





Positioned for the Future

Our proven investment process and experienced teams, combined with a strong balance sheet and access to multiple sources of capital, ensure we remain well positioned to make accretive investments in accordance with our established criteria. Through this approach we build long-term value and generate rising income for our shareholders.

Net lease focus

Diversified investment strategy

Proactive asset management

Access to multiple sources of capital

Doing Good While Doing Well®

Dear Fellow Shareholders,

We entered 2019 focused on fortifying the benefits of our recent merger with CPA:17 — a merger that accelerated our commitment to simplify the company, raise the quality of our earnings and strengthen our balance sheet. During the year, aided by the performance of our equity and our lowest-ever borrowing costs we made accretive investments at healthy spreads to our cost of capital, further enhanced the quality of our portfolio and significantly reduced leverage. Reflecting these achievements, I'm pleased to say that our Real Estate AFFO increased 8% per share year-over-year and our shareholders earned a total return of 29% for the year.

A Diversified Approach

Adhering to our longstanding belief in the benefits of diversification for a net lease portfolio, in 2019 we invested \$868 million in 55 properties spanning all major property types, net leased to 29 tenants, operating in 14 different industries within two continents.

Recent moves by other net lease REITs to diversify away from retail and into new geographic regions can be viewed only as an endorsement of our diversified approach — an approach that for W. P. Carey dates back to our founding nearly 50 years ago. Not only does diversification provide downside protection, it expands our total addressable market, which remains vast, and it enables us to allocate capital to the industries and regions where we see the best risk-adjusted returns.

In 2019, the industrial and warehouse sectors presented the best opportunities, comprising close to 80% of our total investment volume for the year. Although undoubtedly a competitive area of the acquisition market, demand by single tenants for industrial and warehouse assets remained strong. Such assets are not only well suited to our focus on sale-leasebacks and build-to-suits, where we can create additional value through the lease structure, but their operational criticality creates future expansion opportunities and ensures a high likelihood of renewal.

While other property types presented numerous opportunities, through the depth of our underwriting process, in the vast majority of cases we concluded their deal structures did not provide an adequate risk-return trade-off. We did not pursue growth for its own sake — remaining both unwilling to accept shorter lease terms for office assets and discerning in our approach to retail as it continues to adjust to disruption from e-commerce.

In many respects, the most significant addition to our net lease portfolio during the year was the transaction with Extra Space Storage in which we creatively converted to net leases the bulk of the operating self-storage assets acquired in our 2018 merger. Not only did this add an investment-grade tenant to our top ten tenants and further diversity to our portfolio; it also highlighted our position as a proven source of net lease capital within the sector as more operators look to take an asset-light approach.



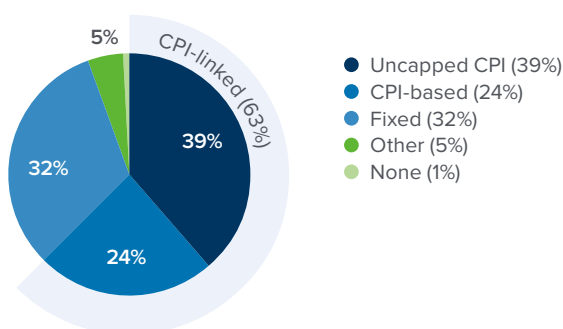
Growth from Within

We focus on long-term leases that provide stable and growing rental income over the duration of their term. Consequently, 99% of our annualized based rent (ABR) comes from leases with built-in rent growth, whether driven by fixed increases or tied to inflation.

In addition, as one of the largest net lease REITs, with close to half of our portfolio in industrial and warehouse assets, we are well positioned to create additional value through follow-on investments with existing tenants. Such deals often provide above-market yields and enhance overall portfolio quality by extending lease terms, modernizing assets and increasing criticality to the tenant. Transactions sourced from our existing portfolio are also truly off market, enabling us to negotiate better contractual lease terms

Rent Escalations¹

99% of our leases have contractual rent increases, and 63% are tied to the Consumer Price Index (CPI)



¹ Based on contractual minimum ABR as of December 31, 2019. Numbers may not add to 100% due to rounding.

compared with widely marketed deals. In 2019, these deals — in combination with build-to-suit commitments with new tenants — added \$127 million of high-quality real estate at cost, representing 15% of our total investment volume.

