

Spirit Realty Capital, Inc.
 Form 424B5
 May 15, 2014
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Filed Pursuant to Rule 424(b)(5)

Registration Statement No. 333-192237

CALCULATION OF REGISTRATION FEE

Title of Each Class of	Amount	Maximum	Maximum	Amount of
	To Be	Offering	Aggregate	Registration
Securities to be Registered	Registered	Unit	Price(2)	Fee(3)
2.875% Convertible Senior Notes due 2019	\$402,500,000(1)	100%	\$402,500,000	\$51,842
3.75% Convertible Senior Notes due 2021	\$345,000,000(2)	100%	\$345,000,000	\$44,436
Common Stock, \$0.01 par value per share	(4)		(4)	(5)

- (1) Includes 2.875% Convertible Senior Notes due 2019 that may be purchased by the underwriters pursuant to their option to purchase additional 2.875% Convertible Senior Notes due 2019 to cover over-allotments, if any.
- (2) Includes 3.75% Convertible Senior Notes due 2021 that may be purchased by the underwriters pursuant to their option to purchase additional 3.75% Convertible Senior Notes due 2021 to cover over-allotments, if any.
- (3) Calculated in accordance with Rule 457(r) under the Securities Act of 1933, as amended (the Securities Act).
- (4) Includes an indeterminate number of shares of common stock issuable upon conversion of the convertible senior notes at the initial conversion price of approximately \$13.10 per share of common stock. Pursuant to Rule 416 under the Securities Act, such number of shares of common stock registered hereby shall include an indeterminate number of shares of common stock that may be issued in connection with a stock split, stock dividend, recapitalization or similar event.
- (5) Pursuant to Rule 457(i), there is no additional filing fee with respect to the shares of common stock issuable upon conversion of the convertible senior notes because no additional consideration will be received in connection with the exercise of the conversion privilege.

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PROSPECTUS SUPPLEMENT

(To Prospectus dated May 13, 2014)

SPIRIT REALTY CAPITAL, INC.

\$350,000,000 2.875% Convertible Senior Notes due 2019

\$300,000,000 3.75% Convertible Senior Notes due 2021

We are offering \$350.0 million aggregate principal amount of our 2.875% Convertible Senior Notes due 2019 (the 2019 notes) and \$300.0 million aggregate principal amount of our 3.75% Convertible Senior Notes due 2021 (the 2021 notes and, together with the 2019 notes, the notes). Interest on the notes will be payable semiannually in arrears on May 15 and November 15 of each year, beginning on November 15, 2014. The 2019 notes will mature on May 15, 2019 and the 2021 notes will mature on May 15, 2021.

Holders may convert notes of either series at their option at any time prior to the close of business on the business day immediately preceding November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, only under the following circumstances: (1) during any calendar quarter commencing after the calendar quarter ending on June 30, 2014 (and only during such calendar quarter), if the last reported sale price of the common stock for each of at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price for the notes of such series on such trading day; (2) during the five business day period after any 10 consecutive trading day period, or the measurement period, in which the trading price (as defined in this prospectus supplement) per \$1,000 principal amount of the notes of such series for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate for the notes of such series on such trading day; (3) if we call any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or (4) upon the occurrence of specified corporate events described in this prospectus supplement. On or after November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, until the close of business on the second scheduled trading day immediately preceding the maturity date of the notes of the applicable series, holders may convert the notes of the applicable series at any time, regardless of the foregoing circumstances. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election, as described in this prospectus supplement.

The conversion rate applicable to each of the 2019 notes and the 2021 notes will initially be 76.3636 shares of common stock per \$1,000 principal amount of notes (equivalent to an initial conversion price of approximately \$13.10 per share of common stock). The conversion rate for each series of the notes will be subject to adjustment in some events but will not be adjusted for any accrued and unpaid interest. In addition, following certain corporate events that occur prior to the maturity date, we will increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event in certain circumstances.

We may not redeem the notes of either series prior to the maturity date except to the extent necessary to preserve our status as a real estate investment trust for U.S. federal income tax purposes, which we refer to as a REIT, as further described herein. No sinking fund is provided for the notes.

