



**CORPORATE PROPERTY
ASSOCIATES 14 INCORPORATED**

5,000,000 SHARES

**DISTRIBUTION REINVESTMENT
AND
SHARE PURCHASE PLAN**

PROSPECTUS

July 22, 2002



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DISTRIBUTION REINVESTMENT AND SHARE PURCHASE PLAN

5,000,000 SHARES

CORPORATE PROPERTY ASSOCIATES 14 INCORPORATED

Corporate Property Associates 14 Incorporated, or CPA®:14, is a Maryland corporation. We have established a Distribution Reinvestment and Share Purchase Plan designed to provide existing holders of shares of our common stock with an economical and convenient method to designate the cash distributions on all or a portion of their shares for reinvestment in more shares through the plan. Some of the significant features of the plan are as follows:

- Participants may purchase additional shares, if desired, by automatically reinvesting all or a portion of their cash distributions in shares under the plan.
- Phoenix American Financial Services, Inc. will serve as the plan administrator for the plan. Shares will be purchased by the plan administrator directly from us to fulfill requirements for the plan.
- You may join the plan by completing American Express Financial Advisors Inc.'s Form 246 Change of Side Account Designation for Limited Partnership/REIT Investment ("Form 246") and returning it to your financial advisor.
- Participation in the plan is entirely voluntary, and Participants may terminate their participation at any time and have their shares transferred out of the plan account. Shareholders who do not choose to participate in the plan will continue to receive cash distributions, as declared, in the usual manner.
- Cash distributions are still taxable even though reinvested. In addition, the amount of the commission paid by us on your behalf will be treated as a distribution to you which is also subject to income tax. At the end of each year, we will give you a statement of distributions earned and tax withheld (Form 1099), if any, to assist you in preparing your tax return.

All questions concerning the plan should be directed to:

Phoenix American Financial Services, Inc.

2401 Kerner Boulevard

San Rafael, CA 94901-5529

888-241-3737

THESE SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION NOR HAS THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION PASSED UPON THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this Prospectus is July 22, 2002.

CORPORATE PROPERTY ASSOCIATES 14 INCORPORATED

Corporate Property Associates 14 Incorporated, or CPA[®]:14, is a real estate investment trust, referred to as a “REIT,” that acquires and owns commercial properties leased to companies nationwide, primarily on a triple net basis. As of June 30, 2002, our portfolio consisted of more than 130 properties leased to more than 60 tenants and totaling more than 20 million square feet.

Our core investment strategy is to purchase and own properties leased to a variety of companies on a single tenant net lease basis. These leases generally place the economic burden of ownership on the tenant by requiring them to pay the costs of maintenance, insurance, taxes, structural repairs and other operating expenses. We also generally include in our leases:

- clauses providing for mandated rent increases or periodic rent increases tied to increases in the consumer price index or other indices or, when appropriate, increases tied to the volume of sales at the property;
- covenants restricting the activity of the tenant to reduce the risk of a change in credit quality;
- indemnification of CPA[®]:14 for environmental and other liabilities; and
- guarantees from parent companies or other entities.

We were formed as a Maryland corporation on June 4, 1997. Between November 1997 and November 2001, we sold a total of 65,794,280 shares of common stock for a total of \$657,942,800 in offering proceeds. These proceeds have been combined with limited recourse mortgage debt to purchase our property portfolio. As a REIT, we are not subject to federal income taxation as long as we satisfy certain requirements relating to the nature of our income, the level of our distributions and other factors.

W. P. Carey & Co. LLC provides both strategic and day-to-day management for CPA[®]:14, including acquisition services, research, investment analysis, asset management, capital funding services, disposition of assets, investor relations and administrative services. W. P. Carey & Co. LLC also provides office space and other facilities for us. W. P. Carey & Co. LLC has dedicated seniorexecutives in each area of its organization so that we function as a fully integrated operating company. We pay asset management fees to W. P. Carey & Co. LLC and pay certain transactional fees. We also reimburse W. P. Carey & Co. LLC for certain expenses. W. P. Carey & Co. LLC also serves in this capacity for Carey Institutional Properties Incorporated, Corporate Property Associates 12 Incorporated and Corporate Property Associates 15 Incorporated. W. P. Carey & Co. LLC is a publicly traded company on the New York Stock Exchange and the Pacific Stock exchange under the symbol “WPC.”

