, 2025, we had a borrowing capacity of $1.2 billion available on our Fund Credit Facilities (subject to customary conditions to borrowing) and an outstanding balance of $182.0 million under the unsecured revolving credit facility.

The weighted average interest rate on outstanding borrowings under our Fund Credit Facilities was 5.4% during the year ended December 31, 2025. As of December 31, 2025, the weighted average interest rate on outstanding borrowings under our Fund Credit Facilities was 5.6%.

As of December 31, 2025, origination costs of $6.2 million for the Fund Credit Facilities are included in 'Other assets, net' on our consolidated balance sheets, and are being amortized over the remaining term of the facilities. An additional $3.0 million was allocated to the delayed draw term loan arrangement and will not be amortized until the loan is drawn.

C. Commercial Paper Programs

We have a USD-denominated unsecured commercial paper program, under which we may issue unsecured commercial paper notes up to a maximum aggregate amount outstanding of $1.5 billion, as well as a EUR-denominated unsecured commercial paper program, which permits us to issue additional unsecured commercial notes up to a maximum aggregate amount of $1.5 billion (or foreign currency equivalent). Our EUR-denominated unsecured commercial paper program may be issued in USD or various foreign currencies, including but not limited to, EUR, GBP, Swiss Francs, Yen, Canadian Dollars, and Australian Dollars, in each case, pursuant to customary terms in the European commercial paper market.

The commercial paper ranks pari passu in right of payment with all of our other unsecured senior indebtedness outstanding, exclusive of unexchanged bonds from our merger with VEREIT, Inc. (“VEREIT”) in 2021 and unexchanged Spirit bonds, including borrowings under our revolving credit facilities, our term loans and our outstanding senior unsecured notes (and is structurally subordinated to all our subsidiary debt). Proceeds from commercial paper borrowings are used for general corporate purposes.

As of December 31, 2025, the balance of borrowings outstanding under our commercial paper programs totaled $516.8 million, including $39.0 million of USD borrowings and €407.0 million of EUR borrowings, compared to $67.3 million outstanding commercial paper borrowings, comprised entirely of €65.0 million of EUR borrowings, as of December 31, 2024. The weighted average interest rate on outstanding borrowings under our commercial paper programs was 2.3% and 4.6% for the years ended December 31, 2025 and 2024, respectively. We use our revolving credit facilities as a liquidity backstop for the repayment of the notes issued under the commercial paper programs. The commercial paper borrowings generally carry a term of less than a year.

We regularly review our credit facilities and commercial paper programs and may seek to extend, renew, or replace our credit facilities and commercial paper programs, to the extent we deem appropriate.

D. Financial Covenants

Our credit facilities are subject to various leverage and interest coverage ratio limitations, and as of December 31, 2025, we were in compliance with the covenants under our credit facilities.

9. Term Loans

In November 2025, we entered into a term loan agreement that amends and restates the previous agreement governing our $1.5 billion multi-currency term loan, dated January 6, 2023. The agreement provides for a £900.0 million Sterling-denominated term loan facility that will initially mature in January 2028, before giving effect to one twelve-month extension option. As of December 31, 2025, we had an outstanding balance of $1.2 billion. Our A3/A- credit ratings provide for a borrowing rate of 80 basis points over the applicable benchmark rate, which includes adjusted SOFR for USD-denominated loans and adjusted SONIA for GBP-denominated loans. In conjunction with the closing, we executed variable-to-fixed interest rate swaps, which fix the weighted average per annum interest rate at 4.3% over the two-year term.

In January 2024, in connection with the Merger, we entered into an amended and restated term loan agreement that replaced Spirit's then-existing term loans with various lenders. Pursuant to the agreement, we borrowed an aggregate of $800.0 million, $300.0 million of which was repaid upon its maturity in August 2025. The remaining $500.0 million, due August 2027, is subject to interest rate swaps that fix the effective interest rate at 3.3%. We also entered into an amended and restated term loan agreement pursuant to which we borrowed $500.0 million, which was repaid upon its maturity in June 2025.

Deferred financing costs were $9.4 million as of December 31, 2025 and are included net of the term loans' principal balance, as compared to $2.2 million as of December 31, 2024 on our consolidated balance sheets. These costs are being amortized over the remaining term of the term loans. As of December 31, 2025, we were in compliance with the covenants contained in the term loans.

10. Mortgages Payable

During the year ended December 31, 2025, we made $44.6 million in principal payments, including the full repayment of three mortgages for $42.9 million. No mortgages were assumed during the year ended December 31, 2025.

Our mortgages contain customary covenants, such as limiting our ability to further mortgage each applicable property or to discontinue insurance coverage without the prior consent of the lender. As of December 31, 2025, we were in compliance with these covenants.

The following table summarizes our mortgages payable as of December 31, 2025 and 2024 (dollars in millions):

As Of	Number of Properties [1]	Weighted Average Stated Interest Rate	Weighted Average Effective Interest Rate	Weighted Average Remaining Years Until Maturity	Remaining Principal Balance	Unamortized Discount and Deferred Financing Costs Balance, net	Mortgages Payable Balance
December 31, 2025	14	4.9 %	5.9 %	1.8	$ 37.9	$ (0.1)	$ 37.8
December 31, 2024	17	4.0 %	4.5 %	1.4	$ 81.3	$ (0.5)	$ 80.8

[1] As of December 31, 2025, there were eight mortgages on 14 properties and as of December 31, 2024, there were 11 mortgages on 17 properties. The mortgages require monthly payments with principal payments due at maturity. As of December 31, 2025 and 2024, all mortgages were at fixed interest rates.

The following table summarizes the maturity of mortgages payable as of December 31, 2025, excluding $0.1 million related to unamortized net discounts and deferred financing costs (dollars in millions):

Year of Maturity	Principal
2026	$ 12.0
2027	22.3
2028	1.3
2029	1.3
2030	1.0
Thereafter	—
Total	$ 37.9

11. Notes Payable

A. General

As of December 31, 2025, our senior unsecured notes and bonds are USD-denominated, GBP-denominated, and EUR-denominated. Foreign-denominated notes are converted at the applicable exchange rate on the balance sheet date. The following are sorted by maturity date (in thousands):

			Carrying Value (USD) as of	
	Maturity Dates	Principal (Currency Denomination)	December 31, 2025	December 31, 2024
3.875% Notes due 2025	April 15, 2025	$ 500,000	$ —	$ 500,000
4.625% Notes due 2025	November 1, 2025	$ 549,997	—	549,997
5.050% Notes due 2026	January 13, 2026	$ 500,000	500,000	500,000
0.750% Notes due 2026	March 15, 2026	$ 325,000	325,000	325,000
4.875% Notes due 2026	June 1, 2026	$ 599,997	599,997	599,997
4.450% Notes due 2026	September 15, 2026	$ 299,968	299,968	299,968
4.125% Notes due 2026	October 15, 2026	$ 650,000	650,000	650,000
1.875% Notes due 2027 [1]	January 14, 2027	£ 250,000	336,400	312,975
3.000% Notes due 2027	January 15, 2027	$ 600,000	600,000	600,000
3.200% Notes due 2027	January 15, 2027	$ 299,984	299,984	299,984
1.125% Notes due 2027 [1]	July 13, 2027	£ 400,000	538,240	500,760

	Maturity Dates	Principal (Currency Denomination)		Carrying Value (USD) as of December 31, 2025		Carrying Value (USD) as of December 31, 2024
3.950% Notes due 2027	August 15, 2027	$	599,873	599,873		599,873
3.650% Notes due 2028	January 15, 2028	$	550,000	550,000		550,000
3.400% Notes due 2028	January 15, 2028	$	599,816	599,816		599,816
2.100% Notes due 2028	March 15, 2028	$	449,994	449,994		449,994
2.200% Notes due 2028	June 15, 2028	$	499,959	499,959		499,959
4.700% Notes due 2028	December 15, 2028	$	400,000	400,000		400,000
3.950% Notes due 2029	February 1, 2029	$	400,000	400,000		—
4.750% Notes due 2029	February 15, 2029	$	450,000	450,000		450,000
3.250% Notes due 2029	June 15, 2029	$	500,000	500,000		500,000
4.000% Notes due 2029	July 15, 2029	$	399,999	399,999		399,999
5.000% Notes due 2029 (1)	October 15, 2029	£	350,000	470,960		438,165
3.100% Notes due 2029	December 15, 2029	$	599,291	599,291		599,291
3.400% Notes due 2030	January 15, 2030	$	500,000	500,000		500,000
4.850% Notes due 2030	March 15, 2030	$	600,000	600,000		600,000
3.160% Notes due 2030	June 30, 2030	£	140,000	188,384		175,266
4.875% Notes due 2030 (1)	July 6, 2030	€	550,000	645,711		569,415
1.625% Notes due 2030 (1)	December 15, 2030	£	400,000	538,240		500,760
3.250% Notes due 2031	January 15, 2031	$	950,000	950,000		950,000
3.200% Notes due 2031	February 15, 2031	$	449,995	449,995		449,995
3.375% Notes due 2031 (1)	June 20, 2031	€	650,000	763,113		—
5.750% Notes due 2031 (1)	December 5, 2031	£	300,000	403,680		375,570
2.700% Notes due 2032	February 15, 2032	$	350,000	350,000		350,000
3.180% Notes due 2032	June 30, 2032	£	345,000	464,232		431,906
5.625% Notes due 2032	October 13, 2032	$	750,000	750,000		750,000
2.850% Notes due 2032	December 15, 2032	$	699,655	699,655		699,655
4.500% Notes due 2033	February 1, 2033	$	400,000	400,000		—
1.800% Notes due 2033	March 15, 2033	$	400,000	400,000		400,000
1.750% Notes due 2033 (1)	July 13, 2033	£	350,000	470,960		438,165
4.900% Notes due 2033	July 15, 2033	$	600,000	600,000		600,000
5.125% Notes due 2034	February 15, 2034	$	800,000	800,000		800,000
2.730% Notes due 2034	May 20, 2034	£	315,000	423,864		394,348
5.125% Notes due 2034 (1)	July 6, 2034	€	550,000	645,711		569,415
5.875% Bonds due 2035	March 15, 2035	$	250,000	250,000		250,000
5.125% Notes due 2035	April 15, 2035	$	600,000	600,000		—
3.875% Notes due 2035 (1)	June 20, 2035	€	650,000	763,113		—
3.390% Notes due 2037	June 30, 2037	£	115,000	154,744		143,969
6.000% Notes due 2039 (1)	December 5, 2039	£	450,000	605,520		563,355
5.250% Notes due 2041 (1)	September 4, 2041	£	350,000	470,960		438,165
2.500% Notes due 2042 (1)	January 14, 2042	£	250,000	336,400		312,975
4.650% Notes due 2047	March 15, 2047	$	550,000	550,000		550,000
5.375% Notes due 2054	September 1, 2054	$	500,000	500,000		500,000
Total principal amount				$ 25,343,763	$	22,938,737
Unamortized net discounts and deferred financing costs				(311,816)		(281,145)
				$ 25,031,947	$	22,657,592

(1) Interest paid annually. Interest on the remaining senior unsecured notes and bond obligations included in the table is paid semi-annually.

The following table summarizes the maturity of our notes and bonds payable as of December 31, 2025, excluding unamortized net discounts, deferred financing costs (dollars in millions):

Year of Maturity	Principal
2026	$ 2,375.0
2027	2,374.5
2028	2,499.8
2029	2,820.3
2030	2,472.3
Thereafter	12,801.9
Total	$ 25,343.8

As of December 31, 2025, the weighted average interest rate on our notes and bonds payable was 3.8%, and the weighted average remaining years until maturity was 6.0 years.

Interest incurred on the notes and bonds was $938.1 million, $840.3 million, and $598.6 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Our outstanding notes and bonds are unsecured; accordingly, we have not pledged any assets as collateral for these or any other obligations.

The notes and bonds contain various covenants, including: (i) a limitation on incurrence of any debt which would cause our debt to total adjusted assets ratio to exceed 60%; (ii) a limitation on incurrence of any secured debt which would cause our secured debt to total adjusted assets ratio to exceed 40%; (iii) a limitation on incurrence of any debt which would cause our debt service coverage ratio to be less than 1.5 times; and (iv) the maintenance at all times of total unencumbered assets not less than 150% of our outstanding unsecured debt. As of December 31, 2025, we were in compliance with these covenants.

B. Note Issuances

During the year ended December 31, 2025, we issued the following notes and bonds:

2025 Issuances	Date of Issuance	Maturity Date	Principal amount (in millions)	Price of par value	Effective yield to maturity
5.125% Notes	April 2025	April 2035	$ 600.0	98.37 %	5.337 %
3.375% Notes	June 2025	June 2031	€ 650.0	99.57 %	3.456 %
3.875% Notes	June 2025	June 2035	€ 650.0	99.55 %	3.930 %
3.950% Notes	October 2025	February 2029	$ 400.0	99.41 %	4.143 %
4.500% Notes	October 2025	February 2033	$ 400.0	98.87 %	4.685 %

C. Note Repayments

During the year ended December 31, 2025, we repaid the following notes, plus accrued and unpaid interest, upon maturity:

2025 Repayments	Date of Issuance	Maturity Date	Principal amount (in millions)
3.875% Notes	April 2018	April 2025	$ 500.0
4.625% Notes	October 2018	November 2025	$ 550.0

12. Noncontrolling Interests

As of December 31, 2025, we have 12 entities with noncontrolling interests that we consolidate, including our U.S. Private Fund Business, Realty Income, L.P., and interests in consolidated property partnerships not wholly-owned by us.

During the year ended December 31, 2025, we launched an open-end, perpetual life private fund, which is consolidated by Realty Income. In September 2025, we held an initial closing raising $716.0 million of third-party investor commitments, of which $486.4 million was called during the three months ended December 31, 2025. As of the closing date, the Fund's seed portfolio was comprised of 183 properties contributed by Realty Income. As of December 31, 2025, we owned approximately 69% of the outstanding limited partnership interests in the Fund.

The Fund issues limited partnership ("LP") units to investors, none of which hold voting rights. As the Fund's General Partner ("GP"), Realty Income manages all investment and operational decisions. The Fund aims to make quarterly, pro-rata distributions to partners, as determined by the GP, based on their percentage interests. LP units are not mandatorily redeemable, and investors do not have the right to require redemption. Any redemption of LP units may occur only at the sole discretion of the GP. After evaluating the terms of the partnership agreement, including the absence of mandatory redemption features, and the GP's discretion over the redemptions, we determined that the LP units meet the requirements for classification as permanent equity.

With respect to Realty Income, L.P., as of December 31, 2025, outstanding common partnership units in our operating partnership represented a 9.95% ownership interest. We hold the remaining 90.05% interest and consolidate the entity. None of our common partnership units have voting rights. Common partnership units are entitled to monthly distributions equal to the amount paid to common stockholders of Realty Income, and are redeemable in cash or Realty Income common stock, at our option, and at a conversion ratio of 1.02934. These issuances with redemption provisions that permit the issuer to settle in either cash or common stock, at the option of the issuer, were evaluated to determine whether temporary or permanent equity classification on the balance sheet was appropriate. We determined that the units meet the requirements to qualify for presentation as permanent equity.