If we undergo a fundamental change, holders may require us to repurchase for cash all or any portion of their notes at a fundamental change repurchase price equal to 100% of the principal amount of the notes to be repurchased, *plus* accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The notes will be our senior unsecured obligations and will rank senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes; equal in right of payment to any of our unsecured indebtedness that is not so subordinated; effectively junior in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

We do not intend to apply to list the notes on any securities exchange or any automated dealer quotation system. Our common stock is listed on The New York Stock Exchange, or NYSE, under the symbol SRC. The last reported sale price of our common stock on the NYSE on May 14, 2014 was \$10.69 per share.

Concurrently with this offering of notes, we are offering, pursuant to a separate prospectus supplement, 23,000,000 shares of our common stock (or 26,450,000 shares of our common stock if the underwriters in that offering exercise their option to purchase additional shares of common stock in full), which we refer to as the concurrent common stock offering. We cannot assure you that the concurrent common stock offering will be completed or, if completed, on what terms it will be completed. The offering of the notes pursuant to this prospectus supplement and the accompanying prospectus is not contingent upon the consummation of the concurrent offering, and the concurrent common stock offering is not contingent on the consummation of the offering of the notes pursuant to this prospectus supplement and the accompanying prospectus.

Investing in the notes involves a high degree of risk. See the Risk Factors section beginning on page S-8 of this prospectus supplement and the risks set forth beginning on page 12 of our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference herein.

	2019 Notes		2021 Notes	
	Per Note	Total	Per Note	Total
Public offering price ⁽¹⁾	100.00%	\$ 350,000,000	100%	\$ 300,000,000
Underwriting discount	2.75%	9,625,000	2.75%	8,250,000
Proceeds, before expenses, to us	97.25%	340,375,000	97.25%	291,750,000

(1) Plus accrued interest if any, from May 20, 2014.

We have granted the underwriters the right to purchase, exercisable within a 30-day period, up to an additional \$52.5 million principal amount of 2019 notes and \$45.0 million principal amount of 2021 notes, solely to cover over allotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of the notes or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

We expect that delivery of the notes will be made to investors in book-entry form through The Depository Trust Company on or about May 20, 2014.

Joint Book-Running Managers

Morgan Stanley

J.P. Morgan
Co-Managers

RBC Capital Markets

Baird

Capital One Securities

Raymond James

SunTrust Robinson Humphrey

Prospectus Supplement dated May 14, 2014

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You should rely only on the information contained in or incorporated by reference into this prospectus supplement, the accompanying prospectus or any applicable free writing prospectus we have authorized for use in connection with this offering in making a decision about whether to invest in the notes offered hereby. We have not, and the underwriters have not, authorized any other person to provide you with different or additional information. If anyone provides you with different or additional information, you should not rely on it. This prospectus supplement and the accompanying prospectus do not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in any jurisdiction where it is unlawful to make such offer or

solicitation. You should assume that the information appearing in this prospectus supplement, the accompanying prospectus, any applicable free writing prospectus and the documents incorporated by reference herein or therein is accurate only as of their respective dates or on the date or dates that are specified in such documents. Our business, financial condition, liquidity, results of operations, funds from operations and prospects may have changed since those dates.

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ABOUT THIS PROSPECTUS SUPPLEMENT AND THE PROSPECTUS

This document is in two parts. The first part is this prospectus supplement, which describes the specific terms of this offering and also adds to and updates information contained in the accompanying prospectus and the documents incorporated by reference. The second part, the accompanying prospectus, gives more general information, some of which does not apply to this offering.

To the extent the information contained in this prospectus supplement differs or varies from the information contained in the accompanying prospectus or documents incorporated by reference, the information in this prospectus supplement will supersede such information. In addition, any statement in a filing we make with the Securities and Exchange Commission, or the SEC, that is incorporated by reference herein and adds to, updates or changes information contained in an earlier filing we made with the SEC shall be deemed to modify and supersede such information in the earlier filing.

This prospectus supplement does not contain all of the information that is important to you. You should read the accompanying prospectus as well as the documents incorporated by reference in this prospectus supplement and the accompanying prospectus. See **Incorporation by Reference** in this prospectus supplement and **Where You Can Find More Information** in the accompanying prospectus.

