



June 2020

Dear CPA<sup>®</sup>:18 – Global Shareholder,

As we move through this unprecedented time, I hope that you and your loved ones are safe and well. COVID-19 continues to cause disruption to many companies around the world, having a significant impact on the global economy. We are closely monitoring the impact of the pandemic on all aspects of CPA:18's portfolio. As the duration and the magnitude of the crisis remain uncertain, we believe that it is prudent to take steps to maintain a strong balance sheet and ample liquidity.

CPA:18's portfolio is comprised of 47 commercial real estate properties net leased to 65 tenants with a weighted average lease term of 9.4 years and occupancy of approximately 99%, in addition to 70 operating properties consisting of self-storage and student housing assets. Primarily due to the long-term leases and strong credits of the net lease portfolio, which are critical to our investment strategy, the portfolio at the early stages of this pandemic has held up relatively well. CPA:18 received substantially all net lease contractual base rent that was due in the first quarter and 84% of net lease contractual base rent that was due in April. Furthermore, the self-storage assets have continued to perform well throughout the pandemic, and we believe that the innovative framework agreement with Brookfield helps mitigate the downside risk of the student housing assets. Currently, we believe that there is sufficient liquidity to meet liquidity and capital resource requirements.

We are not, however, totally immune to the impact of COVID-19 and are cautious about the uncertainty ahead. We continue to actively engage in discussions with tenants and the third-party managers of the operating properties regarding their business operations, liquidity, ability to pay rent and their financial position. We have always believed in a diversified approach for our portfolio—diversified across property type, industry and geography—but the net lease hotel assets, along with the entire lodging industry, were impacted immediately and other tenant industries may still be impacted over the longer-term.

The estimated net asset values (NAVs) for Class A and Class C shares as of March 31, 2020, based in part on appraisals conducted by independent third-party firm Robert A. Stanger & Company, Inc., were determined to be \$8.29 per share, which represents a 7.3% decrease from the prior NAVs as of December 31, 2019. The decrease is primarily driven by the reduction in value of the portion of real estate that was appraised as of March 31, 2020, which included the net lease hotel assets that temporarily suspended hotel operations due to COVID-19, in addition to the impact of foreign currency fluctuations.

Going forward, due to the uncertainty of COVID-19, we believe it is prudent to preserve cash to manage long-term liquidity and balance sheet flexibility. Therefore, the Board of Directors has reduced the distribution rate for the second quarter of 2020 to \$0.0625 per Class A share and \$0.0438 per Class C share. Our mission has always been to provide superior risk-adjusted returns that create sustainable long-term value for shareholders. This was not a decision that was taken lightly, but was a decision made through the lens of shareholder value preservation as CPA:18 moves closer to a liquidity event.

As we continue to manage this diverse portfolio, moving later into CPA:18's lifecycle, we are taking the prudent steps today to ensure long-term liquidity. We remain focused on maximizing value to preserve flexibility so that we may provide shareholders with a variety of exit options when markets recover and stabilize. We will continue to monitor the economic outlook and the financial performance of the portfolio and will make decisions in a manner that preserves and protects shareholders' investments.

Thank you for your ongoing support. We remain committed to working on your behalf to execute on our investment strategy to deliver current income and attractive, risk-adjusted returns. If you have any questions, please contact our Investor Relations Department at 1-800-WP CAREY (972-2739) or [IR@wpcarey.com](mailto:IR@wpcarey.com).

With best regards,

A handwritten signature in blue ink, appearing to read "J Fox".

Jason E. Fox  
*Chief Executive Officer*