The following table represents the change in the carrying value of all noncontrolling interests through December 31, 2025 (in thousands):

	U.S. Private Fund Business	Realty Income, L.P. units [1]	Other Noncontrolling Interests	Total
Carrying value as of December 31, 2023	$ —	$ 114,072	$ 51,430	$ 165,502
Contributions	—	—	2,022	2,022
Distributions	—	(6,810)	(3,588)	(10,398)
Allocation of net income	—	5,898	671	6,569
Issuance of common partnership units	—	54,643	(7,390)	47,253
Carrying value as of December 31, 2024	$ —	$ 167,803	$ 43,145	$ 210,948
Contributions	486,400	—	2,055	488,455
Distributions	—	(8,897)	(3,144)	(12,041)
Allocation of net income	3,963	6,757	473	11,193
Reallocation of equity [2]	(13,282)	—	—	(13,282)
Carrying value as of December 31, 2025	$ 477,081	$ 165,663	$ 42,529	$ 685,273

[1] 2,681,808 units were outstanding as of both December 31, 2025 and 2024. 1,795,167 units were outstanding as of December 31, 2023.
[2] Represents the difference between cash received from third-party investors and the resulting change in noncontrolling interests from equity transactions in which we retained control of the Fund.

In July 2024, a joint venture partner converted their interests in two consolidated property partnerships into 156,621 common partnership units in Realty Income, LP and we recorded the excess over carrying value of $0.8 million as a reduction to common stock and paid in capital.

In September 2024, we completed the acquisition of 42 properties by paying cash and by issuing 730,020 common partnership units in Realty Income, LP.

As of December 31, 2025, we are considered the primary beneficiary of the U.S. Private Fund Business, Realty Income, L.P. and other VIEs. For further information, see note *1, Summary of Significant Accounting Policies.*

13. Fair Value Measurements

Fair value is defined as the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date (the exit price).

ASC 820, *Fair Value Measurements and Disclosures*, sets forth a fair value hierarchy that categorizes inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities and lowest priority to unobservable inputs. Categorization within this hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

- Level 1 – Quoted market prices in active markets for identical assets and liabilities
- Level 2 – Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other market-corroborated inputs
- Level 3 – Inputs that are unobservable and significant to the overall fair value measurement

We evaluate our hierarchy disclosures each quarter and depending on various factors, it is possible that an asset or liability may be classified differently from period to period. Changes in the type of inputs may result in a reclassification for certain assets. We have not historically had changes in classifications and do not expect that changes in classifications between levels will be frequent.

The following tables present the carrying values and estimated fair values of financial instruments as of December 31, 2025 and 2024 (in millions):

	December 31, 2025			
		Hierarchy Level		
	Carrying Value	Level 1	Level 2	Level 3
Assets:				
Loans receivable	$ 1,682.1	$ —	$ 1,210.5	$ 474.3
Derivative assets	8.0	—	8.0	—
Total assets	$ 1,690.1	$ —	$ 1,218.5	$ 474.3
Liabilities:				
Mortgages payable	$ 37.9	$ —	$ —	$ 37.6
Notes and bonds payable	25,343.8	—	23,600.7	1,046.8
Derivative liabilities	205.7	—	205.7	—
Total liabilities	$ 25,587.4	$ —	$ 23,806.4	$ 1,084.4

	December 31, 2024			
		Hierarchy Level		
	Carrying Value	Level 1	Level 2	Level 3
Assets:				
Loans receivable	$ 828.5	$ —	$ 791.4	$ 43.7
Derivative assets	47.2	—	47.2	—
Total assets	$ 875.7	$ —	$ 838.6	$ 43.7
Liabilities:				
Mortgages payable	$ 81.3	$ —	$ —	$ 80.0
Notes and bonds payable	22,938.7	—	20,665.5	928.0
Derivative liabilities	81.5	—	81.5	—
Total liabilities	$ 23,101.5	$ —	$ 20,747.0	$ 1,008.0

A. Financial Instruments Not Measured at Fair Value on our Consolidated Balance Sheets

The fair value of short-term financial instruments such as cash and cash equivalents, accounts receivable, escrow deposits, accounts payable, distributions payable, revolving credit facilities and commercial paper borrowings, and other liabilities approximate their carrying value in the accompanying consolidated balance sheets, due to their short-term nature. The aggregate fair value of our term loans approximates carrying value due to the frequent repricing of the variable interest rate charged on the borrowing.

The following table reflects the carrying amounts and estimated fair values of our financial instruments not measured at fair value on our consolidated balance sheets (in millions):

	December 31, 2025		December 31, 2024	
	Carrying value	Fair value	Carrying value	Fair value
Loans receivable	$ 1,682.1	$ 1,684.8	$ 828.5	$ 835.1
Mortgages payable [1]	$ 37.9	$ 37.6	$ 81.3	$ 80.0
Notes and bonds payable [1]	$ 25,343.8	$ 24,647.5	$ 22,938.7	$ 21,593.5

[1] Excludes non-cash net premiums and discounts, and deferred financing costs.

The estimated fair values of our mortgage loan receivable, unsecured and other loans, private senior secured loans receivable, mortgages payable, and private senior notes payable have been calculated by discounting the future cash flows using an interest rate based upon the relevant input, such as forward interest rate curve, plus an applicable credit-adjusted spread. Because this methodology includes unobservable inputs that reflect our own internal assumptions and calculations, the measurement of estimated fair values related to the named financial instruments are categorized as level 3 of the fair value hierarchy.

The estimated fair values of our publicly-traded senior secured loans receivable, publicly-traded senior notes and bonds payable are based upon indicative market prices and recent trading activity of each financial instrument. Because this methodology includes inputs that are less observable by the public and are not necessarily reflected in active markets, the measurement of the estimated fair values related to these financial instruments is categorized as level 2 of the fair value hierarchy. The fair value estimation of secured loans receivable that are not publicly traded similarly incorporates less observable, market-corroborated inputs.

B. Financial Instruments Measured at Fair Value on a Recurring Basis

For derivative assets and liabilities, we may utilize interest rate swaps, interest rate swaptions, and forward-starting swaps to manage interest rate risk, and cross-currency swaps and foreign currency forwards to manage foreign currency risk. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves, spot and forward rates, as well as option volatility.

Derivative fair values also include credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Although we have determined that the majority of the inputs used to value our derivatives fall within level 2 on the fair value hierarchy, the credit valuation adjustments associated with our derivatives utilize level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by ourselves and our counterparties. However, as of December 31, 2025 and 2024, we assessed the significance of the impact of the credit valuation adjustments on the overall valuation of our derivative positions and determined that the credit valuation adjustments are not significant to the overall valuation of our derivatives. As a result, we determined that our derivative valuations in their entirety are classified as level 2. For more details on our derivatives, see note *14, Derivative Instruments.*

C. Items Measured at Fair Value on a Non-Recurring Basis

Impairment of Real Estate Investments

Certain financial and nonfinancial assets and liabilities are measured at fair value on a non-recurring basis and are subject to fair value adjustments only under certain circumstances, such as when an impairment write-down occurs.

Depending on impairment triggering events during the applicable period, impairments are typically recorded for properties sold, in the process of being sold, vacant, in bankruptcy, or experiencing difficulties with collection of rent.

The following table summarizes our provisions for impairment on real estate investments during the periods indicated below (dollars in millions):

	Years ended December 31,		
	2025	2024	2023
Carrying value prior to impairment	$ 1,004.0	$ 770.7	$ 194.5
Less: total provisions for impairment of real estate	(434.5)	(319.0)	(82.2)
Carrying value after impairment	$ 569.5	$ 451.7	$ 112.3
Number of properties:			
Classified as held for sale	35	17	2
Classified as held for investment	138	88	16
Sold	222	132	94

The valuation of impaired assets is determined using widely accepted valuation techniques including income capitalization approach, using net operating income for each property and applying capitalization rates between 7.8% and 8.6%, recent comparable sales transactions, broker opinions of value with discounts based on management judgment, and purchase offers received from third parties, which are level 3 inputs. We may consider a single valuation technique or multiple valuation techniques, as appropriate, when estimating the fair value of such real estate. Estimating future cash flows is highly subjective and estimates can differ materially from actual results.

14. Derivative Instruments

In the normal course of business, our operations are exposed to economic risks from interest rates and foreign currency exchange rates. We may enter into derivative financial instruments to offset these underlying economic risks.

Derivatives Designated as Hedging Instruments - Cash Flow Hedges
We enter into foreign currency forward contracts to sell GBP and buy USD to hedge the foreign currency risk on interest payments on intercompany loans denominated in GBP. There are no amounts excluded from the assessment of hedge effectiveness for cash flow hedges of foreign exchange risk. We also execute variable-to-fixed interest rate swaps and use interest rate swaption agreements to add stability to interest expense and to manage our exposure to interest rate movements associated with our term loans or forecasted transactions. If it becomes probable that a forecasted transaction will not occur within the specific time period or within an additional two-month period thereafter, any related amounts deferred in AOCI are recognized immediately in earnings. During the years ended December 31, 2025, and 2024, no such amounts were recognized through the caption entitled 'Interest' in our consolidated statements of income and comprehensive income.

Derivatives Designated as Hedging Instruments - Fair Value Hedges
Periodically, we enter into and designate fixed-to-floating interest rate swaps to manage interest rate risk by managing our mix of fixed-rate and variable-rate debt. These swaps involve the receipt of fixed-rate amounts for variable interest rate payments over the life of the swaps without exchange of the underlying principal amount. We also designate some of our cross-currency swaps as fair value hedges as we use them to hedge foreign currency risk associated with changes in spot rates on foreign-denominated intercompany receivables and third-party debt. For these hedging instruments, we have elected to exclude the change in fair value of the cross-currency swaps attributable to the difference between the spot and forward prices from the assessment of hedge effectiveness (the "excluded component"). Changes in the fair value of the cross-currency swaps attributable to these excluded components are recorded to other comprehensive income and subsequently recognized in 'Foreign currency and derivative (loss) gain, net' on a systematic and rational basis, as net cash settlements and interest accruals on the respective cross currency swaps occur, over the remaining life of the hedging instruments.

Derivatives Designated as Hedging Instruments - Net Investment Hedges
To mitigate the foreign currency exchange rate variations associated with our investment in EUR-denominated foreign operations, we may enter into derivative instruments, such as cross-currency swaps that qualify as net investment hedges under the criteria prescribed in accordance with ASC 815-20, *Hedging - General*. We use the spot method of assessing hedge effectiveness and apply the consistent election to the excluded component by recognizing changes in the fair value of the hedging instruments attributable to the excluded component in the same manner as described above. Any difference between the change in the fair value of the excluded components and the amounts recognized in earnings is reported in other comprehensive income as part of the foreign cumulative translation adjustment. The gain or loss on the portion of the derivative instruments included in the assessment of effectiveness is reported in other comprehensive income as part of the 'Foreign currency translation adjustment' line item, to the extent the relationship is highly effective. If our net investment changes during a reporting period, the hedge relationship will be assessed for whether a de-designation is warranted (only if the hedge notional amount is outside of prescribed tolerance). Further, certain EUR-denominated bonds and borrowings under our revolving credit facilities and term loans may also be designated as, and are effective as, net investment hedges. Changes in the value of such borrowings, related to changes in the spot rates, will be recorded in the same manner as foreign currency translation adjustments. As of December 31, 2025, the total principal amount of foreign currency debt obligations designated as net investment hedges was $148.2 million.

Derivatives Not Designated as Hedging Instruments
We enter into foreign currency exchange swap agreements to reduce the effects of currency exchange rate fluctuations between the USD, our reporting currency, and GBP, EUR, and Polish Zloty. These derivative contracts generally mature within one year and are not designated as hedge instruments for accounting purposes. As the currency exchange swap is not accounted for as a hedging instrument, the change in fair value is recorded in earnings through the caption entitled 'Foreign currency and derivative (loss) gain, net' in our consolidated statements of income and comprehensive income.

The following table summarizes the terms and fair values of our derivative financial instruments as of December 31, 2025 and 2024 (dollars in millions):

Derivative Type	Number of Instruments (1)	Notional Amount as of		Weighted Average Strike Rate (2)	Maturity Date (3)	Fair Value - asset (liability) as of	
Derivatives Designated as Hedging Instruments		**December 31, 2025**	**December 31, 2024**			**December 31, 2025**	**December 31, 2024**
Interest rate swaps (4)	10	$ 2,105.0	$ 2,180.0	3.47%	Jan 2026 - Jan 2028	$ 5.1	$ 24.3
Cross-currency swaps - Fair Value	8	720.0	320.0	(5)	Feb 2029 - Oct 2032	(81.0)	(42.2)
Cross-currency swaps - Net Investment	3	280.0	280.0	(6)	Oct 2032	(66.1)	(37.6)
Foreign currency forwards	54	519.7	349.5	(7)	Jan 2026 - Jul 2027	(8.7)	9.3
		$ 3,624.7	$ 3,129.5			$ (150.7)	$ (46.2)
Derivatives not Designated as Hedging Instruments							
Currency exchange swaps	5	$ 2,972.8	$ 1,725.3	(8)	Jan 2026	$ (47.0)	$ 11.8
		$ 2,972.8	$ 1,725.3			$ (47.0)	$ 11.8
Total of all Derivatives		$ 6,597.5	$ 4,854.8			$ (197.7)	$ (34.4)

(1) This column represents the number of instruments outstanding as of December 31, 2025.

(2) Weighted average strike rate is calculated using the notional value as of December 31, 2025.

(3) This column represents maturity dates for instruments outstanding as of December 31, 2025.

(4) During the year ended December 31, 2025, we entered into five variable-to-fixed interest rate swaps in connection with our GBP-denominated term loan maturing in 2028 and designated these derivatives as cash flow hedges of the underlying interest rate risk. In addition, five other variable-to-fixed interest rate swaps, which were assumed in connection with the Merger, continue to be designated as cash flow hedges of the related assumed term loans .

(5) USD fixed rate of 5.625% and EUR weighted average fixed rate of 4.520%.

(6) USD fixed rate of 5.625% and EUR weighted average fixed rate of 4.716%.

(7) Weighted average forward GBP-USD exchange rate of 1.32.

(8) Weighted average exchange rates of 0.88 for EUR-GBP and 1.32 for GBP-USD.

We measure our derivatives at fair value and include the balances within 'Other assets, net' and 'Accounts payable and accrued expenses' on our consolidated balance sheets.

We have agreements with each of our derivative counterparties containing provisions under which we could be declared in default on our derivative obligations if repayment of our indebtedness is accelerated by the lender due to our default.