Spirit Realty Capital, Inc. is a real estate investment trust, or REIT, and operates its business through its consolidated subsidiary, Spirit Realty, L.P., a Delaware limited partnership. Unless otherwise indicated or unless the context requires otherwise, each reference in this prospectus supplement to:

our company, we, us or our means Spirit Realty Capital, Inc., a Maryland corporation, formerly known as Cole Credit Property Trust II, Inc., together with its consolidated subsidiaries, including Spirit Realty, L.P.;

pre-merger Spirit means Spirit Realty Capital, Inc., a Maryland corporation, prior to its merger with and into Cole Credit Property Trust II, Inc.;

our operating partnership means Spirit Realty, L.P., a Delaware limited partnership; and

the merger means the series of transactions completed on July 17, 2013 pursuant to the terms of the Agreement and Plan of Merger, as amended by the First Amendment to Agreement and Plan of Merger, dated as of May 8, 2013, by and among Cole Credit Property Trust II, Inc., Spirit Realty Capital, Inc., Cole Operating Partnership II, LP and Spirit Realty, L.P., that resulted in the merger of Spirit Realty Capital, Inc. with and into Cole Credit Property Trust II, Inc., with Cole Credit Property Trust II, Inc. surviving the merger and being renamed Spirit Realty Capital, Inc., and the merger of Cole Operating Partnership II, LP with Spirit Realty, L.P., with Spirit Realty, L.P. continuing as the surviving partnership.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus supplement and the accompanying prospectus, including the documents incorporated by reference in each, contain, and documents we subsequently file with the SEC and incorporate by reference in each may contain, certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act, as amended, or the Exchange Act. When used in this prospectus supplement or in the documents incorporated by reference, the words estimate, anticipate, expect, believe, intend, may, will, should, seek, approximately or plan, or the negative of these words and phrases or words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters are intended to identify forward-looking statements. You can also identify forward-looking statements by discussions of strategy, plans or intentions of management.

Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

general business and economic conditions;

continued volatility and uncertainty in the credit markets and broader financial markets, including potential fluctuations in the consumer price index;

our success in implementing our business strategy and our ability to identify, underwrite, finance, consummate, integrate and manage diversifying acquisitions or investments;

the nature and extent of future competition;

increases in our costs of borrowing as a result of changes in interest rates and other factors;

our ability to access debt and equity capital markets;

our ability to pay down, refinance, restructure and/or extend our indebtedness as it becomes due;

our ability and willingness to renew our leases upon expiration of the leases and our ability to reposition our properties on the same or better terms in the event such leases expire and are not renewed by the tenants or in the event we exercise our rights to replace an existing tenant upon default;

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the impact of any financial, accounting, legal or regulatory issues or litigation that may affect us or our major tenants;

other risks inherent in the real estate business, including tenant defaults, potential liability relating to environmental matters, illiquidity of real estate investments and potential damages from natural disasters;

the risk that the anticipated benefits from the merger may not be realized or may take longer to realize than expected;

the risk that significant information technology systems conversions that we are undertaking or may undertake in the future may take longer to implement than expected or that anticipated benefits may not be realized;

our ability and willingness to maintain our qualification as a REIT due to economic, market, legal, tax or other considerations;

we have incurred substantial expenses related to the merger and expect to continue to incur expenses related to the integration;

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the successful completion of our concurrent common stock offering;

the uses of proceeds from this offering and our concurrent common stock offering; and

our future results may suffer if we do not effectively manage our expanded operations

The factors included in this prospectus supplement and the accompanying prospectus, including the documents incorporated by reference in each, and documents we subsequently file with the SEC and incorporate by reference in each, are not exhaustive and additional factors could adversely affect our business and financial performance. For a discussion of additional risk factors, see the factors included under the caption **Risk Factors** in this prospectus supplement and the accompanying prospectus, in our most recent Annual Report on Form 10-K, and subsequent Quarterly Reports on Form 10-Q, as well as the other risks described in this prospectus supplement and the accompanying prospectus and the documents incorporated by reference in each. All forward-looking statements are based on information that was available, and speak only, as of the date on which they were made. We assume no obligation to update any forward-looking statement that becomes untrue because of subsequent events, new information or otherwise, except to the extent we are required to do so in connection with our ongoing requirements under federal securities laws.

