

Investing for the long run™



CPA:15

Corporate Property Associates 15
2008 Second Quarter Report

A MEMBER OF THE

W. P. CAREY

GROUP

Dear Fellow Shareholders

We are pleased to provide you with updated information about our portfolio for the second quarter of 2008.

As of June 30, 2008, we own full or partial interests in 367 properties leased to 83 tenants, totaling approximately 32 million square feet.

As the economic environment remains challenging, we will continue to manage our portfolio of properties closely and aggressively in order to create value for our shareholders. We do this by restructuring leases, refinancing mortgages, selling and releasing properties. We are proud that our portfolio of properties is over 99% occupied and broadly diversified by industry, region and property type.

Increasing Distributions

We strive to provide investors with income in the form of increasing distributions. Our board of directors increased the 2008 second quarter distribution to \$0.1719 per share, which was paid on July 15, 2008 to shareholders of record as of June 30, 2008.

Investing for the Long Run™

We are pleased with the growth we achieved last year in our net asset value (NAV) and that we have been able to continue to increase our distributions. Nevertheless, these are turbulent economic times, and events could negatively affect us. We continue to emphasize that CPA®:15 is a long-term investment as we have always believed in investing for the long run and adhere to this philosophy today.

Madison's Tender Offer

Madison Liquidity Investors has solicited CPA® investors for several years offering to acquire their shares at a steep discount. We recommend that you do not sell your shares to Madison Liquidity Investors. We strongly encourage you to contact your financial advisor, W. P. Carey's Investor Relations Department at 1-800-WP CAREY or by email at IR@wpcarey.com, or view the Securities and Exchange Commission's website,

www.sec.gov, which can provide additional information on the dangers of these types of tender offers.

Distribution Reinvestment and Share Purchase Plan (DRIP)

As a reminder, our DRIP enables you to reinvest your quarterly distributions in new CPA[®]:15 shares at our current NAV — \$12.20 per share — and enjoy the effects of compounding returns. It's a convenient and cost-effective way to increase your investment portfolio. For more information about how you can take advantage of this program, please contact our Investor Relations Department at 1-800-WP CAREY or IR@wpcarey.com.

Online Account Access

Please consider receiving your future investor correspondence, such as this quarterly report, electronically. Register at www.wpcarey.com/ShareholderAccess and you will find a convenient and cost-effective way to access your CPA[®]:15 investment information online 24 hours a day, seven days a week. In addition to lowering shareholder expenses, you will be able to access your current investment balances and distribution history, among other options.

As we anticipate continued success through 2008, on behalf of the entire W. P. Carey family, we thank you again for your continued confidence and support.

With best regards,



Wm. Polk Carey
Chairman of the Board



Gordon F. DuGan
Chief Executive Officer



Benjamin P. Harris
President

Please note that these highlights provide only a summary of the information contained in our quarterly report on Form 10-Q for the three and six months ended June 30, 2008, which we have filed with the Securities and Exchange Commission. We encourage you to read the full report, which can be found at www.cpa15.com.

Consolidated Statements of Cash Flow (Unaudited)

(in thousands)

	Six months ended June 30,	
	2008	2007
Cash Flows — Operating Activities		
Net income	\$ 39,787	\$ 29,317
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization including intangible assets and deferred financing costs	36,499	31,667
Straight-line rent adjustments	2,912	2,500
Income from equity investments in real estate in excess of distributions received	(126)	(1,537)
Minority interest in income	14,823	13,290
Issuance of shares to affiliate in satisfaction of fees due	7,997	7,150
Realized gain on foreign currency transactions, derivative instruments and other, net	(2,672)	(533)
Unrealized (gain) loss on foreign currency transactions, derivative instruments and other, net	(1,619)	233
Gain on sale of real estate, net	(90)	—
Change in operating assets and liabilities	(45)	6,109
Net cash provided by operating activities	97,466	88,196
Cash Flows — Investing Activities		
Distributions from equity investments in real estate in excess of equity income	979	5,371
Acquisitions of real estate and equity investments in real estate and other capital expenditures	(319)	(35,445)
VAT taxes paid in connection with acquisition of real estate	—	(2,336)
Proceeds from sale of real estate	1,010	
Repayment of loan by affiliate	7,569	—
Payment of deferred acquisition fees to an affiliate	(8,413)	(10,802)
Net cash provided by (used in) investing activities	(826)	(43,212)
Cash Flows — Financing Activities		
Distributions paid ^(a)	(53,952)	(42,386)
Distributions paid to minority interest partners	(17,408)	(16,450)
Contributions from minority interest partners	—	808
Proceeds from mortgages	—	29,938
Scheduled payments of mortgage principal	(21,354)	(18,849)
Prepayment of mortgage principal	(750)	—
Deferred financing costs and mortgage deposits, net of deposits refunded	—	280
Proceeds from issuance of shares, net of costs	9,352	10,108
Purchase of treasury stock	(20,439)	(15,875)
Net cash used in financing activities	(104,551)	(52,426)
Change in Cash and Cash Equivalents During the Period		
Effect of exchange rate changes on cash	6,477	1,101
Net increase (decrease) in cash and cash equivalents	218	(6,341)
Cash and cash equivalents, beginning of period	166,851	174,375
Cash and cash equivalents, end of period	\$ 167,069	\$ 168,034

(a) Includes a special distribution of \$10,153 (\$0.08 per share) declared in December 2007 and paid in January 2008.