The following table summarizes the amount of unrealized gain (loss) on derivatives and foreign currency translation adjustments in other comprehensive income (in thousands):

	Years ended December 31,		
Derivatives in Cash Flow Hedging Relationships	**2025**	**2024**	**2023**
Interest rate swaps	$ (15,627)	$ (5,575)	$ (11,171)
Foreign currency forwards	(17,973)	6,546	$ (13,349)
Interest rate swaptions	(1,955)	1,471	$ 1,858
Total derivatives in cash flow hedging relationships	$ (35,555)	$ 2,442	$ (22,662)
Derivatives in Fair Value Hedging Relationships			
Cross-currency swaps - Fair Value	$ 10,404	$ (5,224)	$ (14,602)
Total derivatives in fair value hedging relationships	$ 10,404	$ (5,224)	$ (14,602)
Total unrealized loss on derivatives, net	$ (25,151)	$ (2,782)	$ (37,264)
Derivatives and Non-derivatives in Net Investment Hedging Relationships			
Cross-currency swaps - Net Investment	$ (30,390)	$ 13,569	$ (4,272)
Foreign currency debt	(9,369)	2,315	$ —
Total unrealized (loss) gain recorded in foreign currency translation adjustment	$ (39,759)	$ 15,884	$ (4,272)

The following table summarizes the amount of gain (loss) on derivatives reclassified from AOCI (in thousands):

		Years ended December 31,		
Derivatives in Cash Flow Hedging Relationships	**Location of (Decrease) Increase Recognized in Income**	**2025**	**2024**	**2023**
Interest rate swaps	Interest	$ 10,053	$ 31,385	$ 15,794
Foreign currency forwards	Foreign currency and derivative (loss) gain, net	(12,542)	3,831	4,251
Interest rate swaptions	Interest	296	(13)	(6,859)
Total derivatives in cash flow hedging relationships		$ (2,193)	$ 35,203	$ 13,186
Derivatives in Fair Value Hedging Relationships				
Cross-currency swaps - Fair Value	Foreign currency and derivative (loss) gain, net	$ (404)	$ 1,806	$ 1,415
Total derivatives in fair value hedging relationships		$ (404)	$ 1,806	$ 1,415
Derivatives in Net Investment Hedging Relationships				
Cross-currency swaps - Net Investment (excluded component)	Foreign currency and derivative (loss) gain, net	$ 1,873	$ 3,444	$ 62
Total derivatives in net investment hedging relationships		$ 1,873	$ 3,444	$ 62
Net (decrease) increase to net income		$ (724)	$ 40,453	$ 14,663

We expect to reclassify $5.7 million from AOCI as a decrease to interest expense relating to interest rate swaps and $11.3 million from AOCI as an increase to foreign currency gain relating to foreign currency forwards within the next twelve months.

The following table details our foreign currency and derivative (loss) gain, net included in income (in thousands):

	Years ended December 31,		
	2025	2024	2023
Realized foreign currency and derivative (loss) gain, net:			
(Loss) gain on the settlement of undesignated derivatives	$ 12,142	$ (33,053)	$ 18,051
(Loss) gain on the settlement of designated derivatives reclassified from AOCI	(10,882)	9,082	5,728
Gain on the settlement of transactions with third parties	3,492	1,498	583
Total realized foreign currency and derivative (loss) gain, net	$ 4,752	$ (22,473)	$ 24,362
Unrealized foreign currency and derivative (loss) gain, net:			
(Loss) gain on the change in fair value of undesignated derivatives	$ (63,430)	$ 11,893	$ (5,231)
Gain (loss) on remeasurement of certain assets and liabilities	30,025	14,000	(32,545)
Total unrealized foreign currency and derivative (loss) gain, net	$ (33,405)	$ 25,893	$ (37,776)
Total foreign currency and derivative (loss) gain, net	$ (28,653)	$ 3,420	$ (13,414)

15. Leases

A. As Lessor

As of December 31, 2025, we owned or held interests in 15,511 properties. Of the 15,511 properties, 15,167, or 97.8%, are single-tenant properties, and the remainder are multi-tenant properties. As of December 31, 2025, 173 properties were available for lease or sale. The majority of our leases are accounted for as operating leases.

As of December 31, 2025, most of the properties in our portfolio were leased under net lease agreements where our client pays or reimburses us for property taxes and assessments and carries insurance coverage for public liability, property damage, fire, and extended coverage.

Rent based on a percentage of our clients' gross sales, or percentage rent for the years ended December 31, 2025, 2024, and 2023 was $18.2 million, $16.0 million, and $14.8 million, respectively.

As of December 31, 2025, minimum future annual rental revenue to be received on the operating leases for the next five years and thereafter are as follows (dollars in millions):

	Future Minimum Operating Lease Payments	Future Minimum Direct Financing and Sale-Type Lease Payments (1)
2026	$ 5,178.2	$ 1.4
2027	4,971.7	1.0
2028	4,617.5	0.7
2029	4,231.2	0.7
2030	3,841.5	0.8
Thereafter	27,244.6	23.6
Total	$ 50,084.7	$ 28.2

(1) Related to three properties which are subject to direct financing leases and, therefore, revenue is recognized as rental income on the discounted cash flows of the lease payments. Amounts reflected are the cash rent on these respective properties. Two properties are subject to sales-type leases and, therefore, revenue is recognized as sales-type lease income on the discounted cash flows of the lease payments. Amounts reflected are the cash rent on these respective properties.

B. As Lessee

We are the lessee under certain ground lease arrangements, building, and corporate office space leases, which are primarily accounted for as operating leases.

As of December 31, 2025, minimum future rental payments due from the Company over the next five years and thereafter are as follows (dollars in millions):

	Operating Leases	Finance Leases	Total
2026	$ 39.5	$ 12.6	$ 52.1
2027	39.0	4.9	43.9
2028	33.9	5.0	38.9
2029	31.5	6.3	37.8
2030	30.2	6.5	36.7
Thereafter	554.3	327.4	881.7
Total	$ 728.4	$ 362.7	$ 1,091.1
Present value adjustment for remaining lease payments (1)	(298.7)	(241.3)	
Total lease liability	$ 429.7	$ 121.4	

(1) The discount rates are specific for individual leases primarily based on the lease term. The range of discount rates used to calculate the present value of the operating lease payments is 1.23% to 6.99% and for finance lease payments is 3.04% to 6.99%. The weighted average discount rate was derived from estimated incremental borrowing rates based on our credit quality, as we did not have any borrowings at the balance sheet date with comparable terms to our lease agreements. As of December 31, 2025, the weighted average discount rate for operating leases is 4.06% and the weighted average remaining lease term is 24.12 years. As of December 31, 2025, the weighted average discount rate for finance leases is 5.71% and the weighted average remaining lease term is 39.31 years.

16. Stockholders' Equity

A. Common Stock

We pay monthly distributions to our common stockholders. The following is a summary of monthly distributions paid per common share for the periods indicated below:

	Years ended December 31,		
Month	**2025**	**2024**	**2023**
January	$ 0.2640	$ 0.2565	$ 0.2485
February	0.2640	0.2565	0.2485
March	0.2680	0.2565	0.2545
April	0.2685	0.2570	0.2550
May	0.2685	0.2570	0.2550
June	0.2685	0.2625	0.2550
July	0.2690	0.2630	0.2555
August	0.2690	0.2630	0.2555
September	0.2690	0.2630	0.2555
October	0.2695	0.2635	0.2560
November	0.2695	0.2635	0.2560
December	0.2695	0.2635	0.2560
Total	$ 3.2170	$ 3.1255	$ 3.0510

As of December 31, 2025, a distribution of $0.2700 per common share was payable and was paid in January 2026. As of December 31, 2024, a distribution of $0.2640 per common share was payable and was paid in January 2025.

The following presents the federal income tax characterization of distributions paid or deemed to be paid per common share for the years:

	2025	2024	2023
Ordinary income	$ 2.1351154	$ 2.1759803	$ 2.8434500
Nontaxable distributions	1.0818846	0.9495197	0.2075500
Total	$ 3.2170000	$ 3.1255000	$ 3.0510000

B. At-the-Market ("ATM") Program

In November 2025, we replaced our prior ATM program with a new ATM program, pursuant to which we may offer and sell up to 150.0 million shares of common stock (1) by us to, or through, a consortium of banks acting as our sales agents or (2) by a consortium of banks acting as forward sellers on behalf of any forward purchasers contemplated thereunder, in each case by means of ordinary brokers' transactions on the NYSE under the ticker symbol "O" at prevailing market prices or at negotiated prices. Upon settlement, subject to certain exceptions, we may elect, in our sole discretion, to cash settle or net share settle all or any portion of our obligations under any forward sale agreement, in which cases we may not receive any proceeds (in the case of cash settlement) or will not receive any proceeds (in the case of net share settlement), and we may owe cash (in the case of cash settlement) or shares of our common stock (in the case of net share settlement) to the relevant forward purchaser. Of the 120.0 million shares of our common stock available for sale under the prior ATM program at its inception, a total of approximately 65.0 million of those shares were sold, the remainder of which were terminated upon the execution of the new ATM program. As of December 31, 2025, we had 141.1 million shares remaining for future issuance under our new ATM program. We anticipate maintaining the availability of our ATM program in the future, including the replenishment of authorized shares issuable thereunder.

The following table outlines common stock issuances pursuant to our ATM programs (dollars in millions, shares in thousands):

	Years ended December 31,		
	2025	2024	2023
Shares of common stock issued under the ATM program [1]	41,971	30,169	91,699
Gross proceeds	$ 2,398.3	$ 1,760.1	$ 5,483.2
Sales agents' commissions and other offering expenses	(34.2)	(17.3)	(43.7)
Net proceeds	$ 2,364.1	$ 1,742.8	$ 5,439.5

[1] During the year ended December 31, 2025, 52.8 million shares were sold, and 42.0 million shares were settled pursuant to forward sale confirmations. As of December 31, 2025, 12.6 million shares of common stock subject to forward sale confirmations have been executed, but not settled, at a weighted average initial gross price of $57.49 per share. We currently expect to fully settle forward sale agreements outstanding by March 31, 2026, representing $708.5 million in net proceeds, for which the weighted average forward price as of December 31, 2025 was $56.26 per share.

C. Dividend Reinvestment and Stock Purchase Plan ("DRSPP")

Our DRSPP provides our common stockholders with a convenient and economical method of purchasing our common stock and reinvesting their distributions. It also allows our current stockholders to buy additional shares of common stock by reinvesting all or a portion of their distributions. Our DRSPP authorizes up to 26.0 million common shares to be issued. As of December 31, 2025, we had 10.5 million shares remaining for future issuance under our DRSPP program.

The following table outlines common stock issuances pursuant to our DRSPP program (dollars in millions, shares in thousands):

	Years ended December 31,		
	2025	2024	2023
Shares of common stock issued under the DRSPP program	211	212	198
Gross proceeds	$ 12.0	$ 11.8	$ 11.5

17. Common Stock Incentive Plan

In March 2021, our Board of Directors adopted, and in May 2021, stockholders approved, the Realty Income 2021 Incentive Award Plan (the "2021 Plan") which replaced the Realty Income 2012 Incentive Award Plan (the "2012 Plan"). The 2021 Plan provides for the award to our directors, employees, and consultants of up to 8.9 million shares.

In connection with our merger with VEREIT in 2021, shares which remained available for issuance under the VEREIT, Inc. 2021 Equity Incentive Plan immediately prior to the closing of the merger (as adjusted by the Exchange Ratio) may be used for awards under the 2021 Plan and will not reduce the shares authorized for grant under the 2021 Plan, to the extent that awards using such shares (i) are permitted without stockholder approval under applicable stock exchange rules, (ii) are made only to VEREIT service providers or individuals who become Realty Income service providers following the date of the consummation of the merger, and (iii) are only granted under the 2021 Plan during the period commencing on the date of the consummation of the merger and ending on June 2, 2031. As a result, 6.2 million additional shares were available for issuance under the 2021 Plan.

In connection with the Merger, each outstanding Spirit restricted stock award and performance share award was cancelled and converted into Realty Income common stock, using the Exchange Ratio in accordance with the Merger Agreement. The issuance is excluded from the sections below, as the awards were not granted under the 2021 Plan. The aggregate fair value of fully vested Spirit awards converted into Realty Income common stock was $66.5 million, of which i.) $41.7 million related to pre-combination services and is included in the consideration transferred in the Merger and ii.) $24.8 million of expense was recognized at the date of acquisition in merger, transaction, and other costs, net related to the value attributable to post-combination services. For more details, please see note *2, Merger with Spirit Realty Capital, Inc.*

The amount of share-based compensation costs recognized in 'General and administrative' in our consolidated statements of income and comprehensive income was $30.8 million, $32.7 million, and $26.2 million during the years ended December 31, 2025, 2024, and 2023, respectively.

A. Restricted Stock

The following table summarizes our common stock grant activity:

	2025		2024		2023	
	Number of shares	**Weighted average price [1]**	**Number of shares**	**Weighted average price [1]**	**Number of shares**	**Weighted average price [1]**
Outstanding nonvested shares, beginning of year	514,299	$ 61.54	347,051	$ 67.89	242,660	$ 67.12
Shares granted	286,597	$ 55.33	346,321	$ 52.66	222,511	$ 65.40
Shares vested	(203,051)	$ 53.41	(151,977)	$ 56.45	(110,634)	$ 61.28
Shares forfeited	(23,633)	$ 55.42	(27,096)	$ 58.08	(7,486)	$ 66.91
Outstanding nonvested shares, end of each period	574,212	$ 61.57	514,299	$ 61.54	347,051	$ 67.89

[1] Grant date fair value.

For the years ended December 31, 2025, 2024, and 2023, we granted 29,056, 40,000, and 40,000 shares of restricted stock, respectively, to the independent members of our Board of Directors in connection with our annual awards in May of each year. The vesting period of these shares is up to three years, based on each director's years of service, and is subject to the director's continued service through each applicable vesting date. In addition, in October 2025, we granted 3,399 shares of restricted stock to a new member of our Board of Directors, which vest in equal parts over a three-year period. In connection with shares granted in each respective year, 14,528, 16,000, and 20,000 shares vested immediately and 17,927, 28,000, and 20,000 shares vest in equal parts over a three-year service period.

As of December 31, 2025, the remaining unamortized share-based compensation expense related to restricted stock totaled $20.6 million, which is being amortized on a straight-line basis over the service period of each applicable award. The expense amortization period for restricted stock is the lesser of the four-year service period or the period over which the awardee reaches the qualifying retirement age. For employees who have already met the qualifying retirement age, restricted stock is fully expensed at the grant date. The amount of share-based compensation is based on the fair value of the stock at the grant date. We define the grant date as the date the recipient and Realty Income have a mutual understanding of the key terms and conditions of the award, and the recipient of the grant begins to benefit from, or be adversely affected by, subsequent changes in the price of the shares.