The growth of investments generated from our existing portfolio highlights the significant role that our asset management team plays in sourcing growth opportunities, in addition to managing our current holdings. To this end, we launched a suite of proprietary business intelligence and reporting technologies in 2019 that enhance our ability to efficiently evaluate and track tenant credit profiles, lease expirations and renewals, as well as identify new capital investment opportunities at scale.

Enhancing Portfolio Quality

In addition to growing our portfolio, enhancing the quality of our existing assets remains our constant endeavor. Our 2019 investments in conjunction with our proactive approach to asset management improved the overall quality of our portfolio across key metrics. ABR from warehouse and industrial properties increased to 45%, whereas ABR from office was reduced to 23%. We increased the proportion of ABR generated by investment-grade tenants to nearly one-third of our portfolio and further reduced our top ten tenant concentration to 22% — one of the lowest in the net lease peer group. We also extended our portfolio's weighted average remaining lease term to 10.7 years, six months longer than it was a year earlier despite the passage of time, and edged closer to full occupancy, ending the year at 98.8% occupied.

Balance Sheet Health

Successful execution on our strategic commitments was met with approval from the capital markets in 2019. In addition to being placed on positive outlook by Standard & Poor's, we successfully raised \$1.4 billion of well-priced long-term and permanent capital.

One of the benefits of our diversified investment strategy is the ability to access both the U.S. and European public debt markets, thereby further diversifying our capital sources and providing a hedge against currency fluctuations. In 2019, we issued approximately \$900 million of unsecured debt, through the issuance of euro- and U.S. dollar-denominated bonds at the lowest coupon rates and tightest spreads in our history and raised \$523 million in equity through our at-the-market program.

As a result of the deleveraging we did in 2019, we ended the year with net debt-to-adjusted EBITDA of 5.4x and debt-to-gross assets of 40%. Throughout the year, we also made significant progress on our unsecured debt strategy, proactively paying down \$1.3 billion of mortgage debt — thereby reducing secured leverage below 10% as well as driving long-term interest savings.

In early 2020, we added further flexibility to our balance sheet with the renewal and upsizing of our credit facility on terms that reflect the significant progress we've made over the last several years executing on our business strategy and the strong demand in the bank market for our credit.

Investment-Grade Balance Sheet

Since receiving our investment-grade ratings in 2013, we have established access to a variety of capital sources, transitioned to unsecured debt and lowered overall leverage. Our 2019 highlights include:

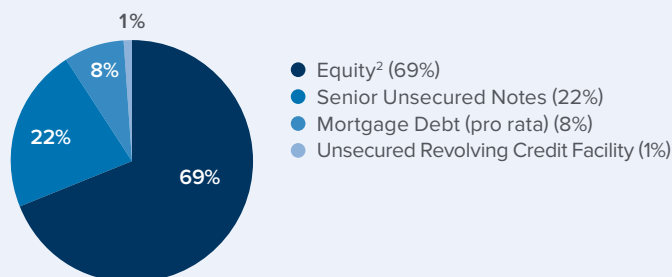
€500 million Eurobond offering at a coupon of 1.35%

\$325 million U.S. debt issuance at a coupon of 3.85%

\$523 million equity issuance through our ATM program

Conservative Capital Structure

In August, Standard and Poor's affirmed our investment-grade rating at BBB and revised our outlook to positive from stable, specifically citing its favorable view of our recent deleveraging efforts. During 2019, we also reduced mortgage debt outstanding, significantly expanding our pool of unencumbered assets



² Based on a closing stock price of \$80.04 on December 31, 2019, and 172,278,242 common shares outstanding.

2019 Results

Fulfilling our commitment to providing stable and growing high-quality income for shareholders through various market environments, total dividends declared increased to \$4.14 for 2019, with our fourth quarter dividend representing our 75th consecutive increase since going public in 1998.

Total AFFO for 2019 was \$5.00 per diluted share, a 7% decline from the prior year, reflecting our strategic decision to move out of the investment management business and become a pure-play net lease REIT. The quality of our earnings and dividend coverage substantially improved in 2019, and as I noted at the outset, Real Estate AFFO increased 8% per share year-over-year driven by our 2018 merger. 95% of AFFO was derived from more predictable — and therefore more valuable — long-term lease revenues, a shift reflected in our strong stock price performance during 2019.

Looking Ahead

The percentage of earnings we generate from real estate will continue to increase as the remaining non-traded funds we manage roll off — most immediately through the anticipated merger and management internalization of the CWI lodging funds.