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PROSPECTUS SUPPLEMENT SUMMARY

This summary highlights selected information appearing elsewhere or incorporated by reference in this prospectus supplement and the accompanying prospectus and any free writing prospectus that we have authorized for use in connection with this offering and may not contain all of the information that is important to you. This prospectus supplement and the accompanying prospectus include information about the notes we are offering and our common stock (into which such notes may be convertible) as well as information regarding our business and financial data. You should read this prospectus supplement and the accompanying prospectus, including information incorporated by reference, and any free writing prospectus that we have authorized for use in connection with this offering, in their entirety. Investors should carefully consider the information set forth under Risk Factors beginning on page S-8 of this prospectus supplement and beginning on page 12 of our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference herein.

Spirit Realty Capital, Inc.

We are a Maryland corporation and operate as a self-administered and self-managed REIT that seeks to generate and deliver sustainable and attractive returns for our stockholders by investing primarily in and managing a portfolio of single-tenant, operationally essential real estate throughout the United States that is generally leased on a long-term, triple-net basis primarily to tenants engaged in retail, service and distribution industries. Single tenant, operationally essential real estate generally refers to free-standing, commercial real estate facilities where tenants conduct activities that are essential to the generation of their sales and profits.

As of March 31, 2014, our undepreciated gross investment in real estate and loans totaled approximately \$7.38 billion, representing investments in 2,287 properties, including properties securing our mortgage loans. Of this amount, 98.4% consisted of our gross investment in real estate, representing ownership of 2,142 properties, and the remaining 1.6% consisted of commercial mortgage loans receivable secured by the remaining 145 properties or other related assets.

We operate our business through our operating partnership. Spirit General OP Holdings, LLC, which is one of our wholly owned subsidiaries, is the sole general partner of our operating partnership and owns 1.0% of our operating partnership. We are the sole limited partner and own the remaining 99.0% interest in our operating partnership.

Our outstanding common stock is listed on the NYSE under the symbol SRC.

Concurrent Common Stock Offering

Concurrently with this offering, we are offering 23,000,000 shares of our common stock, or 26,450,000 shares if the underwriters exercise in full their option to purchase additional shares, which we refer to herein as the concurrent common stock offering. The concurrent common stock offering is being conducted as a separate public offering by means of a separate prospectus supplement and accompanying prospectus. This offering is not contingent upon the completion of the concurrent common stock offering and the concurrent common stock offering is not contingent upon the completion of this offering. We cannot assure you that either or both of the offerings will be completed.

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Recent Developments

From April 1, 2014 through May 9, 2014, we acquired 23 properties for a gross acquisition cost of approximately \$43.3 million in five real estate transactions with an initial cash yield of approximately 7.64% and an average remaining lease term of approximately 17.6 years. We calculate initial cash yield from our acquired properties by dividing the annualized first month base rent (excluding any future rent escalations provided for in the lease) by the gross acquisition cost of the properties. Gross acquisition cost for an acquired property includes the contracted purchase price and any related capitalized costs. Because it excludes any future rent increases or additional rent that may be contractually provided for in the lease, as well as any other income or fees that may be earned from lease modifications or asset dispositions, initial cash yield does not represent the annualized investment rate of return of our acquired properties. Additionally, actual base rent earned from the properties acquired may differ from the initial cash yield based on other factors, including difficulties collecting anticipated rental revenues and unanticipated expenses at these properties that we cannot pass on to tenants, as well as the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement.

As of the date of this prospectus supplement, we have acquisitions under contract with an aggregate purchase price of approximately \$114 million. While we expect to complete these acquisitions by June 30, 2014, consummation of each acquisition is subject to customary closing conditions. As a result, there can be no assurance that we will complete all of these acquisitions by such date or at all.

Corporate Information

Our principal executive offices are located at 16767 North Perimeter Drive, Suite 210, Scottsdale, Arizona 85260. Our telephone number is (480) 606-0820. Our web site is www.spirtirealty.com. Information contained in or that can be accessed through our web site is not part of, and is not incorporated into, this prospectus supplement or the accompanying prospectus. The foregoing information about us is only a general summary and is not intended to be comprehensive. For additional information about us, you should refer to the information under **Incorporation by Reference** in this prospectus supplement and **Where You Can Find More Information** in the accompanying prospectus.