B. Restricted Stock Units

During 2025, 2024, and 2023, we also granted restricted stock units that vest over service periods of four-years and have the same economic rights as shares of restricted stock. During 2025, we granted 3,632 restricted stock units to one independent member of our Board of Directors in connection with our annual awards in May. These awards vest over three years, subject to the director's continued service through each applicable vesting date.

	2025		2024		2023	
	Number of restricted stock units	**Weighted average price (1)**	**Number of restricted stock units**	**Weighted average price (1)**	**Number of restricted stock units**	**Weighted average price (1)**
Outstanding nonvested shares, beginning of year	38,531	$ 62.45	42,612	$ 65.62	58,513	$ 67.91
Shares granted	45,176	$ 55.43	30,538	$ 52.72	15,065	$ 66.41
Shares vested	(13,475)	$ 54.08	(22,640)	$ 58.31	(29,492)	$ 70.30
Shares forfeited	(624)	$ 57.14	(11,979)	$ 56.76	(1,474)	$ 71.02
Outstanding nonvested shares, end of each period	69,608	$ 59.56	38,531	$ 62.45	42,612	$ 65.62

(1) Grant date fair value.

As of December 31, 2025, the remaining share-based compensation expense related to the restricted stock units totaled $2.8 million and is being recognized on a straight-line basis over the service period. The amount of share-based compensation for the restricted stock units is based on the fair value of our common stock at the grant date. The expense amortization period for restricted stock units is the lesser of the four-year service period or the period over which the awardee reaches the qualifying retirement age. For employees who have already met the qualifying retirement age, restricted stock units are fully expensed at the grant date.

C. Performance Shares

During 2025, 2024, and 2023, we granted annual performance share awards, as well as dividend equivalent rights, to our executive officers. The number of performance shares that vest for each of the three years is based on the achievement of the following performance goals:

	Weighting for year granted		
Annual Performance Awards Metrics	**2025**	**2024**	**2023**
Total shareholder return (“TSR”) ranking relative to MSCI US REIT Index	50 %	50 %	55 %
Dividend per share growth rate	25 %	25 %	20 %
Net Debt-to-Pro Forma Adjusted EBITDA*re* Ratio	25 %	25 %	25 %

The annual performance shares vest 50% as of the date of which the plan administrator determines the achievement of the applicable goals during the applicable three-year performance period and the remaining 50% on January 1 of the following year, subject to continued service.

The fair value of the performance shares was estimated on the date of grant using a Monte Carlo Simulation model.

The following table summarizes our performance share grant activity:

	2025		2024		2023	
	Number of performance shares	**Weighted average price (1)**	**Number of performance shares**	**Weighted average price (1)**	**Number of performance shares**	**Weighted average price (1)**
Outstanding nonvested shares, beginning of year	684,939	$ 68.99	561,769	$ 72.64	470,880	$ 73.37
Shares granted	319,748	$ 64.20	309,363	$ 55.25	215,040	$ 73.32
Shares vested	(184,111)	$ 71.09	(186,193)	$ 57.16	(124,151)	$ 76.59
Outstanding nonvested shares, end of each period	820,576	$ 66.65	684,939	$ 68.99	561,769	$ 72.64

(1) Grant date fair value.

As of December 31, 2025, the remaining share-based compensation expense related to the performance shares totaled $21.9 million and is being recognized on a tranche-by-tranche basis over the service period.

18. Net Income per Common Share

The following is a reconciliation of the denominator of the basic net income per common share computation to the denominator of the diluted net income per common share computation (shares in thousands):

	Years ended December 31,		
	2025	2024	2023
Weighted average shares used for the basic net income per share computation	907,169	862,959	692,298
Incremental shares from share-based compensation	690	411	349
Dilutive effect of forward ATM offerings	475	422	377
Weighted average shares used for diluted net income per share computation	908,334	863,792	693,024
Unvested shares from share-based compensation that were anti-dilutive	17	179	117
Weighted average partnership common units convertible to common shares that were anti-dilutive	2,682	2,050	1,795
Weighted average forward ATM offerings that were anti-dilutive	36	519	759

19. Supplemental Disclosures of Cash Flow Information

The following table summarizes our supplemental cash flow information during the periods indicated below (in thousands):

	Years ended December 31,		
	2025	2024	2023
Supplemental disclosures:			
Cash paid for interest	$ 1,072,484	$ 970,009	$ 692,004
Cash paid for income taxes	$ 49,785	$ 32,278	$ 12,283
Non-cash activities:			
Net (decrease) increase in fair value of derivatives	$ (163,318)	$ 64,092	$ (116,145)
Term loans assumed at fair value	$ —	$ 1,300,000	$ —
Notes payable assumed at fair value	$ —	$ 2,481,486	$ —
Increase in noncontrolling interests from property acquisitions	$ —	$ —	$ 39,156
Issuance/conversion of common partnership units of Realty Income, L.P.	$ —	$ 47,253	$ —

The following table provides a reconciliation of 'Cash and cash equivalents' reported on our consolidated balance sheets to the total of the cash, cash equivalents, and restricted cash reported within our consolidated statements of cash flows (in thousands):

	December 31, 2025	December 31, 2024
Cash and cash equivalents shown in the consolidated balance sheets	$ 434,842	$ 444,962
Restricted escrow deposits [(1)]	83,200	36,326
Impounds related to mortgages payable [(1)]	2,714	14,218
Total cash, cash equivalents, and restricted cash shown in the consolidated statements of cash flows	$ 520,756	$ 495,506

[(1)] Included within 'Other assets, net' on our consolidated balance sheets (see note *3, Supplemental Detail for Certain Components of Consolidated Balance Sheets*). These amounts consist of cash that we are legally entitled to, but that is not immediately available to us. As a result, these amounts were considered restricted as of the dates presented.

20. Segment and Geographic Information

A. Segment Information

Our business is characterized as primarily owning and leasing commercial properties under long-term, net lease agreements (whereby clients are responsible for property taxes, insurance and maintenance costs), and these economic characteristics are similar across various property types, geographic locations, and industries in which our clients operate. Our chief operating decision maker ("CODM") is our President, Chief Executive Officer. Information reviewed by our CODM in evaluating performance and allocating resources is primarily operating results and cash flow analysis on a consolidated basis. Therefore, we operate and manage the business in one operating and reportable segment.

The CODM assesses performance and decides how to allocate resources based on net income that also is reported on the income statement as consolidated net income. The measure of segment assets is reported on the balance sheet as total consolidated assets. Our significant segment expenses include consolidated expense categories presented in our consolidated statements of income and comprehensive income, as well as additional significant segment expense categories reported within 'Property (including reimbursements)' and 'General and administrative' expense captions, as follows (in thousands):

	Years ended December 31,		
	2025	2024	2023
Property expenses (excluding reimbursements)	$ 88,402	$ 74,587	$ 42,763
Cash G&A expenses [(1)]	$ 171,784	$ 144,154	$ 118,309

[(1)] Represents 'General and administrative' expenses as presented in our consolidated statements of income and comprehensive income, less share-based compensation costs.

Other segment items included in consolidated net income consist of 'Gain on sales of real estate' and 'Other income, net', as presented in our consolidated statements of income and comprehensive income.

B. Geographic Information

The following table disaggregates domestic and international revenue by major asset types and geographic regions (in thousands):

	Years ended December 31,			
	2025			
	U.S.	U.K.	Other (1)	Total
Retail	$ 3,515,416	$ 619,857	$ 190,397	$ 4,325,670
Industrial	785,939	54,824	23,686	864,449
Other (2)	240,721	6,492	—	247,213
Rental (including reimbursements)	$ 4,542,076	$ 681,173	$ 214,083	$ 5,437,332
Other revenue				312,045
Total revenue				$ 5,749,377
	2024			
	U.S.	U.K.	Other (1)	Total
Retail	$ 3,368,532	$ 508,195	$ 133,190	$ 4,009,917
Industrial	747,031	48,130	—	795,161
Other (2)	237,876	794	—	238,670
Rental (including reimbursements)	$ 4,353,439	$ 557,119	$ 133,190	$ 5,043,748
Other revenue				227,394
Total revenue				$ 5,271,142
	2023			
	U.S.	U.K.	Other (1)	Total
Retail	$ 2,754,217	$ 374,058	$ 65,305	$ 3,193,580
Industrial	515,358	43,685	—	559,043
Other (2)	205,527	—	—	205,527
Rental (including reimbursable)	$ 3,475,102	$ 417,743	$ 65,305	$ 3,958,150
Other revenue				120,843
Total revenue				$ 4,078,993

(1) Other includes rental revenue generated from all other European countries we operate in.
(2) Other includes all other property types in our portfolio.

No individual client's revenue represented more than 10% of our total revenue for each of the years ended December 31, 2025, 2024, and 2023.

Long-lived assets include items such as property, plant, equipment and right-of-use assets subject to operating and finance leases. The following table disaggregates domestic and international total long-lived assets (in millions):

	December 31, 2025				December 31, 2024			
	U.S.	U.K.	Other (1)	Total	U.S.	U.K.	Other (1)	Total
Long-lived assets	$ 42,337.4	$ 9,322.6	$ 3,280.5	$ 54,940.5	$ 43,186.5	$ 7,485.6	$ 1,617.7	$ 52,289.8
Remaining assets				17,855.1				16,545.2
Total assets				$ 72,795.6				$ 68,835.0

(1) Other includes long-lived assets in all other European countries we operate in.

21. Income Taxes

The components of income before taxes were attributable to the following (in thousands):

	Years ended December 31, 2025	2024	2023
Domestic	$ 791,719	$ 666,110	$ 755,872
Foreign	363,410	267,832	173,063
Total income before taxes	$ 1,155,129	$ 933,942	$ 928,935

Provision for income taxes consisted of the following (in thousands):

	Years ended December 31, 2025	2024	2023
Current			
Federal	$ —	$ (407)	$ 792
State and local	14,450	8,783	10,139
Foreign	70,293	54,673	41,086
Total current	$ 84,743	$ 63,049	$ 52,017
Deferred			
Federal	$ —	$ —	$ —
State and local	—	—	—
Foreign	603	3,552	4
Total deferred	$ 603	$ 3,552	$ 4
Total provision for income taxes	$ 85,346	$ 66,601	$ 52,021

Our effective tax rates for the years ended December 31, 2025, 2024, and 2023 were 7.4%, 7.1%, and 5.6%, respectively. The primary drivers of the difference between the federal statutory rate of 21.0% and our overall effective tax rate were the tax benefits associated with our REIT status, including the dividends paid deduction, the impact of state and local income taxes, and the effect of differing statutory rates and related permanent differences applicable to our foreign earnings.

Income taxes paid for the year ended December 31, 2025 are as follows (in thousands):

	Year ended December 31, 2025
Federal	$ (233)
State and Local	$ 16,827
United Kingdom	$ 30,665
Other	2,526
Total Foreign	$ 33,191
Total income taxes paid	$ 49,785

We recognize deferred income tax in our taxable subsidiaries, including certain international jurisdictions. Deferred income tax assets and liabilities are generally the result of temporary differences between book and tax accounting, such as timing differences caused by different useful lives used for depreciation. We provide for a valuation allowance for deferred income tax assets if we believe some or all of the deferred income tax assets may not be realized. As of December 31, 2025 and 2024, we had net deferred tax liabilities of $4.3 million and $3.5 million, respectively, which are reported in 'Other liabilities' on our consolidated balance sheets.

22. Commitments and Contingencies

In the ordinary course of business, we are party to various legal actions which we believe are routine in nature and incidental to the operation of our business. We believe that the outcome of the proceedings will not have a material adverse effect upon our consolidated financial position or results of operations.

As of December 31, 2025, we had $805.0 million of commitments under construction contracts related to development projects, which have estimated rental revenue commencement dates between January 2026 and November 2027. In addition, as of December 31, 2025, we had commitments of $43.0 million for tenant improvements, recurring capital expenditures, and building improvements.

23. Subsequent Events

A. Dividends
In January 2026, we declared a dividend of $0.2700 per share to our common stockholders, which was paid in February 2026. In addition, in February 2026, we declared a dividend of $0.2700, which will be paid in March 2026.

B. Private Fund Business
On December 29, 2025, we announced that we closed an additional $816.3 million in commitments from third-party investors for the Fund. On January 1, 2026, capital calls of $638.0 million were made and a $408.2 million redemption on the Company's units was made. After giving effect to these transactions, the Company's indirect ownership in the Fund was 38.5%.

C. Convertible Bond Issuance and Common Stock Repurchase
In January 2026, we issued $862.5 million principal amount of 3.500% convertible senior notes due January 2029 in a private offering, for estimated net proceeds of $845.5 million. The notes will be senior, unsecured obligations of Realty Income and will accrue interest at a rate of 3.500% per annum, payable semi-annually in arrears. The notes will mature on January 15, 2029, unless earlier repurchased, redeemed or converted. Before October 15, 2028, noteholders will have the right to convert their notes only upon the occurrence of certain events. From and after October 15, 2028, noteholders may convert their notes at any time at their election until the close of business on the second scheduled trading day immediately before the maturity date. We will settle conversions by paying cash and, if applicable, delivering shares of our common stock, based on the applicable conversion rate. The initial conversion rate is 14.4051 shares of common stock per $1,000 principal amount of notes, which represents an initial conversion price of approximately $69.42 per share of common stock. The conversion rate and conversion price will be subject to adjustment upon the occurrence of certain events.

Among other things, we used approximately $101.9 million of the net proceeds from the offering to repurchase approximately 1.8 million shares of our common stock in privately negotiated transactions, concurrently with the pricing of the offering.

Item 9: Changes in and Disagreements With Accountants on Accounting and Financial Disclosure

None.

Item 9A: Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act") that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management necessarily was required to apply its judgment in evaluating the cost-benefit relationship of possible controls and procedures.

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2025, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer.

Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that as of December 31, 2025 our disclosure controls and procedures were effective and were operating at a reasonable assurance level.

Management’s Report on Internal Control Over Financial Reporting

Internal control over financial reporting refers to the process designed by, or under the supervision of, our Chief Executive Officer, Chief Financial Officer, and effected by our Board of Directors, management and other personnel, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that:

(1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

Management is responsible for establishing and maintaining adequate internal control over financial reporting for the Company.

Management has used the framework set forth in the report entitled “Internal Control-Integrated Framework (2013)” published by the Committee of Sponsoring Organizations of the Treadway Commission to evaluate the effectiveness of the Company’s internal control over financial reporting. Management has concluded that the Company’s internal control over financial reporting was effective as of the end of the most recent fiscal year. KPMG LLP has issued an attestation report on the effectiveness of the Company’s internal control over financial reporting.

Submitted on February 24, 2026 by,

Sumit Roy, President, Chief Executive Officer
Jonathan Pong, Executive Vice President, Chief Financial Officer, and Treasurer

Changes in Internal Controls

There have been no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls
Internal control over financial reporting cannot provide absolute assurance of achieving financial reporting objectives because of its inherent limitations. Internal control over financial reporting is a process that involves human diligence and compliance and is subject to lapses in judgment and breakdowns resulting from human failures. Internal control over financial reporting also can be circumvented by collusion or improper management override. Because of such limitations, there is a risk that material misstatements may not be prevented or detected on a timely basis by internal control over financial reporting. However, these inherent limitations are known features of the financial reporting process. Therefore, it is possible to design into the process safeguards to reduce, though not eliminate, this risk.