At the time of completing this letter, the COVID-19 pandemic has caused significant uncertainty in the economic outlook. Fortunately, we have entered the pandemic in a position of strength. Throughout our 47-year history, our diversification, liquidity and overall balance sheet health has positioned us

to weather economic disruptions, while remaining watchful for attractive long-term growth opportunities.

In Closing

As I reflect on 2019, I recognize that we would not be where we are today without the hard work and dedication of our employees and the valuable guidance of our Board of Directors. I am also fortunate to have the support of a strong management team with deep industry expertise garnered over the course of their lengthy tenures at W. P. Carey. Our employees are our most important asset. They shape our company, propel our success and connect us with our communities. We are guided by our shared commitment to *Investing for the Long Run* and *Doing Good While Doing Well*, which has positioned W. P. Carey for future growth while bringing purpose to profits through our community outreach and environmental initiatives. As our founder, Bill Carey, once said: “It is always important to ask, ‘What is the impact of what we are doing? What is good for society?’”

Together we look forward to continuing to build on the strength of our differentiated position in the net lease space and furthering our commitment to grow long-term shareholder value. As always, we thank you for your ongoing support, and we wish you and your families good health during this unprecedented time.

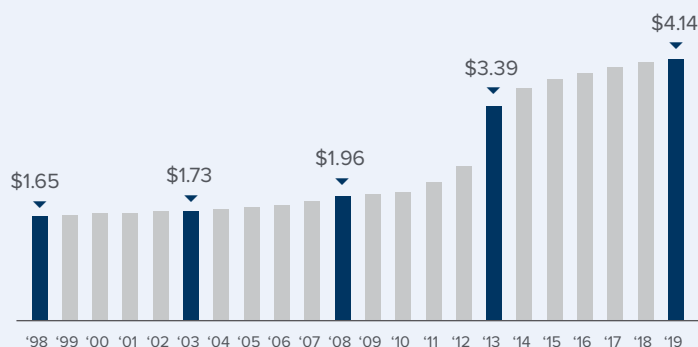
With best regards,



Jason E. Fox
Chief Executive Officer

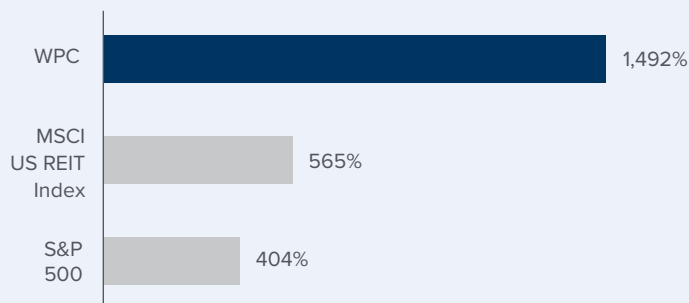
Growing Annual Dividends³

We have increased our dividend every year since going public in 1998 and are a member of the NASDAQ Dividend Achievers index



Outperforming Total Return⁴

Since going public in 1998, we have significantly outpaced key REIT indices and the broader equity market



³ Annual dividend per share reflects sum of quarterly dividends declared per share during the respective year. Past performance is not a guarantee of future results.

⁴ Total return from January 21, 1998, through market close December 31, 2019. Reflects the reinvestment of all dividends.

2019 Portfolio Overview

We focus on high-quality assets of critical importance to our tenants' businesses, typically originated through sale-leaseback and build-to-suit transactions as well as follow-on deals with existing tenants.

Our diversified investment strategy, proactive asset management and ability to execute highly structured transactions differentiate us from our peers. Our multipronged approach enables us to achieve attractive yield spreads and create value through the lease structure itself.

In 2019, we successfully grew our ABR and improved the overall quality of our portfolio, including extending our weighted average lease term, reducing our top ten tenant concentration and increasing our occupancy rate.

