

Sale-Leasebacks: An Innovative **Tool to Convert Corporate** Real Estate into Working Capital

Many companies have a large part of their equity tied up in their real estate assets, despite not being in the business of real estate. In a sale-leaseback, a company sells its real estate to an investor like W. P. Carey for cash and simultaneously enters into a long-term lease. In doing so, the company extracts 100% of the property's value and converts an otherwise illiquid asset into working capital to grow its business, while maintaining full operational control.



Sale-Leaseback Benefits

Sale-leasebacks enable the seller/tenant to:

- Unlock the full market value of otherwise illiquid real estate assets
- Reinvest the cash realized from the sale-leaseback into its core business operations and growth objectives, while retaining full operational control of the facility
- Benefit from 100% deductibility of rental payments rather than being subject to interest limitations for traditional debt as defined by tax laws

About W. P. Carey

W. P. Carey Inc. (NYSE: WPC), one of the largest net lease REITs, provides long-term sale-leaseback and build-to-suit capital solutions primarily for companies in North America and Europe. We are well positioned with the capital and experience needed to maximize efficiency and ensure certainty of close on complex, single and multicountry deals that meet our investment criteria.

Years of Experience

Number of Countries

Tenant Industries (GICS®)

Net Lease **Properties**

1,662

Our Investment Criteria

- Occupancy Single-tenant
- Property Types Industrial, warehouse, select retail, other specialized assets
- Purchase Price \$5M to \$500M
- Geographies U.S. and Europe

Who We Work With

- Brokers
- Publicly traded and privately held companies
- Developers
- Private equity firms and their portfolio companies

Our Capabilities



Public, private and emerging tenant credits



All-equity buyer



Flexible deal structures



Certainty of close



Future capital for growth and expansions



Cross-border, multi-country transactions



Sale-Leasebacks: Capital Solutions

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	Tenant	Use of Proceeds	Property Details	Investment ¹
	Tidal Wave One of the largest car wash operators in the U.S.	Provided capital to repay development costs and support tenant's expansion plans	Portfolio of 22 express car wash facilities (13 U.S. states)	\$104 million ²
Jenson Jenson	Fedrigoni Global manufacturer of specialty papers for luxury packaging	Provided capital for tenant to reinvest in core business operations and growth	Portfolio of 16 industrial facilities in Italy, Spain and Germany	€280 million
	Premium Brands Leading manufacturer and distributor of specialty food products.	Funded capital for tenant to strengthen balance sheet and reinvest in core business	Class-A food processing facility powered by 100% renewable energy	\$166 million
	Nippon Express Leading third-party logistics company with operations across 40 countries	Initial sale-leaseback enabled seller/ developer to recoup development costs for future projects. Follow-on investment funded an expansion of the facility. Also worked with tenant to install one of the largest solar rooftops in the Netherlands	BREEAM- and FM- certified, Class-A logistics facility in the Port of Rotterdam	€56 million ³
	Apotex Global pharmaceutical company and largest generic drug manufacturer in Canada	Provided capital to finance a portion of private equity firm's buyout of the company	Four pharmaceutical R&D and manufacturing campuses in Canada	\$468 million
	Amsted One of the largest privately held industrial manufacturing conglomerates in the U.S.	Proceeds funded the growth and expansion of the tenant's Monterrey campus, including the construction of an additional iron foundry and an iron machining facility	1.1-million-square-foot industrial and manufacturing campus in Mexico (five properties)	\$100 million
	Eroski Leading food retailer in Spain	Provided capital for tenant to expand market share across Spain and reinvest in other growth initiatives	32 supermarkets in Spain	€106 million ⁴

- ¹Includes acquisition-related costs and fees.
- 2 Includes \$48 million initial sale-leaseback and \$56 million follow-on sale-leaseback.
 3 Includes initial purchase price and investment for follow-on expansion.
 4 Includes €87 million initial sale-leaseback and €19 million follow-on sale-leaseback.