Item 9B: Other Information

Director and Officer Trading Arrangements and Policies
During the three months ended December 31, 2025, none of our officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 9C: Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

None

PART III

Item 10: Directors, Executive Officers and Corporate Governance

Realty Income Corporation has adopted insider trading policies and procedures applicable to our directors, officers, and employees, that we believe are reasonably designed to promote compliance with insider trading laws, and regulations, and the listing standards of the New York Stock Exchange. A copy of our Insider Trading Compliance Policy is incorporated by reference as Exhibit 19.1 to this Annual Report on Form 10-K.

The information required by this item is set forth under the captions "Board of Directors" and "Executive Officers of the Company" and "Delinquent Section 16(a) Reports" in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

Item 11: Executive Compensation

The information required by this item is set forth under the caption "Executive Compensation" in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

Item 12: Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by this item is set forth under the caption "Security Ownership of Certain Beneficial Owners and Management" in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

Item 13: Certain Relationships and Related Transactions, and Director Independence

The information required by this item is set forth under the caption "Related Party Transactions" in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

Item 14: Principal Accounting Fees and Services

Our independent registered public accounting firm is KPMG LLP, San Diego, CA, Auditor Firm ID: 185.

The information required by this item is set forth under the caption "Independent Registered Public Accounting Firm Fees and Services" in our definitive Proxy Statement for the 2026 Annual Meeting of Stockholders, to be filed pursuant to Regulation 14A, and is incorporated herein by reference.

PART IV

Item 15: Exhibits and Financial Statement Schedules

A. The following documents are filed as part of this report.

1. Financial Statements (see Item 8)

   a. Reports of Independent Registered Public Accounting Firm

   b. Consolidated Balance Sheets,
      December 31, 2025 and December 31, 2024

   c. Consolidated Statements of Income and Comprehensive Income,
      Years ended December 31, 2025, 2024, and 2023

   d. Consolidated Statements of Equity,
      Years ended December 31, 2025, 2024, and 2023

   e. Consolidated Statements of Cash Flows,
      Years ended December 31, 2025, 2024, and 2023

   f. Notes to Consolidated Financial Statements

2. Financial Statement Schedules. Reference is made to page F-1 of this report (electronically filed with the Securities and Exchange Commission).

   a. Schedule III - Real Estate and Accumulated Depreciation

Schedules not Filed: All schedules, other than those indicated in the Table of Contents, have been omitted as the required information is either not material, inapplicable or the information is presented in the financial statements or related notes.

3. Exhibits

Exhibit No.	Description
Bylaws	
3.1	Amended and Restated Bylaws of the Company dated November 3, 2023 (filed as exhibit 3.1 to the Company's Form 10-Q, filed on November 7, 2023 (File No. 001-13374) and incorporated herein by reference).
3.2	Articles of Incorporation of the Company, as amended by amendment No. 1 dated May 10, 2005 and amendment No. 2 dated May 10, 2005 (filed as exhibit 3.1 to the Company's Form 10-Q for the quarter ended June 30, 2005, filed on August 3, 2005 (File No. 033-69410) and incorporated herein by reference).
3.3	Articles of Amendment dated July 29, 2011 (filed as exhibit 3.1 to the Company's Form 8-K, filed on August 2, 2011 (File No. 001-13374) and incorporated herein by reference).
3.4	Articles of Amendment dated June 21, 2012 (filed as exhibit 3.1 to the Company's Form 8-K, filed on June 21, 2012 (File No. 001-13374) and incorporated herein by reference).
3.5	Articles of Amendment dated May 14, 2019 (filed as exhibit 3.1 to the Company's Form 8-K, filed on May 16, 2019 (File No. 001-13374) and incorporated herein by reference).
3.6	Amended and Restated Bylaws of the Company dated February 19, 2020 (filed as exhibit 3.1 to the Company's Form 8-K, filed on February 20, 2020 (File No. 001-13374) and incorporated herein by reference).
3.7	Articles of Amendment dated May 17, 2022 (filed as exhibit 3.1 to the Company's Form 8-K, filed on May 19, 2022 (File No. 001-13374) and incorporated herein by reference.
3.8	Articles Supplementary dated June 30, 1998 establishing the terms of the Company's Class A Junior Participating Preferred Stock (filed as exhibit A to exhibit 1 to the Company's Form 8-A12B, filed on June 26, 1998 (File No. 001-13374) and incorporated herein by reference).
3.9	Articles Supplementary dated May 24, 1999 establishing the terms of the Company's 93/8% Class B Cumulative Redeemable Preferred Stock (filed as exhibit 4.1 to the Company's Form 8-K, filed on May 25, 1999 (File No. 001-13374) and incorporated herein by reference).
3.10	Articles Supplementary dated July 28, 1999 establishing the terms of the Company's 91/2% Class C Cumulative Redeemable Preferred Stock (filed as exhibit 4.1 to the Company's Form 8-K, filed on July 30, 1999 (File No. 001-13374) and incorporated herein by reference).
3.11	Articles Supplementary dated May 24, 2004 and the Articles Supplementary dated October 18, 2004 establishing the terms of the Company's 7.375% Monthly Income Class D Cumulative Redeemable Preferred Stock (filed as exhibit 3.8 to the Company's Form 8-A12B, filed on May 25, 2004 (File No. 001-13374) and incorporated herein by reference).

3.12 Articles Supplementary dated November 30, 2006 establishing the terms of the Company's 6.75% Monthly Income Class E Cumulative Redeemable Preferred Stock (filed as exhibit 3.5 to the Company's Form 8-A12B, filed on December 5, 2006 (File No. 001-13374) and incorporated herein by reference).

3.13 Articles Supplementary to the Articles of Incorporation of the Company classifying and designating the 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock, dated February 3, 2012 (the "First Class F Articles Supplementary") (filed as exhibit 3.1 to the Company's Form 8-K, filed on February 3, 2012 (File No. 001-13374) and incorporated herein by reference).

3.14 Certificate of Correction to the First Class F Articles Supplementary, dated April 11, 2012 (filed as exhibit 3.2 to the Company's Form 8-K, filed on April 17, 2012 (File No. 001-13374) and incorporated herein by reference).

3.15 Articles Supplementary to the Articles of Incorporation of the Company classifying and designating additional shares of the 6.625% Monthly Income Class F Cumulative Redeemable Preferred Stock, dated April 17, 2012 (filed as exhibit 3.3 to the Company's Form 8-K, filed on April 17, 2012 (File No. 001-13374) and incorporated herein by reference).

3.16 Articles Supplementary to the Articles of Incorporation of the Company classifying and designating the 6.000% Series A Cumulative Redeemable Preferred Stock (filed as exhibit 3.15 to the Company's Form 8-A12B, filed on January 22, 2024 (File No. 001-13374) and incorporated herein by reference).

Instruments defining the rights of security holders, including indentures

4.1 Indenture dated October 28, 1998 between the Company and The Bank of New York (filed as exhibit 4.1 to the Company's Form 8-K, filed on October 28, 1998 (File No. 001-13374) and incorporated herein by reference).

4.2 Form of 5.875% Senior Notes due 2035 (filed as exhibit 4.2 to the Company's Form 8-K, filed on March 11, 2005 (File No. 033-69410) and incorporated herein by reference).

4.3 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York, as Trustee, establishing a series of securities entitled 5.875% Senior Debentures due 2035 (filed as exhibit 4.3 to the Company's Form 8-K, filed on March 11, 2005 (File No. 033-69410) and incorporated herein by reference).

4.4 Form of Common Stock Certificate (filed as exhibit 4.16 to the Company's Form 10-Q for the quarter ended September 30, 2011, filed on October 28, 2011 (File No. 001-13374) and incorporated herein by reference).

4.5 Form of 4.125% Note due 2026 (filed as exhibit 4.2 to the Company's Form 8-K, filed on September 23, 2014 (File No. 001-13374), and incorporated herein by reference).

4.6 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled "4.125% Notes due 2026" (filed as exhibit 4.3 to the Company's Form 8-K, filed on September 23, 2014 (File No. 001-11374), and incorporated herein by reference).

4.7 Form of 3.000% Note due 2027 (filed as exhibit 4.2 to the Company's Form 8-K, filed on October 12, 2016 (File No. 001-13374), and incorporated herein by reference).

4.8 Officer's Certificate pursuant to sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled "3.000% Notes due 2027" (filed as exhibit 4.3 to the Company's Form 8-K, filed on October 12, 2016 (File No. 001-13374), and incorporated herein by reference).

4.9 Form of 4.650% Note due 2047 (filed as exhibit 4.2 to the Company's Form 8-K, filed on March 15, 2017 (File No. 001-13374), and incorporated herein by reference).

4.10 Form of 4.125% Note due 2026 (filed as exhibit 4.3 to the Company's Form 8-K, filed on March 15, 2017 (File No. 001-13374), and incorporated herein by reference).

4.11 Officers' Certificate pursuant to Sections 201, 301, and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A. as successor trustee, establishing a series of securities entitled "4.650% Notes due 2047" and re-opening a series of securities entitled "4.125% Notes due 2026" (filed as exhibit 4.4 to the Company's Form 8-K, filed on March 15, 2017 (File No. 001-13374), and incorporated herein by reference).

4.12 Form of 3.650% Note due 2028 (filed as exhibit 4.2 to the Company's Form 8-K, filed on December 6, 2017 (File No. 001-13374), and incorporated herein by reference).

4.13 Officers' Certificate pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled "3.650% Notes due 2028" and re-opening a series of securities entitled "3.250% Notes due 2022" and "4.650% due 2047

4.14 Form of 4.650% Note due 2047 (filed as exhibit 4.4 to the Company's Form 8-K, filed on December 6, 2017 (File No. 001-13374), and incorporated herein by reference).

4.15 Form of 3.250% Note due 2029 (filed as exhibit 4.2 to the Company's Form 8-K, filed on June 16, 2019 (File No. 001-13374), and incorporated herein by reference).

4.16 Officers' Certificate pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled "3.250% Notes due 2029." (filed as exhibit 4.3 to the Company's Form 8-K, filed on June 16, 2019 (File No. 001-13374), and incorporated herein by reference).

4.17 Form of 3.250% Note due 2031 (filed as exhibit 4.2 to the Company's Form 8-K, filed on May 8, 2020 (File No. 001-13374), and incorporated herein by reference).

4.18 Form of 3.250% Note due 2031 (filed as exhibit 4.2 to the Company's Form 8-K, filed on July 16, 2020 (File No. 001-13374), and incorporated herein by reference).

4.19 Officers' Certificate, dated May 8, 2020, pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled "3.250% Notes due 2031." (filed as exhibit 4.3 to the Company's Form 8-K, filed on May 8, 2020, (File No. 001-13374), and incorporated herein by reference).

4.20 Officers' Certificate, dated July 16, 2020, pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, re-opening a series of securities entitled "3.250% Notes due 2031." (filed as exhibit 4.3 to the Company's Form 8-K, filed on July 16, 2020, (File No. 001-13374), and incorporated herein by reference).

4.21 Form of 1.625% Note due 2030 (filed as exhibit 4.2 to the Company's Form 8-K, filed on October 1, 2020 (File No. 001-13374), and incorporated herein by reference).

4.22 Officers' Certificate dated October 1, 2020 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of securities entitled "1.625% Notes due 2030" (filed as an Exhibit 4.3 to the Company's Form 8-K, filed on October 1, 2020 (File No. 001-13374), and incorporated herein by reference).

4.23 Form of 0.750% Note due 2026 (filed as exhibit 4.2 to the Company's Form 8-K, filed on December 14, 2020 (File No. 001-13374), and incorporated herein by reference).

4.24 Form of 1.800% Note due 2033 (filed as exhibit 4.3 to the Company's Form 8-K, filed on December 14, 2020 (File No. 001-13374), and incorporated herein by reference).

4.25 Officers' Certificate dated December 14, 2020 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing a series of debt securities entitled "0.750% Notes due 2026" and a series of debt securities entitled "1.800% Notes due 2033" (filed as an Exhibit 4.4 to the Company's Form 8-K, filed on December 14, 2020 (File No. 001-13374), and incorporated herein by reference).

4.26 Officers' Certificate dated July 13, 2021 pursuant to Sections 201, 301 and 303 of the Indenture establishing the terms of a new series of debt securities entitled "1.125% Notes due 2027" and a new series of debt securities entitled "1.750% Notes due 2033." (filed as Exhibit 4.4 to the Company's Form 8-K, filed on July 13, 2021 (File No. 001-13374), and incorporated herein by reference).

4.27 Form of 1.125% Notes due 2027 (filed as exhibit 4.2 to the Company's Form 8-K, filed on July 13, 2021 (File No. 001-13374), and incorporated herein by reference).

4.28 Form of 1.750% Notes due 2033 (filed as exhibit 4.3 to the Company's Form 8-K, filed on July 13, 2021 (File No. 001-13374), and incorporated herein by reference).

4.29 Form of 1.875% Notes due 2027 (filed as exhibit 4.2 to the Company's Form 8-K, filed on January 14, 2022 (File No. 001-13374), and incorporated herein by reference).

4.30 Form of 2.500% Notes due 2042 (filed as exhibit 4.3 to the Company's Form 8-K, filed on January 14, 2022 (File No. 001-13374), and incorporated herein by reference).

4.31 Officers' Certificate dated January 14, 2022, pursuant to Sections 201, 301 and 303 of the Indenture establishing the terms of a new series of debt securities entitled "1.875% Notes due 2027" and a new series of debt securities entitled "2.500% Notes due 2042" (filed as exhibit 4.4 to the Company's Form 8-K, filed on January 14, 2022 (File No. 001-13374), and incorporated herein by reference).

4.32 Indenture, dated February 6, 2014, among ARC Properties Operating Partnership, L.P., Clark Acquisition, LLC, the guarantors named therein and U.S. Bank National Association, as trustee (filed as exhibit 4.1 to VEREIT, Inc.'s Form 8-K, filed on February 7, 2014 (File No. 001-35263), and incorporated herein by reference).

4.33 Officers' Certificate, dated February 6, 2014 (filed as exhibit 4.2 to VEREIT, Inc.'s Form 8-K, filed on February 7, 2014 (File No. 001-35263), and incorporated herein by reference).

4.34 First Supplemental Indenture, dated February 9, 2015, by and among ARC Properties Operating Partnership, L.P., American Realty Capital Properties, Inc. and U.S. Bank National Association (filed as exhibit 4.1 to VEREIT, Inc.'s Form 8-K, filed on February 13, 2015 (File No. 001-35263), and incorporated herein by reference).

