

# Contents

Shareholder Letter.... 1 || Distribution Summary.... 2 || Financial Information.... 3

---

## Shareholder Letter

Dear Shareholder,

Enclosed please find the Annual Report for Corporate Property Associates 14 Incorporated (“CPA<sup>®</sup>:14”) provided to you pursuant to IRC Section 875(b)(3)(C) and Treas. Reg. § 1.857-6(e).

CPA<sup>®</sup>:14 was formed in 1997 for the purpose of making investments in real estate net leased properties. The entity made an election to be treated as a real estate investment trust or “REIT” with its tax return for the year ended December 31, 1998. CPA<sup>®</sup>:14 merged with and into Corporate Property Associates 16 – Global Incorporated. (“Merger”) on May 2, 2011.

Prior to the Merger and the liquidation of CPA<sup>®</sup>:14, it sold properties in several transactions, which resulted in an overall capital gain for the year ended May 2, 2011.

This Annual Report includes the balance sheet and income statement that are to be reported on the Form 1120-REIT for the year ended May 2, 2011. In addition, information regarding the distribution is being reported including a written statement of dividends designated as capital gains for CPA<sup>®</sup>:14’s tax year ended May 2, 2011. **Please keep in mind that this information is for informational purposes only. Shareholders will be mailed their 2011 tax forms no later than January 31, 2012.**

Should you have any questions please feel free to call our Investor Relations Department at 1-800-WP CAREY.

# Distribution Summary

## Capital Gain Designation

For the year ended May 2, 2011, CPA<sup>®</sup>:14 distributed cash of \$125,073,462 to its shareholders. Of the total dividends, 64.345% was treated as long-term capital gain (of which 55.32% was treated as Section 1250 gain), 5.215% was treated as ordinary dividends and the remaining was treated as return of capital (non-taxable) distribution. The table below summarizes the amount of distributions designated as ordinary, capital gain and non-taxable dividends:

<b>Year Ended May 2, 2011</b>	<b>Ordinary Dividends</b>	<b>Capital Gain Dividends</b>	<b>Return of Capital (non- taxable) Dividends</b>	<b>Total Dividends</b>
Total Distribution	\$6,522,357	\$80,478,553	\$38,072,552	\$125,073,462

## Tax Treatment of Dividends

For U.S. federal tax purposes, the REIT's ordinary dividends are taxed as ordinary income. Long-term capital gain distributions are taxed as long-term capital gains. The character of a capital gain depends on the length of time that the REIT held the asset that generated the gain.

In January, shareholders will receive IRS a Form 1099 showing the amount of taxable distributions for the previous calendar year.

# Financial Information

The financial information to be included on page 1 and 3 of Form 1120-REIT are included as an Exhibit to this Annual Report. This information was prepared for purposes of filing tax returns with the Internal Revenue Service and for no other purpose. Complete financial statements and supplementary schedules have been omitted.

**CORPORATE PROPERTY ASSOCIATES 14, INC.**  
**Tax Basis Balance Sheet for Year Ended May 2, 2011**

Assets	
REAL ESTATE INVESTMENTS (NET)	911,319,934.51
CASH AND CASH EQUIVALENTS	127,653,860.51
NOTES AND MORTGAGES RECEIVABLE	581,610.31
OTHER ASSETS NET	36,475,983.63
Total Assets	<u>1,076,031,388.96</u>
Liabilities and Members' Equity	
Liabilities	
DEBT	488,712,036.64
ACCOUNTS PAYABLE ACCRUED EXP OTHER LIAB	8,409,918.53
DUE TO AFFILIATES	40,798,645.21
PREPAID AND DEFERRED RENT AND SECURITY DEPOSITS	10,003,419.57
ACCRUED INCOME TAXES	1,036,667.08
DISTRIBUTIONS DIVIDEND PAYABLE	95,943,245.59
Total Liabilites	<u>644,903,932.62</u>
Members' Equity	
COMMON STOCK	138,579.87
ADDITIONAL PAID IN CAPITAL	750,349,622.55
ACCUMULATED EARNINGS IN EXCESS OF DISTRIBUTION	(146,476,698.21)
ACCUMULATED OTHER COMPREHENSIVE INCOME	(63,635,582.15)
TREASURY STOCK	(107,412,928.22)
MINORITY INTEREST PAYABLE	(1,835,537.50)
Total Members' Equity	<u>431,127,456.34</u>
Total Liabilites and Members' Equity	<u>1,076,031,388.96</u>

**CORPORATE PROPERTY ASSOCIATES 14, INC.**  
**Tax Basis Income Statement for Year Ended May 2, 2011**

Revenues	
LEASE REVENUES	46,524,354.29
OTHER REAL ESTATE RELATED INCOME	2,359,822.15
INCOME FROM EQUITY INVESTMENTS	6,504,057.29
INTEREST INCOME	565,969.13
GAINS LOSSES	98,599,087.31
Total Revenues	<u>154,553,290.17</u>
Expenses	
GENERAL AND ADMINISTRATIVE	(7,958,583.69)
PROPERTY EXPENSES	(37,826,158.54)
DEPRECIATION AND AMORTIZATION	(7,666,019.40)
INTEREST EXPENSE	(12,733,384.02)
PROVISION FOR INCOME TAXES	(1,617,150.01)
Total Expenses	<u>(67,801,295.66)</u>
Net Income	<u><u>86,751,994.52</u></u>