Our principal executive offices are located at 50 Rockefeller Plaza, New York, NY 10020 and our telephone number is (212) 492-1100. As of June 30, 2002, we had no employees. Carey Asset Management Corp., a wholly-owned subsidiary of W. P. Carey & Co. LLC, employs 105 individuals, some of whom perform services for us.

SUMMARY DESCRIPTION OF THE PLAN

PURPOSE OF THE PLAN

The primary purpose of the plan is to provide current holders of shares with an economical and convenient method of increasing their investment in CPA[®]:14 by investing cash distributions in additional shares and/or by investing optional cash payments in shares at the net asset value or current market value WITHOUT DIRECT PAYMENT OF ANY BROKERAGE COMMISSION or service charge. As shares are purchased from CPA[®]:14 under the plan, we will receive additional funds for acquisitions and general company purposes.

The plan was adopted by our Board of Directors on June 12, 2002 and became effective on June 12, 2002. The following questions and answers will provide you with a description of the plan and how it works. If you do not participate in the plan, you will receive cash distributions, as declared and paid in the usual manner.

PARTICIPATION

1. *Who is eligible to enroll in the Plan?*

If you hold any shares of CPA[®]:14 common stock registered in your name on the records of the Administrative Agent, Phoenix American, you may enroll in the plan. If you have stock registered in the name of someone else (for example, with a bank, broker or trustee), you may be able to arrange for that entity to handle the reinvestment of distributions.

Shareholders who are citizens or residents of a country other than the United States, its territories or possessions should make certain that their participation does not violate local laws governing such things as taxes, currency and exchange controls, stock registration and foreign investments.

2. *How does an eligible shareholder participate?*

To enroll in the plan, you must complete Form 246 and return it to your financial advisor. If your shares are registered in more than one name (e.g., joint tenants, trustees, etc.), all registered holders must sign Form 246. You may obtain a Form 246 by contacting your financial advisor.

3. *When may an eligible shareholder join the plan?*

As an eligible shareholder, you may join the plan at any time. Participation will begin with the first distribution after Form 246 designating the reinvestment of distributions is received by Phoenix American, provided there is sufficient time for processing prior to the record date for that distribution. Participation may also begin upon the receipt of a voluntary cash investment accompanied by an enrollment form.* To ensure participation, your form should be received by Phoenix American by the 15th day of the month preceding the month in which we pay a distribution. Our distributions are expected to be paid on or about the 15th of January, April, July and October unless that date is not a business day (such as a Sunday), in which case they are usually paid on the first following business day. The distribution record date normally precedes the payment date by approximately one week.

* VOLUNTARY CASH INVESTMENT MAY NOT BE PERMITTED BY YOUR BROKER/DEALER.

DISTRIBUTION REINVESTMENT

4. *When will distributions be reinvested toward the purchase of additional shares?*

The distributions on our Common Stock are expected to be paid on or about the 15th of January, April, July and October. The reinvestment of distributions will generally be made on the 15th day of the distribution paying month (or the first business day following the 15th if that day is not a business day) by purchasing newly issued shares directly from CPA®:14.

5. *How will reinvestment purchases be made?*

All shares purchased for you under the plan will be newly-issued shares purchased directly from CPA®:14. The number of shares to be purchased for you through a reinvestment purchase will depend upon the amount of the distributions being reinvested and the net asset value per share of the Common Stock. Phoenix American will purchase as many whole shares and fractional shares (computed to four decimal places) as can be purchased with that amount of distributions.

6. *How will the price of shares purchased through the plan be determined?*

The price of shares purchased from us through the plan will be equal to the most recently determined net asset value per share. Net asset value is determined by adding the most recent appraised value of the real estate owned by CPA®:14 to the value of our other assets, subtracting the total amount of all liabilities and dividing the difference by the total number of outstanding shares.

7. *Will shares acquired through the plan be subject to distribution reinvestment?*

Yes. All distributions paid on shares acquired through the plan will be reinvested in shares of Common Stock pursuant to the plan. The distributions paid on such shares will continue to be reinvested unless you elect to have them paid in cash by changing your investment option.