1,214
net lease properties

345
tenants

\$1.1
billion ABR

10.7
years weighted average
lease term

98.8%
occupancy

21.9%
top ten tenant
concentration

140
million square feet

30.1%
ABR from investment-
grade tenants



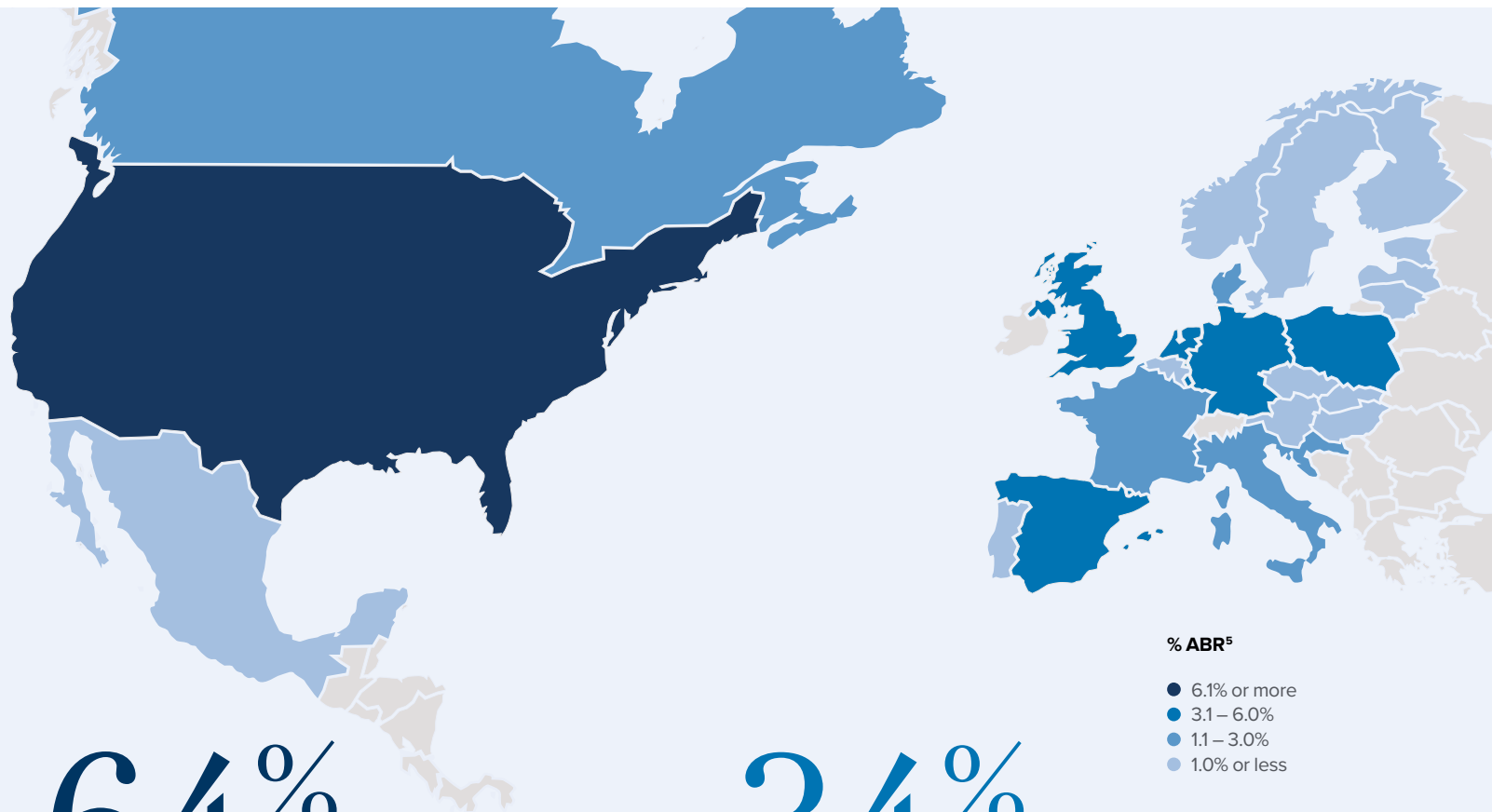


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Portfolio Diversification



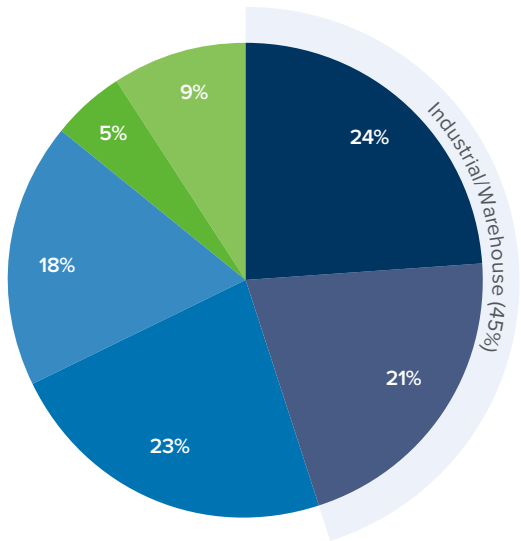
64% of total ABR in the U.S.

