

press release

REALTY  INCOME



FOR
IMMEDIATE
RELEASE

REALTY INCOME PRICES \$220 MILLION OF 6.75% MONTHLY INCOME CLASS E PERPETUAL PREFERRED SECURITIES

ESCONDIDO, CALIFORNIA, November 30, 2006.... Realty Income Corporation (Realty Income), The Monthly Dividend Company[®], (NYSE: O) today announced the pricing of a public offering of 8,800,000 shares of the Company's Monthly Income Class E Cumulative Redeemable Preferred stock at \$25.00 per share. The offering is anticipated to close on December 7, 2006. Dividends on the Class E preferred stock will be paid monthly based on an annual rate of 6.75%, which is equivalent to approximately \$1.6875 per share annually. The Monthly Income Class E Preferred stock has no stated maturity, sinking fund or mandatory redemption provision. It also is not convertible into any other security of the Company. At the Company's option, the Monthly Income Class E Preferred stock may be redeemed at \$25 per share, plus accrued dividends if any, on or after December 7, 2011. The net proceeds from this offering will be used to repay borrowings on the Company's \$300 million unsecured acquisition credit facility and for other general corporate purposes. The Company intends to file an application to list the Monthly Income Class E Preferred shares on the New York Stock Exchange.

Underwriters for the offering include: Citigroup Corporate and Investment Banking, Merrill Lynch & Co., and Wachovia Securities as co-books, A.G. Edwards and UBS Investment Bank as co-leads, Banc of America Securities LLC, Credit Suisse, Raymond James and RBC Capital Markets as senior co-managers, Robert W. Baird & Co., BNY Capital Markets, Inc., BB&T Capital Markets, JPMorgan, Stifel Nicolaus, and Wells Fargo Securities as co-managers.

A Registration Statement relating to these securities has been filed with the Securities and Exchange Commission and is effective. This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities law of any such state.

A copy of the prospectus relating to the offering may be obtained from: Citigroup Global Markets Inc., Attention: Prospectus Department, Brooklyn Army Terminal, 140 58th St., 8th Floor, Brooklyn, New York, 11220. Interested parties may also call (800) 831-9146.

Forward-Looking Statements

Statements in this press release that are not strictly historical are "forward-looking" statements. Forward-looking statements involve known and unknown risks, which may cause the Company's actual future results to differ materially from expected results. These risks include, among others, general economic conditions, local real estate conditions, the availability of capital to finance planned growth, property acquisitions and the timing of these acquisitions, and the profitability of the Company's subsidiary, Crest Net Lease, as described in the Company's filings with the Securities and Exchange Commission. Consequently, such forward-looking statements should be regarded solely as reflections of the Company's current operating plans and estimates. Actual operating results may differ materially from what is expressed or forecast in this press release. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date these statements were made.

Note to Editors: Realty Income press releases are available at no charge by calling our toll-free investor hotline number: 888-811-2001, or through the Internet at <http://www.realtyincome.com/Investing/News.html>.