4.35 Officers' Certificate, dated June 2, 2016 (filed as exhibit 4.2 to VEREIT, Inc.'s Form 8-K, filed on June 3, 2016 (File No. 001-35263), and incorporated herein by reference).

4.36 Officers' Certificate, dated August 11, 2017 (filed as exhibit 4.2 to VEREIT, Inc.'s Form 8-K, filed on August 11, 2017 (File No. 001-35263), and incorporated herein by reference).

4.37 Officers' Certificate, dated December 4, 2019 (filed as exhibit 4.2 to VEREIT, Inc.'s Form 8-K, filed on December 4, 2019 (File No. 001-35263), and incorporated herein by reference).

4.38 Officers' Certificate, dated June 29, 2020 (filed as exhibit 4.2 to VEREIT, Inc.'s Form 8-K, filed on June 29, 2020 (File No. 001-35263), and incorporated herein by reference).

4.39 Officers' Certificate, dated November 17, 2020 (filed as exhibit 4.2 to VEREIT, Inc.'s Form 8-K, filed on November 17, 2020 (File No. 001-35263), and incorporated herein by reference).

4.41 Second Supplemental Indenture, dated November 1, 2021, by an among Rams MD Subsidiary I, Inc., VEREIT Operating Partnership, L.P., VEREIT, Inc. and U.S. Bank National Association, as trustee (filed as exhibit 4.10 to the Company's Form 8-K, filed on November 1, 2021 (File No. 001-13374), and incorporated herein by reference).

4.42 Third Supplemental Indenture, dated November 9, 2021, by and among VEREIT Operating Partnership, L.P., Rams MD Subsidiary I, Inc. (f/k/a VEREIT, Inc.) and U.S. Bank National Association, as trustee (filed as exhibit 4.1 to the Company's Form 8-K, filed on November 15, 2021 (File No. 001-13374), and incorporated herein by reference).

4.43 Form of 4.875% Notes due June 1, 2026. (filed as exhibit 4.4 to the Company's Form 8-K, filed on November 15, 2021 (File No. 001-13374), and incorporated herein by reference).

4.44 Form of 3.950% Notes due August 15, 2027. (filed as exhibit 4.5 to the Company's Form 8-K, filed on November 15, 2021 (File No. 001-13374), and incorporated herein by reference).

4.45 Form of 3.400% Notes due January 15, 2028. (filed as exhibit 4.6 to the Company's Form 8-K, filed on November 15, 2021(File No. 001-13374), and incorporated herein by reference).

4.46 Form of 2.200% Notes due June 15, 2028. (filed as exhibit 4.7 to the Company's Form 8-K, filed on November 15, 2021 (File No. 001-13374), and incorporated herein by reference).

4.47 Form of 3.100% Notes due December 15, 2029. (filed as exhibit 4.8 to the Company's Form 8-K, filed on November 15, 2021 (File No. 001-13374), and incorporated herein by reference).

4.48 Form of 2.850% Notes due December 15, 2032. (filed as exhibit 4.9 to the Company's Form 8-K, filed on November 15, 2021 (File No. 001-13374), and incorporated herein by reference).

4.49 Form of 5.625% Notes due October 13, 2032. (filed as exhibit 4.2 to the Company's Form 8-K, filed on October 13, 2022 (File No. 001-13374), and incorporated herein by reference).

4.50 Officers' Certificate dated October 13, 2022 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "5.625% Notes due 2032" and including the form of debt securities of such series (filed as exhibit 4.3 to the Company's Form 8-K, filed on October 13, 2022 (File No. 001-13374), and incorporated herein by reference).

4.51 Form of 4.850% Note due 2030 issued on January 13, 2023 (filed as exhibit 4.3 to the Company's Form 8-K, filed on January 13, 2023 (File No. 001-13374) and incorporated herein by reference).

4.52 Form of 4.700% Note due 2028 issued on April 14, 2023 (filed as part of exhibit 4.4 to the Company's Form 8-K, filed on April 14, 2023 (File No. 001-13374) and incorporated herein by reference).

4.53 Form of 4.900% Note due 2033 issued on April 14, 2023 (filed as part of exhibit 4.4 to the Company's Form 8-K, filed on April 14, 2023 (File No. 001-13374) and incorporated herein by reference).

4.54 Officers' Certificate dated April 14, 2023 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "4.700% Notes due 2028" and a new series of debt securities entitled "4.900% Notes due 2033" and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on April 14, 2023 (File No. 001-13374) and incorporated herein by reference).

4.55 Form of 4.875% Note due 2030 issued on July 6, 2023 (filed as part of exhibit 4.4 to the Company's Form 8-K, filed on July 6, 2023 (File No. 001-13374) and incorporated herein by reference).

4.56 Form of 5.125% Note due 2034 issued on July 6, 2023 (filed as part of exhibit 4.4 to the Company's Form 8-K, filed on July 6, 2023 (File No. 001-13374) and incorporated herein by reference).

4.57 Officers' Certificate dated July 6, 2023 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "4.875% Notes due 2030" and a new series of debt securities entitled "5.125% Notes due 2034" and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on July 6, 2023 (File No. 001-13374) and incorporated herein by reference).

4.58 Form of 5.750% Note due 2031 issued on December 5, 2023 (filed as exhibit 4.2 to the Company's Form 8-K, filed on December 5, 2023 (File No. 001-13374) and incorporated herein by reference).

4.59 Form of 6.000% Note due 2039 issued on December 5, 2023 (filed as exhibit 4.3 to the Company's Form 8-K, filed on December 5, 2023 (File No. 001-13374) and incorporated herein by reference).

4.60 Officers' Certificate dated December 5, 2023 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "5.750% Notes due 2031" and a new series of debt securities entitled "6.000% Notes due 2039" and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on December 5, 2023 (File No. 001-13374) and incorporated herein by reference).

4.61 Form of 4.750% Note due 2029 issued on January 16, 2024 (filed as exhibit 4.2 to the Company's Form 8-K, filed on January 16, 2024 (File No. 001-13374) and incorporated herein by reference).

4.62 Form of 5.125% Note due 2034 issued on January 16, 2024 (filed as exhibit 4.3 to the Company's Form 8-K, filed on January 16, 2024 (File No. 001-13374) and incorporated herein by reference).

4.63 Officers' Certificate dated January 16, 2024 pursuant to Sections 201, 301 and 303 of the Indenture dated as of October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "4.750% Notes due 2029" and a new series of debt securities entitled "5.125% Notes due 2034" and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on January 16, 2024 (File No. 001-13374) and incorporated herein by reference).

4.64 Indenture, dated August 18, 2016, between Spirit Realty, L.P. and U.S. Bank National Association, as trustee (filed as Exhibit 4.1 to the Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed on August 19, 2016 (File No. 001-36004) and incorporated by reference herein).

4.65 First Supplemental Indenture, dated August 18, 2016, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.2 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K (File No. 001-36004) previously filed on August 19, 2016 and incorporated by reference herein).

4.66 Second Supplemental Indenture, dated June 27, 2019, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.2 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed on June 27, 2019 (File No. 001-36004) and incorporated by reference herein).

4.67 Third Supplemental Indenture, dated September 16, 2019, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.2 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed on September 16, 2019 (File No. 001-36004) and incorporated by reference herein).

4.68 Fourth Supplemental Indenture, dated September 16, 2019, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.3 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed on September 16, 2019 (File No. 001-36004) and incorporated by reference herein).

4.69 Fifth Supplemental Indenture, dated August 6, 2020, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.2 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed on August 6, 2020 (File No. 001-36004) and incorporated by reference herein).

4.70 Sixth Supplemental Indenture, dated March 3, 2021, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.2 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed on March 3, 2021 (File No. 001-36004) and incorporated by reference herein).

4.71 Seventh Supplemental Indenture, dated March 3, 2021, among Spirit Realty, L.P., Spirit Realty Capital, Inc., as guarantor, and U.S. Bank National Association, as trustee, including the form of the notes and the guarantee (filed as Exhibit 4.3 to Spirit Realty Capital, Inc.'s Current Report on Form 8-K, filed March 3, 2021 (File No. 001-36004) and incorporated by reference herein).

4.72 Eighth Supplemental Indenture, dated January 23, 2024, by and among Spirit Realty, L.P., Saints MD Subsidiary, Inc. (f/k/a Spirit Realty Capital, Inc.), as guarantor, and U.S. Bank Trust Company, National Association (as successor in interest to U.S. Bank National Association), as trustee (filed as exhibit 4.9 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.73 Form of 4.450% Notes due September 15, 2026 issued on January 23, 2024 (filed as exhibit 4.11 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.74 Form of 3.200% Notes due January 15, 2027 issued on January 23, 2024 (filed as exhibit 4.12 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.75 Form of 2.100% Notes due March 15, 2028 issued on January 23, 2024 (filed as exhibit 4.13 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.76 Form of 4.000% Notes due July 15, 2029 issued on January 23, 2024 (filed as exhibit 4.14 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.77 Form of 3.400% Notes due January 15, 2030 issued on January 23, 2024 (filed as exhibit 4.15 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.78 Form of 3.200% Notes due February 15, 2031 issued on January 23, 2024 (filed as exhibit 4.16 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.79 Form of 2.700% Notes due February 15, 2032 issued on January 23, 2024 (filed as exhibit 4.17 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.80 Officers' Certificate, dated January 23, 2024, pursuant to Sections 201, 301 and 303 of the Indenture, dated October 28, 1998, between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "4.450% Notes due 2026," a new series of debt securities entitled "3.200% Notes due 2027," a new series of debt securities entitled "2.100% Notes due 2028," a new series of debt securities entitled "4.000% Notes due 2029," a new series of debt securities entitled "3.400% Notes due 2030," a new series of debt securities entitled "3.200% Notes due 2031" and a new series of debt securities entitled "2.700% Notes due 2032" and including the forms of debt securities of each such series (filed as exhibit 4.18 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

4.81 Form of 5.375% Note due 2054 issued on August 26, 2024 (filed as exhibit 4.2 and contained in exhibit 4.3 to the Company's Form 8-K, filed on August 26, 2024 (File No. 001-13374) and incorporated herein by reference).

4.82 Officers' Certificate dated August 26, 2024 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "5.375% Notes due 2054" and including the form of debt security (filed as exhibit 4.3 to the Company's Form 8-K, filed on August 26, 2024 (File No. 001-13374) and incorporated herein by reference).

4.83 Form of 5.000% Note due 2029 issued on September 4, 2024 (filed as exhibit 4.2 and contained in 4.4 to the Company's Form 8-K, filed on September 4, 2024 (File No. 001-13374) and incorporated herein by reference).

4.84 Form of 5.250% Note due 2041 issued on September 4, 2024 (filed as exhibit 4.3 and contained in exhibit 4.4 to the Company's Form 8-K, filed on September 4, 2024 (File No. 001-13374) and incorporated herein by reference).

4.85 Officers' Certificate dated September 4, 2024 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "5.000% Notes due 2029" and a new series of debt securities entitled "5.250% Notes due 2041" and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on September 4, 2024 (File No. 001-13374) and incorporated herein by reference).

4.86 Form of 5.125% Note due 2035 issued on April 10, 2025 (filed as exhibit 4.2 and contained in exhibit 4.3 to the Company's Form 8-K, filed on April 10, 2025 (File No. 001-13374) and incorporated herein by reference).

4.87 Officers' Certificate dated April 10, 2025 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "5.125% Notes due 2035" and including the form of debt security (filed as exhibit 4.3 to the Company's Form 8-K, filed on April 10, 2025 (File No. 001-13374) and incorporated herein by reference).

4.88 Form of 3.375% Note due 2031 issued on June 20, 2025 (filed as exhibit 4.2 and contained in exhibit 4.4 to the Company's Form 8-K, filed on June 20, 2025 (File No. 001-13374) and incorporated herein by reference).

4.89 Form of 3.875% Note due 2035 issued on June 20, 2025 (filed as exhibit 4.3 and contained in exhibit 4.4 to the Company's Form 8-K, filed on June 20, 2025 (File No. 001-13374) and incorporated herein by reference).

4.90 Officers' Certificate dated June 20, 2025 pursuant to Sections 201, 301 and 303 of the Indenture dated as of October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "3.375% Notes due 2031" and a new series of debt securities entitled "3.875% Notes due 2035"and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on June 20, 2025 (File No. 001-13374) and incorporated herein by reference).

4.91 Form of 3.950% Note due 2029 issued on October 6, 2025 (filed as exhibit 4.2 and contained in exhibit 4.4 to the Company's Form 8-K, filed on October 6, 2025 (File No. 001-13374) and incorporated herein by reference).

4.92 Form of 4.500% Note due 2033 issued on October 6, 2025 (filed as exhibit 4.3 and contained in exhibit 4.4 to the Company's Form 8-K, filed on October 6, 2025 (File No. 001-13374) and incorporated herein by reference).

4.93	Officers' Certificate dated October 6, 2025 pursuant to Sections 201, 301 and 303 of the Indenture dated October 28, 1998 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor trustee, establishing the terms of a new series of debt securities entitled "3.950% Notes due 2029" and a new series of debt securities entitled "4.500% Notes due 2033" and including the forms of debt securities of each such series (filed as exhibit 4.4 to the Company's Form 8-K, filed on October 6, 2025 (File No. 001-13374) and incorporated herein by reference).
4.94	Form of 3.500% Convertible Senior Note due 2029 issued on January 18, 2026 (filed as exhibit 4.2 and contained in exhibit 4.4 to the Company's Form 8-K, filed on January 8, 2026(File No. 001-13374) and incorporated herein by reference).
4.95	Indenture, dated as of January 8, 2026, between Realty Income Corporation and The Bank of New York Mellon Trust Company, N.A., as trustee. (filed as Exhibit 4.1 to the Company's Form 8-K, filed on January 8, 2026 (File No. 001-13374) and incorporated by reference herein).
4.96*	Description of Securities.