34% of total ABR in Europe

Our on-the-ground teams in the U.S. and Europe and our expertise in cross-border transactions uniquely position us to invest across a range of geographies, property types and industries. In 2019, we completed \$868 million of investments, acquiring 55 properties net leased to 29 tenants across 14 industries in ten countries and all major property types.

⁵ Based on contractual minimum ABR. Numbers may not add up to 100% due to rounding.

Property Type Diversification⁵



 Industrial (24%)

 Warehouse (21%)

 Office (23%)

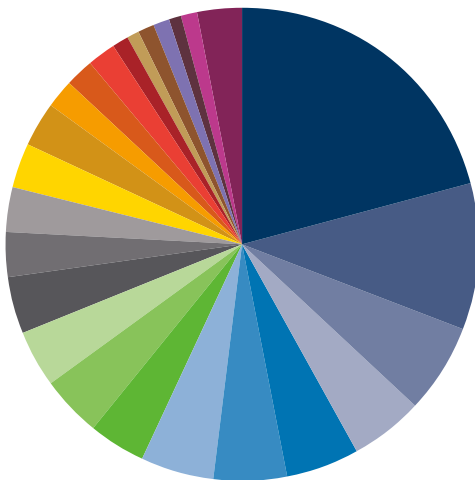
 Retail (18%)

 Self-Storage (net lease) (5%)

 Other⁶ (9%)

⁶ Other includes ABR from tenants with the following property types: education facility, fitness facility, hotel (net lease), laboratory, student housing (net lease) and theater.

Tenant Industry Diversification⁵



- Retail⁷ (21%)
- Consumer Services (10%)
- Automotive (6%)
- Business Services (5%)
- Cargo Transportation (5%)
- Grocery (5%)
- Healthcare and Pharmaceuticals (5%)
- Capital Equipment (4%)
- Construction and Building (4%)
- Hotel, Gaming and Leisure (4%)
- Sovereign and Public Finance (4%)
- Beverage, Food and Tobacco (3%)
- Containers, Packaging and Glass (3%)
- Durable Consumer Goods (3%)
- High-Tech Industries (3%)
- Banking (2%)
- Insurance (2%)
- Telecommunications (2%)
- Aerospace and Defense (1%)
- Chemicals, Plastics and Rubber (1%)
- Media: Advertising, Printing and Publishing (1%)
- Media: Broadcasting and Subscription (1%)
- Nondurable Consumer Goods (1%)
- Wholesale (1%)
- Other⁸ (3%)

⁷ Includes automotive dealerships.

⁸ Includes ABR from tenants in the following industries: consumer transportation, electricity, environmental industries, finance, forest products and paper, metals and mining, oil and gas and real estate.

Growing our portfolio by capitalizing on our core capabilities

We provide investors with steadily growing income through our diversified investment strategy and stringent underwriting process backed by a portfolio of high-quality assets operated by creditworthy tenants.



Apex Tool Group, LLC

Cross-border capabilities secure acquisition of industrial portfolio

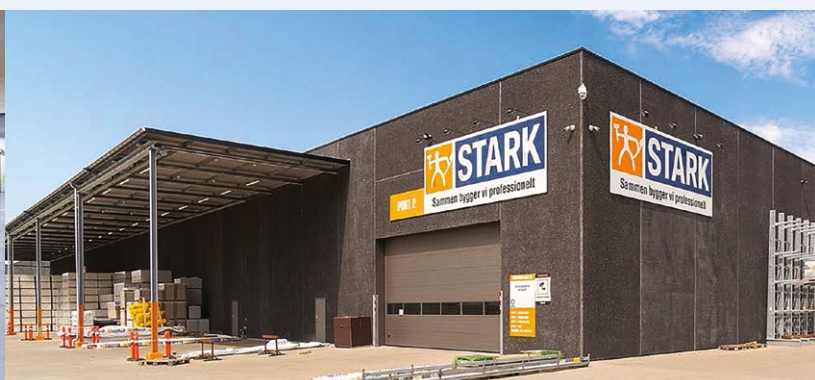
Location: U.S. and Mexico
Property Type: Industrial
Square Footage: 990,000
Acquisition Date: October 2019

Transaction Structure and Pricing: \$53 million sale-leaseback of three assets, master leased on a triple-net basis for 25 years with fixed annual rent escalations.