8. *May I enroll less than all of the shares I own in the plan?*

Yes. You do not have to include all of the shares you own in the plan but all of the distributions paid on the enrolled shares will be reinvested.

VOLUNTARY CASH INVESTMENTS*

9. *How and when may voluntary cash investments be made?**

You may make a voluntary cash investment when you enroll in the plan, and thereafter, as long as you are enrolled in the plan. You may purchase additional shares of our Common Stock by sending to Phoenix American a check or money order made payable to Corporate Property Associates 14 Incorporated along with an order form which can be requested from Phoenix American. Voluntary cash investments must be received by Phoenix American on or before the voluntary cash investment date which is generally the 15th day of the month prior to the month in which a distribution is to be paid.

All shares purchased for you under the plan will be newly-issued shares purchased directly from CPA®:14. The number of shares to be purchased for you through a voluntary contribution purchase will depend upon the amount of the contribution and the net asset value per share of the Common Stock. Phoenix American will purchase as many whole shares and fractional shares (computed to four decimal places) as can be purchased with the amount of your contribution.

*** VOLUNTARY CASH INVESTMENT MAY NOT BE PERMITTED BY YOUR BROKER/DEALER.**

10. *When will voluntary cash investments be invested toward the purchase of additional shares?**

The investment will be made on the 15th day of the month prior to the month a distribution is paid or, if that is not a business day, the first succeeding day which is a business day.

11. *How will the price of shares purchased through voluntary cash investments be determined?**

The price of shares purchased directly from us through the plan, whether through distribution reinvestment or voluntary cash investments, will be equal to the most recently determined net asset value per share. Net asset value is determined by adding the most recent appraised value of the real estate owned by CPA®:14 to the value of our other assets, subtracting the total amount of all liabilities and dividing the difference by the total number of outstanding shares.

12. *Will shares acquired through voluntary cash investments be subject to distribution reinvestment?**

Yes. All distributions paid on shares acquired through the plan will be reinvested in new shares of Common Stock. The distributions paid on such shares will continue to be reinvested unless you elect to have them paid in cash by changing your investment option.

13. *What happens if a voluntary cash investment is received after the voluntary cash investment date?**

The purchase of stock as a result of voluntary cash investments received by Phoenix American will normally begin on the voluntary cash investment date in each quarter. Phoenix American will immediately forward any voluntary cash investments it receives directly to CPA®:14 for the purchase of shares. If Phoenix American receives your voluntary cash investment after the distribution payment date in any quarter, it will immediately forward your funds to CPA®:14, and CPA®:14 will hold them until the next distribution payment date, when your funds will be used to purchase shares. Similarly, if for any reason a distribution is not paid in any quarter, CPA®:14 will hold any voluntary cash investment it has received until the next distribution payment date. No interest will be paid on cash investments when they are held by CPA®:14. Therefore, we strongly urge you to submit any voluntary cash investments so that they are received shortly before the distribution payment date for a quarter. If you wish to have your cash investment returned to you at any time before your cash is used to purchase shares, please call CPA®:14's Investor Relations Department at 1-800-972-2739, or Phoenix American Financial Services at 1-888-241-3737, and your cash will be promptly returned to you.

COSTS

14. *What costs are associated with investments in the plan?*

You pay no direct fees in connection with purchases under the plan. CPA®:14 will pay, on your behalf, selling commissions and other fees related to the purchase of shares. The amount of these commissions and fees, however, is considered income to you, and will be taxable to you along with the distributions themselves. Please read the section entitled "Tax Consequences" below for further details.

*** VOLUNTARY CASH INVESTMENT MAY NOT BE PERMITTED BY YOUR BROKER/DEALER.**

OWNERSHIP OF SHARES

15. How is ownership of shares purchased through the plan recorded?

All shares of our Common Stock that you purchase through the reinvestment of distributions and/or voluntary cash investments are recorded in your name on our books.*

SALE OF PLAN SHARES

16. Can the shares held in the plan be sold?

You may sell the shares held in the plan, and your other shares, at any time, subject to any restrictions we may impose on the sale of shares to protect our status as a real estate investment trust.