Material Contracts

10.1+	Dividend Reinvestment and Stock Purchase Plan (filed pursuant to Rule 424(b)(5) under the Securities Act of 1933, as amended, on February 16, 2024, as a prospectus supplement to the Company's prospectus dated February 16, 2024 (File No. 333-277150) and incorporated herein by reference).
10.2+	Realty Income Executive Severance Plan dated January 15, 2019 (filed as exhibit 10.1 to the Company's Form 8-K, filed on January 18, 2019 (File No. 001-13374) and incorporated herein by reference).
10.3+	Form of Participation Agreement to Realty Income Executive Severance Plan dated January 15, 2019 (filed as exhibit 10.2 to the Company's Form 8-K, filed on January 18, 2019 (File No. 001-13374) and incorporated herein by reference).
10.4+	Realty Income Corporation Retirement Policy, effective as of November 7, 2022 (filed as exhibit 10.29 to the Company's Form 10-K, filed on February 22, 2023 (File No. 001-13374) and incorporated herein by reference).
10.5+	Realty Income Corporation Deferred Compensation Plan, effective as of December 1, 2024 (filed as exhibit 10.1 to the Company's Form 8-K, filed on November 26, 2024 (File No. 001-13374) and incorporated herein by reference).
10.6+	Realty Income Corporation 2021 Incentive Award Plan (filed as Appendix B to the Company's Proxy Statement on Schedule 14A filed on April 01, 2021 (File No. 001-13374) and incorporated herein by reference).
10.7+	First Amendment to the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.1 to the Company's Form 8-K, filed on November 1, 2021 (File No. 001-13374) and incorporated herein by reference).
10.8+	Second Amendment to the Realty Income Corporation 2021 Incentive Award Plan (filed as Exhibit 10.8 to the Company's Form 10-K, filed on February 25, 2025 (File No. 00113374) and incorporated herein by reference).
10.9+	Form of Restricted Stock Agreement for Non-Employee Directors under the Realty Income Corporation 2021 Incentive Award Plan (filed as Exhibit 10.2 to the Company's Registration Statement on Form S-8 filed on May 18, 2021 (File No. 333-256254) and incorporated herein by reference).
10.10+	Form of Restricted Stock Agreement for Executives under the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.21 to the Company's Form 10-K for the year ended December 31, 2021, filed on February 23, 2022 (File No. 001-13374) and incorporated herein by reference).
10.11+	Form of Restricted Stock Unit Agreement for Senior Vice Presidents and Executives under the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.22 to the Company's Form 10-K for the year ended December 31, 2022, filed on February 23, 2022 (File No. 001-13374) and incorporated herein by reference).
10.12+	Form of November 15, 2021 Performance Share Award Agreement under the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.23 to the Company's Form 10-K for the year ended December 31, 2022, filed on February 23, 2022 (File No. 001-13374) and incorporated herein by reference).
10.13+	Form of Performance Share Award Agreement under the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.24 to the Company's Form 10-K for the year ended December 31, 2022, filed on February 23, 2022 (File No. 001-13374) and incorporated herein by reference).
10.14+	Form of Restricted Stock Agreement for Executive Officers under the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.25 to the Company's Form 10-K, filed on February 22, 2023 (File No. 001-13374) and incorporated herein by reference).
10.15+	Form of Performance Share Award Agreement for Executive Officers under the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.27 to the Company's Form 10-K, filed on February 22, 2023 (File No. 001-13374) and incorporated herein by reference).
10.16+	Form of Deferred Restricted Stock Unit Agreement for Non-Employee Directors under the Realty Income Corporation 2021 Incentive Award Plan (filed as Exhibit 10.16 to the Company's Form 10-K, filed on February 25, 2025 (File No. 00113374) and incorporated herein by reference).
10.17+	Form of Deferred Restricted Stock Unit Agreement for Executive Vice Presidents under the Realty Income Corporation 2021 Incentive Award Plan (filed as Exhibit 10.17 to the Company's Form 10-K, filed on February 25, 2025 (File No. 00113374) and incorporated herein by reference).
10.18+	Form of Restricted Stock Agreement for Non-Employee Directors under the Realty Income Corporation 2021 Incentive Award Plan (filed as Exhibit 10.18 to the Company's Form 10-K, filed on February 25, 2025 (File No. 00113374) and incorporated herein by reference).
10.19+	Form of Restricted Stock Agreement for Executives under the Realty Income Corporation 2021 Incentive Award Plan (filed as Exhibit 10.19 to the Company's Form 10-K, filed on February 25, 2025 (File No. 00113374) and incorporated herein by reference).
10.20	Consent Letter, dated July 20, 2021, among the Company, as Borrower, the lenders party thereto, Wells Fargo Bank, National Association, as Administrative Agent, and the other parties named therein (filed as Exhibit 10.1 to the Company's Form 8-K filed on July 22, 2021 (File No. 001-13374) and incorporated herein by reference).
10.21	Amendment and Restatement to Term Loan Agreement, dated January 22, 2024, by and among the Company, as Borrower, the lender parties thereto, as lenders, and Wells Fargo Bank, National Association, as Administrative Agent (filed as exhibit 10.1 to the Company's Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

10.22 Amendment and Restatement to Term Loan Agreement, dated January 22, 2024, by and among the Company, as Borrower, the lender parties thereto, as lenders, and Wells Fargo Bank, National Association, as Administrative Agent (filed as exhibit 10.2 to the Company’s Form 8-K, filed on January 24, 2024 (File No. 001-13374) and incorporated herein by reference).

10.23+ Third Amendment to the Realty Income Corporation 2021 Incentive Award Plan (filed as Appendix B to the Company's Proxy Statement on Schedule 14A filed on March 26, 2025 (File No. 001-13374) and incorporated herein by reference).

10.24 Fourth Amended and Restated Credit Agreement, dated April 29, 2025, by and among the Company, as Borrower, the lenders party thereto, Wells Fargo Bank, National Association, as Administrative Agent, and the other parties named therein (filed as exhibit 10.1 to the Company's Form 8-K, filed on April 29, 2025 (File No. 001-13374) and incorporated herein by reference).

10.25 Credit Agreement, dated April 29, 2025, by and among the Fund Borrower, as Borrower, the lenders party thereto, Wells Fargo Bank, National Association, as Administrative Agent, and the other parties named therein (filed as exhibit 10.2 to the Company's Form 8-K, filed on April 29, 2025 (File No. 001-13374) and incorporated herein by reference).

10.26 First Amendment to Amended and Restated Term Loan Agreement, dated June 23, 2025, by and among the Company, as Borrower, the lenders party thereto and Wells Fargo Bank, National Association, as Administrative Agent (filed as exhibit 10.1 to the Company’s Form 8-K, filed on June 23, 2025 (File No. 001-13374) and incorporated herein by reference).

10.27+ Amendment to the Realty Income Corporation 2021 Incentive Award Plan (filed as exhibit 10.1 to the Company’s Form 8-K, filed on May 15, 2025 (File No. 001-13374) and incorporated herein by reference).

10.28 Amended and Restated Term Loan Agreement, dated November 18, 2025, by and among the Company, as Borrower, the lenders party thereto, Toronto Dominion (Texas) LLC, as Administrative Agent, and the other parties named therein (filed as exhibit 10.1 to the Company’s Form 8-K, filed on November 18, 2025 (File No. 001-13374) and incorporated herein by reference).

10.29+ Amended and Restated Form Indemnification Agreement, between the Company and each executive officer and each director of the Board of Directors of the Company (filed as exhibit 10.1 to the Company’s Form 8-K, filed on October 30, 2014 (File No. 001-13374) and incorporated herein by reference).

Policy Relating to Recovery of Erroneously Awarded Compensation

97.1+ Realty Income Corporation Policy for Recovery of Erroneously Awarded Compensation, dated October 2, 2023 (filed as exhibit 97.1 to the Company's Form 10-K, filed on February 22, 2023 (File No. 001-13374) and incorporated herein by reference).

Insider Trading Policy

19.1 Insider Trading Compliance Policy (filed as Exhibit 19.1 to the Company's Form 10-K, filed on February 25, 2025 (File No. 00113374) and incorporated herein by reference).

Subsidiaries of the Registrant

21.1* Subsidiaries of the Company.

Consents of Experts and Counsel

23.1* Consent of Independent Registered Public Accounting Firm.

Certifications

31.1* Certification of the Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

31.2* Certification of the Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.

32** Section 1350 Certifications as furnished by the Principal Executive Officer and the Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

Interactive Data Files

101.INS* Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.

101.SCH* Inline XBRL Taxonomy Extension Schema Document.

101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document.

101.LAB* Inline XBRL Taxonomy Extension Label Linkbase Document.

101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document.

101.DEF* Inline XBRL Taxonomy Extension Definition Linkbase Document.

104* Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

**Furnished herewith.

+ Indicates a management contract or compensatory plan or arrangement

Item 16: Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

REALTY INCOME CORPORATION

By: /s/SUMIT ROY — Date: February 24, 2026
Sumit Roy
President, Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

By:	/s/MICHAEL D. MCKEE Michael D. McKee Non-Executive Chairman of the Board of Directors	Date: February 24, 2026
By:	/s/PRISCILLA ALMODOVAR Priscilla Almodovar Director	Date: February 24, 2026
By:	/s/A. LARRY CHAPMAN A. Larry Chapman Director	Date: February 24, 2026
By:	/s/REGINALD H. GILYARD Reginald H. Gilyard Director	Date: February 24, 2026
By:	/s/MARY HOGAN PREUSSE Mary Hogan Preusse Director	Date: February 24, 2026
By:	/s/KIM HOURIHAN Kim Hourihan Director	Date: February 24, 2026
By:	/s/PRIYA CHERIAN HUSKINS Priya Cherian Huskins Director	Date: February 24, 2026
By:	/s/JEFF A. JACOBSON Jeff A. Jacobson Director	Date: February 24, 2026
By:	/s/GERARDO I. LOPEZ Gerardo I. Lopez Director	Date: February 24, 2026

By: /s/GREGORY T. MCLAUGHLIN Date: February 24, 2026
Gregory T. McLaughlin
Director

By: /s/SUMIT ROY Date: February 24, 2026
Sumit Roy
Director, President, Chief Executive Officer
(Principal Executive Officer)

By: /s/JONATHAN PONG Date: February 24, 2026
Jonathan Pong
Executive Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

By: /s/ NEALE REDINGTON Date: February 24, 2026
Neale Redington
Senior Vice President, Chief Accounting Officer
(Principal Accounting Officer)

REALTY INCOME CORPORATION AND SUBSIDIARIES
SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION
As of December 31, 2025
(dollars in thousands)

			Initial Cost to Company		Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4 and 6)					
Description	Number of Properties (Note 1)	Encumbrances (Note 2)	Land	Buildings, Improvements and Acquisition Fees	Improvements	Carrying Costs	Land	Buildings, Improvements and Acquisition Fees	Total	Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
U.S.												
Advertising	5	$—	$19,379	$71,676	$64	$—	$19,379	$71,740	$91,119	$9,797	1990 - 2009	3/26/2021 - 11/1/2021
Aerospace	9	—	10,043	232,817	6,555	—	10,043	239,372	249,415	64,180	1951 - 2024	6/20/2011 - 12/30/2025
Apparel	104	—	220,858	730,524	16,584	199	220,858	747,307	968,165	144,540	1962 - 2022	10/30/1987 - 2/12/2025
Automotive Collision Service	294	—	229,450	625,505	6,841	10	229,450	632,356	861,806	108,821	1920 - 2025	8/30/2002 - 12/18/2025
Automotive Parts	475	—	202,095	585,757	8,614	827	202,095	595,198	797,293	155,171	1965 - 2022	8/6/1987 - 11/20/2025
Automotive Service	982	—	719,535	1,603,937	2,956	140	719,535	1,607,033	2,326,568	259,893	1920 - 2025	10/2/1985 - 1/14/2025
Automotive Tire Services	256	—	214,547	489,533	1,801	55	214,547	491,389	705,936	174,283	1947 - 2024	11/27/1985 - 1/23/2024
Beverage	19	—	184,575	188,413	1,113	—	184,575	189,526	374,101	76,429	1950 - 2020	6/25/2010 - 6/25/2025
Child Care	362	—	196,576	450,587	8,694	640	196,576	459,921	656,497	152,830	1949 - 2025	12/22/1981 - 12/30/2025
Consumer Appliances	1	—	4,275	29,317	88	—	4,275	29,405	33,680	1,636	2020 - 2020	1/23/2024 - 1/23/2024
Consumer Electronics	35	—	68,588	186,854	3,480	51	68,588	190,385	258,973	34,564	1984 - 2023	6/9/1997 - 12/5/2025
Consumer Goods	6	—	29,219	145,827	6,803	—	29,219	152,630	181,849	43,516	2004 - 2011	1/22/2013 - 1/23/2024
Convenience Stores	2,504	—	2,204,659	3,577,055	(551)	145	2,204,659	3,576,649	5,781,308	832,841	1922 - 2025	3/3/1995 - 12/30/2025
Crafts and Novelties	62	—	129,788	452,206	7,811	440	129,788	460,457	590,245	80,615	1973 - 2024	11/26/1996 - 11/7/2025
Diversified Industrial	60	—	125,614	598,613	18,012	—	125,614	616,625	742,239	76,846	1940 - 2022	9/19/2012 - 9/30/2024
Dollar Stores	3,124	—	970,577	2,840,196	(7,673)	9	970,577	2,832,532	3,803,109	740,402	1921 - 2025	2/3/1998 - 12/30/2025
Drug Stores	591	—	766,129	2,063,771	3,428	100	766,129	2,067,299	2,833,428	621,264	1958 - 2015	2/9/2005 - 9/30/2024
Education	18	—	28,586	67,565	1,392	62	28,586	69,019	97,605	21,372	1957 - 2024	12/19/1984 - 11/22/2022
Energy	51	—	45,102	172,020	1,235	—	45,102	173,255	218,357	13,211	1962 - 2023	11/1/2021 - 1/23/2024
Entertainment	80	—	225,997	640,551	59,932	—	225,997	700,483	926,480	64,689	1959 - 2024	3/31/1999 - 1/23/2024
Equipment Services	47	—	40,924	132,476	3,402	—	40,924	135,878	176,802	26,679	1965 - 2022	7/3/2003 - 1/23/2024
Financial Services	331	—	161,596	422,256	543	97	161,596	422,896	584,492	127,779	1807 - 2015	3/10/1987 - 1/23/2024
Food Processing	30	—	83,396	471,851	2,512	—	83,396	474,363	557,759	47,479	1958 - 2024	12/20/2012 - 1/6/2025
General Merchandise	328	—	487,613	1,411,105	9,883	463	487,613	1,421,451	1,909,064	270,612	1954 - 2025	12/23/1998 - 12/30/2025
Gaming	1	—	419,464	1,277,403	—	—	419,464	1,277,403	1,696,867	112,533	2019 - 2019	12/1/2022 - 12/1/2022
Grocery	273	—	573,793	1,541,198	7,776	325	573,793	1,549,299	2,123,092	378,204	1947 - 2024	9/30/2003 - 9/17/2025
Health and Beauty	8	—	6,696	58,808	198	—	6,696	59,006	65,702	11,446	1999 - 2017	2/23/1999 - 3/22/2023
Health and Fitness	183	—	476,934	2,103,783	17,424	172	476,934	2,121,379	2,598,313	497,409	1943 - 2025	5/31/1995 - 9/29/2025
Health Care	527	32,007	362,428	1,247,197	17,217	198	362,428	1,264,612	1,627,040	211,048	1922 - 2023	12/18/1984 - 12/29/2025
Home Furnishings	206	—	243,888	562,338	9,313	119	243,888	571,770	815,658	93,896	1947 - 2024	1/24/1984 - 1/23/2024
Home Improvement	290	5,887	734,225	1,398,788	83,934	35	734,225	1,482,757	2,216,982	267,792	1863 - 2025	12/22/1986 - 12/17/2025
Insurance	1	—	754	2,840	—	—	754	2,840	3,594	364	2006 - 2006	10/17/2022 - 10/17/2022
Jewelry	5	—	5,367	58,688	—	—	5,367	58,688	64,055	12,158	1997 - 2008	1/22/2013 - 11/1/2021
Machinery	4	—	6,577	69,225	1,991	—	6,577	71,216	77,793	13,105	1969 - 2021	7/31/2012 - 3/22/2023
Motor Vehicle Dealerships	91	—	317,912	574,325	1,976	—	317,912	576,301	894,213	136,618	1962 - 2023	11/29/2003 - 12/30/2025
Office Supplies	17	—	19,706	48,882	1,095	339	19,706	50,316	70,022	9,716	1978 - 2014	5/30/1997 - 1/23/2024
Oil & Gas	1	—	754	436	—	—	754	436	1,190	34	1993 - 1993	1/23/2024 - 1/23/2024
Other Manufacturing	45	—	69,439	431,192	3,442	240	69,439	434,874	504,313	46,547	1949 - 2024	1/22/2013 - 10/17/2025
Packaging	36	—	74,715	422,977	4,505	—	74,715	427,482	502,197	75,250	1956 - 2016	6/3/2011 - 9/29/2025
Paper	2	—	2,462	11,935	45	—	2,462	11,980	14,442	5,964	2002 - 2006	5/2/2011 - 12/21/2012