Creditworthiness of Tenant: One of the largest global producers of industrial hand and power tools, with market-leading brands and long-tenured customer relationships.

Asset Criticality: Three industrial facilities representing a critical component of the tenant's global operating footprint.

Fundamental Value of Real Estate: Facilities located in industrial markets with low vacancy rates.



Stark Group A/S

On-the-ground team in Europe enables acquisition of high-quality Nordic assets

Location: Denmark and Sweden
Property Type: Logistics
Square Footage: 496,000
Acquisition Date: November 2019

Transaction Structure and Pricing: \$38 million sale-leaseback of two assets, triple-net leased for 20 years with annual Danish and Swedish CPI-based rent escalations.

Creditworthiness of Tenant: Largest supplier of building and construction products in the Nordic region.

Asset Criticality: Two mission-critical assets representing the tenant's largest logistics facilities in each country.

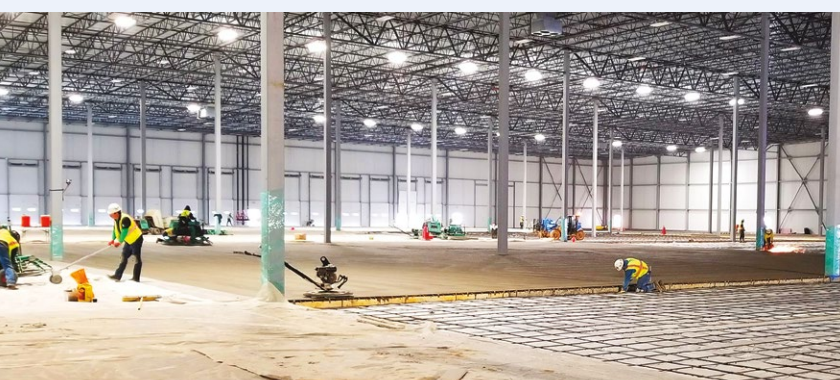
Fundamental Value of Real Estate: Modern, well-located assets with access to major highways and shipping routes.

We evaluate each investment using the same four criteria:

- Creditworthiness of the tenant
- Criticality of the asset to the tenant's business
- Fundamental value of the real estate
- Transaction structure and pricing

We invest in single-tenant net lease assets primarily through:

- Sale-leasebacks
- Build-to-suits
- Acquisitions of existing net leased assets



Fresenius

Forward commitment to acquire newly developed Class-A logistics asset

Location: Tennessee
Property Type: Warehouse
Square Footage: 614,000
Commitment Date: September 2019 (est. completion in April 2020)

Transaction Structure and Pricing: \$68 million forward commitment to acquire the facility upon completion of construction subject to a 20-year triple-net lease with fixed annual rent increases.

Creditworthiness of Tenant: Investment-grade-rated North American dialysis operator and renal pharmaceuticals manufacturer.

Asset Criticality: Tenant's largest U.S. distribution center and sole East Coast location for the distribution of its in-home and in-clinic dialysis products.

Fundamental Value of Real Estate: Class-A, modern logistics asset with expansion potential.



Stanley Black & Decker, Inc.

Improved cost of capital unlocks higher-quality asset leased to investment-grade tenant

Location: North Carolina and South Carolina
Property Type: Logistics
Square Footage: 1.2 million
Acquisition Date: December 2019

Transaction Structure and Pricing: \$94 million sale-leaseback of a logistics and distribution facility, triple-net leased with fixed annual rent escalations and below-market rent providing potential upside at the end of the 12-year term.

Creditworthiness of Tenant: S&P 500 global manufacturer of hand and power tools, with an A rating from Standard & Poor's.