ISSUANCE OF STOCK CERTIFICATES

17. Will stock certificates be issued for shares purchased?

No stock certificates will be issued because we do not issue stock certificates. The number of shares you hold in the plan will be shown on your regular statement of account.

TERMINATION OF PLAN PARTICIPATION

18. How do I terminate my participation in the plan?

In order to terminate participation in the plan, you must notify Phoenix American in writing. After Phoenix American receives such notice, distributions will be sent to you in the usual manner. You may not make voluntary cash investments after you terminate your participation in the plan.* A \$10.00 fee will be charged upon the termination of participation in the Plan. This fee must be paid by check payable to Phoenix American.

19. When will a termination notice be effective?

A termination notice will be effective upon receipt by Phoenix American, provided such notice is received not later than the 15th day of the month preceding the month in which the next distribution is paid. You will be entitled to a refund of the uninvested portion of any voluntary cash investment if written notice is received by Phoenix American not later than two business days prior to the voluntary cash investment date

20. How are shares distributed upon termination of the plan?

Your shares held under the plan will be recorded on the books of CPA®:14 and will continue to be reflected on our books after termination of the plan. We do not issue stock certificates.

TAX CONSEQUENCES

21. What are the income tax consequences of participation in the plan?

The reinvestment of distributions does not relieve you of any income tax which may be payable on such distributions. The amount of the distribution will be includable in your cost basis of shares purchased. Additionally, the amount of commissions and fees paid on your behalf in connection with purchases under the plan will also be considered income to you. The information return (Form 1099) sent by Phoenix American to you and the IRS at the end of the year will show the amount of the distributions paid to you and commissions and fees paid on your behalf.

* VOLUNTARY CASH INVESTMENT MAY NOT BE PERMITTED BY YOUR BROKER/DEALER.

The income tax consequences for participants who do not reside in the United States may vary from jurisdiction to jurisdiction.

If you are considering participation in the plan, we urge you to consult with your own tax advisors regarding the specific tax consequences (including the federal, state and local tax consequences) that may result from your participation in the plan and of potential changes in applicable tax laws.

22. *How are federal income tax withholding provisions applied to shareholders who participate in the plan?*

If you fail to provide certain federal income tax certifications in the manner required by law, distributions on stock and proceeds from the sale of any shares held for your account are subject to federal income tax withholding, currently at the rate of 31%.

If you are a foreign shareholder whose distributions are subject to United States income tax withholding at the current statutory rate (or lower treaty rate), the appropriate amount will be withheld and the balance will be used to purchase additional shares.

23. *What are the income tax consequences of participation in the plan for tax-exempt shareholders?*

Tax-exempt shareholders, including IRAs, Keogh Plans, 401(k) plans, charitable remainder trusts, etc. generally will not have to pay any taxes on distributions, including distributions reinvested under the plan. However, if a tax-exempt shareholder borrows to acquire shares, or if we become a pension-held REIT, distributions can be taxable.

PLAN ADMINISTRATION

24. *How will the plan be administrated?*

Phoenix American, our transfer agent, or a successor selected by us, will administer the plan for participants, keep records, send statements of account to participants, answer participants' questions and perform other duties related to the plan.

25. *Whom should I contact for answers to questions regarding the plan?*

All inquiries regarding the plan should be sent to:

Phoenix American Financial Services, Inc.
2401 Kerner Boulevard
San Rafael, CA 94901-5529
888-241-3737

26. *What kind of reports will be sent to participants in the plan?*

As soon as practicable after each purchase, a statement of account will be mailed to you by Phoenix American. These statements are your continuing record of current activity and should be retained for tax purposes. In addition, each participant will receive all communications sent to every other shareholder.

ADDITIONAL INFORMATION

27. *How will my shares purchased through the plan be voted at shareholders' meetings?*

Shares purchased through the plan will be voted as you direct. Each participant will receive a proxy voting card for the total of their shares in CPA[®]:14, including whole shares held in the plan. If no instructions are received, your shares will not be voted.