REALTY INCOME CORPORATION AND SUBSIDIARIES
SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION (continued)
As of December 31, 2025
(dollars in thousands)

			Initial Cost to Company		Cost Capitalized Subsequent to Acquisition		Gross Amount at Which Carried at Close of Period (Notes 3, 4 and 6)					
Description	Number of Properties (Note 1)	Encumbrances (Note 2)	Land	Buildings, Improvements and Acquisition Fees	Improvements	Carrying Costs	Land	Buildings, Improvements and Acquisition Fees	Total	Accumulated Depreciation (Note 5)	Date of Construction	Date Acquired
Pet Supplies and Services	145	$ —	$ 147,021	$ 439,900	$ 14,517	$ 239	$ 147,021	$ 454,656	$ 601,677	$ 88,508	1945 - 2023	12/22/1981 - 12/9/2024
Restaurants-Casual	871	—	707,310	1,524,232	5,576	1,318	707,310	1,531,126	2,238,436	360,164	1927 - 2025	8/1/1984 - 12/30/2025
Restaurants-Quick Service	2,042	—	1,019,821	2,060,268	2,855	174	1,019,821	2,063,297	3,083,118	473,399	1926 - 2025	12/9/1976 - 12/30/2025
Shoe Stores	7	—	7,546	44,688	349	215	7,546	45,252	52,798	17,057	1990 - 2025	3/26/1998 - 8/4/2025
Sporting Goods	70	—	172,542	437,490	7,431	178	172,542	445,099	617,641	94,012	1950 - 2020	10/17/2001 - 1/23/2024
Telecommunications	6	—	4,688	12,630	611	11	4,688	13,252	17,940	3,785	1990 - 2016	6/26/1998 - 1/23/2024
Theaters	97	—	262,870	763,413	11,765	—	262,870	775,178	1,038,048	336,842	1930 - 2018	7/27/2000 - 10/29/2025
Transportation Services	92	—	232,078	1,196,337	25,693	402	232,078	1,222,432	1,454,510	333,072	1967 - 2020	4/1/2003 - 12/31/2025
Warehousing and Storage	2	—	1,442	15,178	—	—	1,442	15,178	16,620	4,257	1979 - 2007	1/22/2013 - 11/1/2021
Wholesale Club	69	—	353,564	899,101	51	—	353,564	899,152	1,252,716	248,674	1985 - 2021	9/30/2011 - 1/27/2025
Other U.S.	33	—	65,880	177,863	9,811	—	65,880	187,674	253,554	20,302	1964 - 2021	8/18/1986 - 11/19/2024
Europe												
Apparel	10	—	102,735	260,703	1,519	—	102,735	262,222	364,957	19,647	1850 - 2008	4/19/2021 - 11/21/2025
Automotive Parts	2	—	4,142	8,173	65	—	4,142	8,238	12,380	875	1980 - 1996	6/17/2022 - 9/28/2023
Automotive Tire Services	3	—	1,803	5,500	—	—	1,803	5,500	7,303	1,054	1974 - 1994	3/9/2021 - 3/9/2021
Consumer Electronics	7	—	82,298	125,557	1,683	—	82,298	127,240	209,538	6,090	1972 - 2006	3/4/2022 - 12/9/2025
Convenience Stores	3	—	13,537	6,947	—	—	13,537	6,947	20,484	1,064	1982 - 2021	12/21/2021 - 9/20/2023
Diversified Industrial	5	—	31,168	61,076	992	—	31,168	62,068	93,236	6,010	1980 - 2020	7/22/2021 - 3/30/2023
Drug Stores	1	—	—	—	—	—	—	—	—	—	1990 - 1990	1/31/2023 - 1/31/2023
Energy	1	—	10,101	11,279	—	—	10,101	11,279	21,380	1,278	2020 - 2020	1/13/2022 - 1/13/2022
Entertainment	1	—	24,051	37,911	384	—	24,051	38,295	62,346	6,015	1993 - 1993	1/13/2022 - 1/13/2022
Financial Services	1	—	137,225	24,836	4,372	—	137,225	29,208	166,433	853	1934 - 1934	11/12/2024 - 11/12/2024
Food Processing	7	—	35,372	95,970	4,952	—	35,372	100,922	136,294	10,832	1950 - 2021	11/30/2021 - 2/23/2023
General Merchandise	31	—	281,544	384,949	12,017	—	281,544	396,966	678,510	36,291	1980 - 2021	8/25/2021 - 9/26/2025
Grocery	249	—	2,034,832	3,346,349	12,108	—	2,034,832	3,358,457	5,393,289	419,186	1800 - 2025	5/23/2019 - 12/22/2025
Health and Fitness	3	—	44,940	57,013	1,626	—	44,940	58,639	103,579	5,040	1997 - 2020	3/24/2022 - 3/28/2025
Health Care	6	—	28,694	55,306	30	—	28,694	55,336	84,030	7,586	1969 - 2006	3/23/2020 - 9/7/2022
Home Furnishings	21	—	187,000	334,556	6,156	—	187,000	340,712	527,712	31,996	1980 - 2019	4/9/2021 - 3/25/2025
Home Improvement	107	—	945,448	1,361,460	5,469	—	945,448	1,366,929	2,312,377	148,804	1890 - 2024	7/31/2020 - 12/10/2025
Machinery	1	—	16,460	19,227	—	—	16,460	19,227	35,687	272	1991 - 1991	7/3/2025 - 7/3/2025
Motor Vehicle Dealerships	3	—	17,299	29,733	—	—	17,299	29,733	47,032	4,363	1990 - 2005	2/11/2022 - 9/27/2022
Other Manufacturing	5	—	62,956	296,505	5	—	62,956	296,510	359,466	7,169	1912 - 2024	4/6/2022 - 4/24/2025
Restaurants-Quick Service	30	—	20,135	46,837	105	—	20,135	46,942	67,077	2,748	1990 - 2023	3/17/2021 - 12/16/2024
Sporting Goods	89	—	262,730	513,309	6,352	—	262,730	519,661	782,391	49,384	1950 - 2021	8/5/2022 - 3/25/2025
Theaters	2	—	20,354	43,246	547	—	20,354	43,793	64,147	1,893	1990 - 2011	12/18/2019 - 11/27/2024
Transportation Services	9	—	151,957	440,927	35,170	—	151,957	476,097	628,054	5,251	1970 - 2025	1/6/2022 - 12/12/2025
Warehousing and Storage	2	—	67,311	92,410	484	—	67,311	92,894	160,205	7,905	2002 - 2025	3/11/2021 - 4/27/2023
Wholesale Club	8	—	60,252	108,900	—	—	60,252	108,900	169,152	13,529	1966 - 2002	10/28/2022 - 2/9/2024
Other Europe	7	—	127,376	—	38,826	—	127,376	38,826	166,202	—	— - —	9/29/2023 - 11/4/2025
	15,512	$37,894	$18,430,717	$43,340,206	$523,956	$7,203	$18,430,717	$43,871,365	$62,302,082	$8,796,740		

REALTY INCOME CORPORATION AND SUBSIDIARIES
SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION (continued)
As of December 31, 2025
(dollars in thousands)

Note 1. Realty Income Corporation owns or holds interests in 14,717 single-tenant properties in the U.S., our corporate headquarters property in San Diego, California, 230 single-tenant properties in the U.K., and 218 single-tenant properties elsewhere in Europe. Crest Net Lease, Inc. owns two single-tenant properties in the U.S.

Realty Income Corporation also owns or holds interests in 174 multi-tenant properties in the U.S., 140 multi-tenant properties in the U.K., and 30 multi-tenant properties elsewhere in Europe.

Note 2. Includes mortgages payable secured by 14 properties and excludes unamortized net discounts and deferred financing costs of $0.1 million.

Note 3. The aggregate cost for federal income tax purposes for Realty Income Corporation is $71.0 billion and for Crest Net Lease, Inc. is $11.6 million.

Note 4. The following is a reconciliation of total real estate carrying value for the years ended December 31 (in thousands):

	2025	2024	2023
Balance at beginning of period	$ 58,401,234	$ 49,642,486	$ 42,689,699
Additions during period:			
Acquisitions and development	4,540,633	3,200,339	7,239,885
Merger additions [(1)]	—	6,838,500	—
Less amounts allocated to acquired lease intangible assets and liabilities	(409,478)	(253,904)	(484,096)
Improvements	130,102	122,887	54,904
Other (leasing costs and building adjustments) [(2)]	—	46,484	49,504
Total additions	4,261,257	9,954,306	6,860,197
Deductions during period:			
Cost of real estate sold	697,937	658,645	125,166
Cost of equipment sold	1,391	24	11
Releasing costs	—	—	—
Other [(3)]	509,582	275,324	111,851
Total deductions	1,208,910	933,993	237,028
Foreign currency translation	848,501	(261,565)	329,618
Balance at end of period	$ 62,302,082	$ 58,401,234	$ 49,642,486

[(1)] Represents acquired assets from the Merger. For further information, s*ee note 2, Merger with Spirit Realty Capital, Inc.,* to our consolidated financial statements.

[(2)] The year ended December 31, 2024 includes contributions of $46.5 million RI LP Op Units. The year ended December 31, 2023 includes contributions to joint ventures of $38.4 million and reclassification of $11.3 million right of use assets under finance leases.

[(3)] The year ended December 31, 2025 includes $6.7 million for building razed and $502.9 million of impairment (inclusive of $68.9 million included in accumulated depreciation activity below). The year ended December 31, 2024 includes $7.7 million for building razed and $267.6 million of impairment. The year ended December 31, 2023 includes $14.0 million for building razed and $97.5 million of impairment.

REALTY INCOME CORPORATION AND SUBSIDIARIES
SCHEDULE III REAL ESTATE AND ACCUMULATED DEPRECIATION (continued)
As of December 31, 2025
(dollars in thousands)

Note 5. The following is a reconciliation of accumulated depreciation for the years ended (in thousands):

	2025	2024	2023
Balance at Beginning of Period	$ 7,396,924	$ 6,096,736	$ 4,908,658
Additions During Period - Provision for Depreciation	1,623,713	1,508,492	1,233,709
Deductions During Period:			
Accumulated depreciation of real estate and equipment sold or disposed of	265,879	197,932	57,609
Foreign Currency Translation	41,982	(10,372)	11,978
Balance at Close of Period	$ 8,796,740	$ 7,396,924	$ 6,096,736

Please see note *1, Summary of Significant Accounting Policies*, to our consolidated financial statements for information regarding lives used for depreciation and amortization.

Note 6. In 2025, provisions for impairment were recorded on 395 Realty Income properties.

In 2024, provisions for impairment were recorded on 237 Realty Income properties.

In 2023, provisions for impairment were recorded on 112 Realty Income properties.

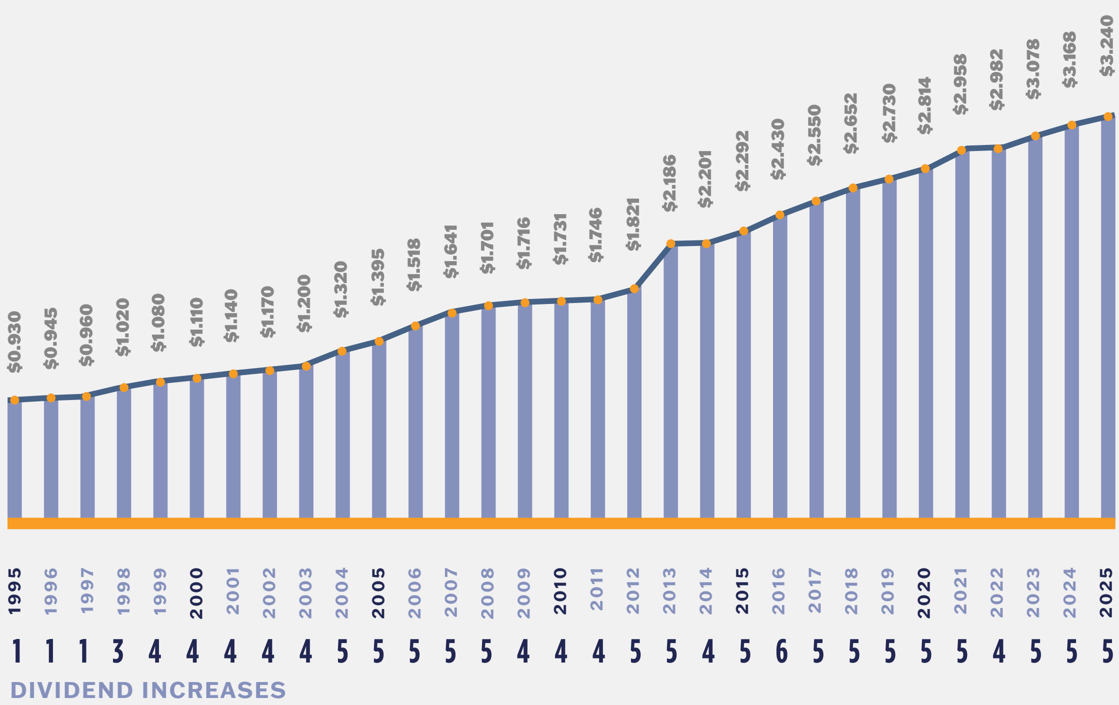
See report of independent registered public accounting firm.

ANNUALIZED DIVIDENDS[1]

133 Dividend Increases Since 1994 NYSE Listing

113 Consecutive Quarterly Increases

Compound Average Annual Growth Rate of Approximately **4.2%**



(1) Annualized dividend amount reflects the December declared dividend per share multiplied by twelve.

REALTY INCOME

11995 EL CAMINO REAL,

SAN DIEGO, CA 92130

WWW.REALTYINCOME.COM