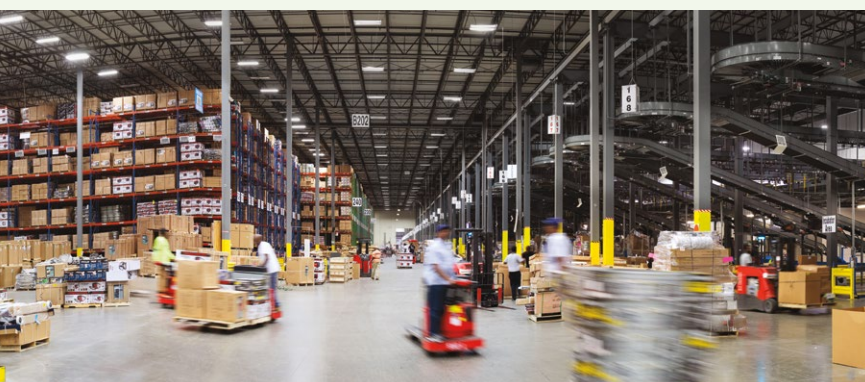
Asset Criticality: Tenant's second-largest distribution center in the U.S.

Fundamental Value of Real Estate: Fungible logistics asset in strong industrial market with access to key transportation routes.

Creating value by proactively working with our tenants

We align our long-term investment objectives with our tenants' long-term operational needs. By working hand in hand with our tenants, we are able to support their evolving objectives while improving our portfolio through follow-on projects, including:

- Expansions and follow-on build-to-suits
- Renovations, redevelopments and repositionings
- Building efficiency retrofits



Harbor Freight Tools

Commitment to building long-term partnership with tenant unlocks third investment with growing company

Location: South Carolina

Property Type: Logistics

Square Footage: 3.0 million (upon completion in 2019)

Completion Date: Second expansion completed in 2019, following initial acquisition in 2011 and subsequent expansion in 2013

Transaction Structure and Pricing: \$83 million in total funding for two expansion projects completed in 2014 and 2019. The property is triple-net leased for a period of 20 years as of completion of the 2019 expansion.

Creditworthiness of Tenant: Multichannel tool retailer established in 1977 with more than 1,000 stores nationwide.

Asset Criticality: Newly expanded distribution center serves as tenant's East Coast hub, distributing products to 450 stores in 30 states.

Fundamental Value of Real Estate: Modern logistics facility with proximity to an inland port and direct rail access.



Danske Fragtmænd

Proactive asset management secures off-market, follow-on investment in supply-constrained Nordic region

Location: Denmark

Property Type: Logistics

Square Footage: 2.1 million (upon completion in 2020)

Completion Date: Capital commitment completed in 2019 to fund last-mile logistics facility upon completion of construction in early 2020, following initial acquisition of a 14-property logistics portfolio in 2018

Transaction Structure and Pricing: \$11 million funding commitment for logistics facility net leased for 20 years with Danish-CPI based rent escalations.

Creditworthiness of Tenant: Leading freight carrier for business-to-business freight solutions in Denmark founded in 1990.

Asset Criticality: Mission-critical asset with last-mile delivery and local warehousing capabilities to service southern Denmark.

Fundamental Value of Real Estate: Newly constructed Class-A, last-mile logistics facility in thriving industrial market.

As our portfolio grows, investment opportunities from within our portfolio have become more meaningful sources of deal flow. As one of the largest net lease REITs with a diversified portfolio, we benefit from a larger pool of internally sourced opportunities, which adds value by:

- Improving portfolio quality
- Increasing asset criticality
- Extending lease terms
- Securing above-market cap rates



Extra Space Storage

Innovative conversion of self-storage operating assets to net leases minimizes exposure to capital expenditures and adds stable cash flows

Location: U.S. (8 states)

Property Type: Self-storage

Square Footage: 2.4 million

Agreement Date: Individual net leases executed in April 2019 (27 assets converted in 2019 and remaining nine assets will convert upon stabilization)

Transaction Structure and Pricing: Agreement to convert 36 operating assets acquired in our 2018 merger with one of our managed funds into triple-net leases for a 25-year term. The creative transaction enabled us to maintain our exposure to a highly desirable asset class with stable cash flows and income-generating characteristics while adhering to our focus on being a pure-play net lease REIT.

Creditworthiness of Tenant: Investment-grade rated, S&P 500 company and the second-largest owner and operator of self-storage facilities in the U.S.

Asset Criticality: Agreement helped expand tenant's New York footprint and further its external growth strategy through an asset-light business model.

Fundamental Value of Real Estate: High-quality portfolio in attractive markets across the U.S.

Doing Good While Doing Well

Corporate Responsibility

Our founder, Wm. Polk Carey, believed that our business by its very nature promotes prosperity, but he also believed that our responsibility did not end there. He understood that good corporate citizenship was fundamental to good business and to creating long-term value for our shareholders.