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The summary below describes the principal terms of the notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Debt Securities section of the accompanying prospectus, as supplemented by the Description of Notes section of this prospectus supplement, contains a more detailed description of the terms and conditions of the notes. As used in this section, we, our, and us refer to Spirit Realty Capital, Inc. and not to its subsidiaries.

Issuer	Spirit Realty Capital, Inc., a Maryland corporation
Securities	\$350.0 million aggregate principal amount of 2.875% Convertible Senior Notes due 2019 (plus up to an additional \$52.5 million principal amount to cover over-allotments), which we refer to as the 2019 notes, and \$300.0 million aggregate principal amount of 3.75% Convertible Senior Notes due 2021 (plus up to an additional \$45.0 million principal amount to cover over-allotments), which we refer to as the 2021 notes. We refer to the 2019 notes and the 2021 notes collectively as the notes.
Maturity	May 15, 2019 for the 2019 notes and May 15, 2021 for the 2021 notes, in each case, unless earlier repurchased, redeemed or converted.
Interest	2.875% per year for the 2019 notes and 3.75% per year for the 2021 notes. Interest will accrue on the notes from, and including, May 20, 2014 payable semiannually in arrears on May 15 and November 15 of each year, beginning on November 15, 2014. We will pay additional interest, if any, at our election as the sole remedy relating to our failure to comply with our reporting obligations as described under Description of Notes Events of Default.
Conversion Rights	<p> Holders may convert all or any portion of the notes of either series, in multiples of \$1,000 principal amount, at their option at any time prior to the close of business on the business day immediately preceding November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, only under the following circumstances:</p> <p style="padding-left: 40px;">during any calendar quarter commencing after the calendar quarter ending June 30, 2014 (and only during such calendar quarter), if the last reported sale price of the common stock for each of at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day</p>

of the immediately preceding calendar quarter is greater than or equal to 130% of the conversion price for the notes of such series on such trading day;

during the five business day period after any 10 consecutive trading day period, or the measurement period, in which the trading price (as defined under Description of Notes Conversion Rights Conversion Upon Satisfaction of Trading Price Condition) per \$1,000 principal amount of the notes of such series for each trading day of the measurement period was less than 98% of the product of the last reported sale price of our common stock and the conversion rate for the notes of such series on each such trading day;

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if we call any or all of the notes for redemption, at any time prior to the close of business on the scheduled trading day immediately preceding the redemption date; or

upon the occurrence of specified corporate events described under
Description of Notes Conversion Rights Conversion Upon Specified Corporate Events.

On or after November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, until the close of business on the second scheduled trading day immediately preceding the maturity date of the notes of the applicable series, holders may convert all or any portion of the notes of the applicable series, in multiples of \$1,000 principal amount, at the option of the holder regardless of the foregoing circumstances.

The conversion rate for each of the 2019 notes and the 2021 notes is initially 76.3636 shares of common stock per \$1,000 principal amount of notes (equivalent to an initial conversion price of approximately \$13.10 per share of common stock), in each case, subject to adjustment as described in this prospectus supplement. Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of our common stock, at our election. We refer to our obligation to pay or deliver these amounts as our conversion obligation. If we satisfy our conversion obligation solely in cash or through payment and delivery, as the case may be, of a combination of cash and shares of our common stock, the amount of cash and shares of common stock, if any, due upon conversion will be based on a daily conversion value (as described herein) calculated for each trading day in a 20 trading day observation period (as described herein). See
Description of Notes Conversion Rights Settlement Upon Conversion.

In addition, following certain corporate events that occur prior to the maturity date of the notes of either series, we will increase the conversion rate for a holder who elects to convert its notes in connection with such a corporate event in certain circumstances as described under
Description of Notes Conversion Rights Increase in Conversion Rate Upon Conversion Upon a Make-Whole Fundamental Change.

You will not receive any additional cash payment or additional shares representing accrued and unpaid interest, if any, upon conversion of a note, except in limited circumstances. Instead, interest will be deemed to be paid by the cash, shares of our common stock or a combination of

cash and shares of our common stock paid or delivered, as the case may be, to you upon conversion of a note.