Consolidated Balance Sheets (Unaudited)

(in thousands except share and per share amounts)

	June 30, 2008	December 31, 2007 (NOTE)
Assets		
Real estate, net	\$ 2,199,344	\$ 2,146,169
Net investment in direct financing leases	536,556	522,126
Equity investments in real estate	207,220	202,112
Real estate under construction	—	11,950
Cash and cash equivalents	167,069	166,851
Intangible assets, net	263,313	272,496
Other assets, net	148,775	142,933
Total assets	\$ 3,522,277	\$ 3,464,637
Liabilities and Shareholders' Equity		
Liabilities:		
Non-recourse debt	\$ 1,962,741	\$ 1,921,648
Accounts payable, accrued expenses and other liabilities	45,075	33,288
Prepaid and deferred rental income and security deposits	87,886	80,006
Due to affiliates	26,329	35,712
Distributions payable	22,042	32,055
Total liabilities	2,144,073	2,102,709
Minority interest in consolidated entities	308,603	300,031
Commitments and contingencies		
Shareholders' equity:		
Common stock, \$0.001 par value; 240,000,000 shares authorized; 137,296,323 and 135,798,189 shares issued and outstanding, respectively	137	136
Additional paid-in capital	1,264,589	1,247,241
Distributions in excess of accumulated earnings	(152,642)	(148,490)
Accumulated other comprehensive income	50,110	35,164
	1,162,194	1,134,051
Less, treasury stock at cost, 9,079,022 and 7,277,509 shares, respectively	(92,593)	(72,154)
Total shareholders' equity	1,069,601	1,061,897
Total liabilities and shareholders' equity	\$ 3,522,277	\$ 3,464,637

NOTE: The consolidated balance sheet at December 31, 2007 has been derived from the audited consolidated financial statements at that date.

Consolidated Statements of Income (Unaudited)

(in thousands, except share and per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2008	2007	2008	2007
Revenues				
Rental income	\$ 64,068	\$ 59,475	\$ 127,011	\$ 116,994
Interest income from direct financing leases	11,862	11,019	23,751	21,641
Other operating income	1,259	1,894	2,727	3,425
	<u>77,189</u>	<u>72,388</u>	<u>153,489</u>	<u>142,060</u>
Operating Expenses				
Depreciation and amortization	(19,516)	(15,636)	(35,866)	(30,950)
Property expenses	(10,516)	(9,395)	(20,668)	(18,750)
General and administrative	(2,115)	(2,724)	(5,358)	(4,763)
	<u>(32,147)</u>	<u>(27,755)</u>	<u>(61,892)</u>	<u>(54,463)</u>
Other Income and Expenses				
Advisor settlement	—	—	9,111	—
Income from equity investments in real estate	3,599	2,050	8,094	4,757
Interest and other income	1,528	3,581	3,355	5,842
Minority interest in income	(7,722)	(6,283)	(14,823)	(12,407)
Gain on foreign currency transactions, derivative instruments and other, net	2,762	561	4,949	299
Interest expense	(29,451)	(28,074)	(58,429)	(55,691)
	<u>(29,284)</u>	<u>(28,165)</u>	<u>(47,743)</u>	<u>(57,200)</u>
Income from continuing operations before income taxes	15,758	16,468	43,854	30,397
Provision for income taxes	(2,035)	(1,872)	(4,514)	(3,056)
Income from continuing operations	<u>13,723</u>	<u>14,596</u>	<u>39,340</u>	<u>27,341</u>
Discontinued Operations				
Income from operations of discontinued properties	215	1,575	357	2,859
Gain on sale of real estate, net	90	—	90	—
Minority interest in income	—	(435)	—	(883)
Income from discontinued operations	<u>305</u>	<u>1,140</u>	<u>447</u>	<u>1,976</u>
Net Income	<u>\$ 14,028</u>	<u>\$ 15,736</u>	<u>\$ 39,787</u>	<u>\$ 29,317</u>
Earnings Per Share				
Income from continuing operations	\$ 0.11	\$ 0.11	\$ 0.31	\$ 0.21
Income from discontinued operations	—	0.01	—	0.02
Net income	<u>\$ 0.11</u>	<u>\$ 0.12</u>	<u>\$ 0.31</u>	<u>\$ 0.23</u>
Weighted Average Shares Outstanding	<u>128,895,090</u>	<u>128,124,801</u>	<u>128,936,983</u>	<u>128,961,591</u>
Distributions Declared Per Share	<u>\$ 0.1719</u>	<u>\$ 0.1664</u>	<u>\$ 0.3423</u>	<u>\$ 0.3318</u>



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