Today Bill Carey's vision and philanthropic commitment live on through our more than 200 employees around the world and their personal commitments to making a difference for the communities in which we live and work. Our employees represent more than 20 countries and 25 languages, and their diversity helps expand our global reach and deepen our local roots to uphold our founder's motto of *Doing Good While Doing Well*. Together we further our efforts through our global corporate responsibility initiatives, focused on our ESG objectives.

“Doing Good While Doing Well means that when we are financing properties for companies, we are also helping the communities those companies serve. It is important to always ask, ‘What is the impact of what we are doing? What is good for society?’”

—Wm. Polk Carey, Founder

Environmental

Our commitment to sustainability is applied to both our corporate offices and our portfolio.

In our offices, we launched our Go Green in 2019 campaign to identify and implement environmental solutions addressing energy efficiency, water conservation and waste management. In 2019, we successfully phased out single-use plastic water bottles, planted 200+ trees, dedicated 240 hours to improving our local parks and recycled 3,000 pounds of electronic equipment.

In our portfolio, we remain focused on investing in high-quality real estate that adds value to both our portfolio and the environment. We carefully assess new acquisitions during our underwriting process to ensure all properties meet our environmental standards, and we continue to grow our list of green buildings. As one of the largest net lease REITs, we are uniquely positioned to scale our impact by working with our tenants to promote property-level sustainability solutions through ongoing communications and educational resources.



Focus on sustainability unlocks long-term value of renewable energy-powered site

In 2019, we completed a \$70 million investment in a clean-energy food-production and distribution site comprising six buildings and 412,000 square feet. The state-of-the-art site is powered by renewable, clean energy sources through a combination of wind turbines and hydroelectric energy. It is master leased on a triple-net basis to Turkey Hill, a leading producer of ice cream and beverage products, and it exemplifies the type of accretive, environmentally responsible asset that we look to grow our portfolio with.



Social

In 2013, we established our Carey Forward program as a tribute to Bill Carey's philanthropic legacy. Through the program, we share our success with our communities by volunteering our time and donating much-needed resources. It is an opportunity for employees to participate in charitable activities, bringing the same qualities and skills to our communities as they do to W. P. Carey.

In 2019, our employees supported the following organizations:

- American Cancer Society
- Amsterdam Cares
- Central Park Conservancy
- City Harvest
- Dutch Food Bank
- Little Village
- New York Blood Center
- Student Sponsor Partners
- Volunteers of America

The W. P. Carey Foundation supports these efforts by matching charitable contributions made by our employees and Board of Directors. In 2019, the Foundation launched its inaugural Carey the Torch initiative to recognize employees exemplifying Bill Carey's motto of *Doing Good While Doing Well* by making a positive impact on their community. Together with the Foundation, we support the great work being done not only by employees but also within our local parks, museums, educational programs, hospitals and other community organizations.

In addition to supporting our communities, we support our employees through our inclusive work environment, internal education series, comprehensive benefits package, robust training initiatives, competitive wages and profit-sharing plan. We understand that by investing in our people, we invest in our future and build on our long-term success.

Governance

Good corporate governance is essential to the effective operation of our business and our long-term success. Our governance practices are designed to ensure our company is run responsibly and in the best interest of our shareholders, employees and tenants. The Board is responsible for upholding our governance practices to maintain our shared commitment of providing long-term shareholder value, while demonstrating our values and high ethical standards.

In 2019, we released our first Corporate Responsibility Report, highlighting our environmental policy, corporate citizenship and governance practices. In the report, we've increased transparency and introduced new programs to ensure our operations align with the policies set forth by the Board. We remain committed to operating our business at the highest possible standards to achieve our strategic goals and manage risk, thereby safeguarding the long-term interests of our shareholders.



50+ backpacks collected for Volunteers of America's Operation Backpack

200+ trees planted in recognition of Earth Day

600+ hours spent volunteering by employees

\$300K+ donated to support local museums, parks, hospitals and more

W. P. CAREY

W. P. Carey Inc.
50 Rockefeller Plaza
New York, NY 10020
1-800-WP CAREY
www.wpcarey.com
NYSE: WPC

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Creative direction and design: Odgis + Company; Photography: Nina Choi, Kit Kittle and Richard Jopson; Printing: Sandy Alexander