28. *What are the liabilities of CPA[®]:14 and Phoenix American under the plan?*

Neither CPA[®]:14 nor Phoenix American shall be liable under the plan for any act done in good faith, or for any good faith omission to act, including, without limitation, any claims of liability (1) arising out of failure to terminate the participant's account upon such participant's death prior to receipt of notice in writing of such death or (2) with respect to the prices at which shares are purchased or sold for the participant's account and the times such purchases or sales are made.

29. *May the plan be changed or discontinued?*

We reserve the right to amend, modify, suspend or terminate the plan, but such action shall have no retroactive effect that would prejudice your interests.

30. *What law governs the plan?*

The terms and conditions of the plan and its operation shall be governed by the laws of the State of Maryland.

USE OF PROCEEDS

The net proceeds from the sale of the Common Stock offered pursuant to the plan and purchased directly from us will be used for general corporate purposes of Corporate Property Associates 14 Incorporated.

LEGAL MATTERS

The validity of the shares offered hereby and certain legal and tax matters will be passed upon by Reed Smith LLP, Philadelphia, PA.

EXPERTS

The financial statements incorporated in this Prospectus by reference to the Annual Report on Form 10-K for the year ended December 31, 2001 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent accountants, given on the authority of said firm as experts in auditing and accounting.

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

There are incorporated herein by reference the following documents previously filed by CPA[®]:14 with the Commission:

- (a) The description of our shares contained in our Registration Statement on Form S-11, as amended (Reg. No. 33-76761), filed April 27, 2001
- (b) Our annual report for the year ended December 31, 2001 on Form 10-K.
- (c) Our quarterly report for the three-month period ended March 31, 2002 on Form 10-Q.

All documents filed by CPA[®]:14 pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act subsequent to the date of this Prospectus and prior to the termination of the offering of the securities made hereby shall be deemed to be incorporated by reference into this Prospectus.

CPA[®]:14 hereby undertakes to provide without charge to each person, including any beneficial owner, to whom a Prospectus is delivered, upon written or oral request of that person, a copy of any document incorporated herein by reference (or incorporated into the documents that this Prospectus incorporates by reference). Requests should be directed to W. P. Carey & Co. LLC, 50 Rockefeller Plaza, New York, NY 10020, telephone (212) 492-1100.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We are subject to the information requirements of the Securities Exchange Act of 1934, as amended. Therefore, we file reports and other information with the Securities and Exchange Commission (the "Commission"). You may inspect and copy reports, proxy statements and other information we file with the Commission at the Commission's public reference room at 450 Fifth Street, N.W., Washington, D.C. 20549. You may obtain information on the operation of the public reference room by calling the Commission at 1-800-SEC-0330. In addition, shareholders will receive annual reports containing audited financial statements with a report thereon by our independent certified public accountants, and quarterly reports containing unaudited summary financial information for each of the first three quarters of each fiscal year. This Prospectus does not contain all information set forth in the Registration Statement and Exhibits thereto which we have filed with the Commission under the Securities Act of 1933, as amended, and to which reference is hereby made. We file information electronically with the Commission, and the Commission maintains a Web Site that contains reports, proxy and information statements and other information regarding registrants (including CPA[®]:14) that file electronically with the Commission. The address of the Commission's Web Site is (<http://www.sec.gov>).

NOTICE TO TEXAS INVESTORS

Please note that while we state in this prospectus that you can reinvest your distributions without payment of any brokerage commission or service charge, a five percent (5%) commission will in fact be paid by Corporate Property Associates 14 Incorporated on your behalf for all purchases of shares made in this offering. This payment will have tax consequences for you (see Questions 14 and 21 herein), and will decrease the amount of funds available to us for general corporate purposes and for future distributions to shareholders. If the maximum number of shares being offered in this offering is sold, the maximum amount of such commissions will be \$2,500,000.

No Person has been authorized to give any information or to make any representation other than those contained or incorporated by reference in this prospectus and, if given or made, such information or representation must not be relied upon as having been authorized by Corporate Property Associates 14 Incorporated. This prospectus does not constitute an offer to sell, or the solicitation of an offer to buy, securities in any circumstances in which such offer or solicitation is unlawful. Neither the delivery of this prospectus nor any sale made hereunder shall, under any circumstances, create any implication that the information contained or incorporated by reference herein is correct as of any time subsequent to the date of such information.

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