Ownership Limitations

Our charter prohibits the actual, beneficial or constructive ownership by any person of more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of our common stock or more than 9.8% in value of the aggregate of the outstanding shares of

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all classes and series of our stock. Notwithstanding any other provision of the notes, no holder of notes will be entitled to convert such notes into shares of our common stock to the extent that receipt thereof would violate the ownership limits contained in our charter. Our charter also contains other restrictions on ownership and transfer of stock. See

Description of Capital Stock Restrictions on Ownership and Transfer in the accompanying prospectus.

If any delivery of shares of our common stock owed to a holder upon conversion of notes is not made, in whole or in part, as a result of the limitations described above, our obligation to make such delivery shall not be extinguished and we shall deliver such shares as promptly as reasonably practicable after any such converting holder gives notice to us that such delivery would not result in it being the actual, beneficial or constructive owner of more than 9.8% (by value or number, whichever is more restrictive) of the shares of common stock, or of our outstanding capital stock, outstanding at such time.

Redemption of Notes to Preserve REIT Status

We may not redeem the notes prior to the maturity date except to the extent but only to the extent necessary to preserve our status as a REIT. If we determine that it is necessary to redeem the notes to preserve our status as a REIT, we may redeem for cash all or part of the notes of either series prior to the maturity date of the notes of such series at a redemption price equal to 100% of the principal amount of the notes to be redeemed, plus accrued and unpaid interest to, but excluding, the redemption date. No sinking fund is provided for the notes, which means that we are not required to redeem or retire the notes periodically.

We will give notice of any redemption not less than 27 scheduled trading days or more than 60 calendar days before the redemption date by mail or electronic delivery to the trustee, the paying agent and each holder of notes. See Description of Notes Redemption of Notes to Preserve REIT Status.

Fundamental Change

If we undergo a fundamental change (as defined in this prospectus supplement under Description of Notes Fundamental Change Permits Holders to Require Us to Repurchase Notes), subject to certain conditions, holders may require us to repurchase for cash all or part of their notes in principal amounts of \$1,000 or an integral multiple thereof. The fundamental change repurchase price will be equal to 100% of the principal amount of the notes to be repurchased, plus accrued and unpaid interest to, but excluding, the fundamental change repurchase date. See

Description of Notes Fundamental Change Permits Holders to Require Us to Repurchase Notes.

Ranking

The notes will be our senior unsecured obligations and will rank:

senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes;

equal in right of payment to any of our unsecured indebtedness that is not so subordinated;

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effectively junior in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and

structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries.

As of March 31, 2014, our total consolidated indebtedness (including trade payables) was \$3.87 billion, substantially all of which was secured and subsidiary-level indebtedness to which the notes would have been structurally subordinated.

The indentures governing the notes will not limit the amount of debt that we or our subsidiaries may incur.

Use of Proceeds

We estimate that the net proceeds from this offering will be approximately \$631.4 million (or \$726.2 million if the underwriters exercise their over-allotment option in full with respect to each series of the notes), after deducting the underwriting discounts and commissions and other estimated offering expenses payable by us. We will loan the net proceeds of this offering to our operating partnership in exchange for promissory notes with substantially the same terms as the notes. Our operating partnership intends to use the net proceeds from this offering to defease approximately \$488.7 million aggregate principal amount of senior mortgage indebtedness. In addition, our operating partnership may use a portion of the net proceeds from this offering, together with the net proceeds from our concurrent common stock offering, if any, to repay the outstanding balance under its revolving credit facility, to fund potential future acquisitions and for general corporate purposes (including additional repayments of borrowings outstanding from time to time under its revolving credit facility). See Use of Proceeds.

Affiliates of some of the underwriters, including Morgan Stanley & Co. LLC, J.P. Morgan Securities, LLC, RBC Capital Markets, LLC, Capital One Securities, Inc., Raymond James & Associates, Inc., and SunTrust Robinson Humphrey, Inc., are lenders under our operating partnership's revolving credit facility. As described above, our operating partnership may use a portion of the net proceeds from this offering to repay the outstanding balance under its revolving credit facility. As a result, these affiliates will receive their proportionate share of any amount repaid under the revolving credit facility with the net proceeds from this offering.

Book-entry Form

The notes will be issued in book-entry form and will be represented by permanent global certificates deposited with, or on behalf of, The Depository Trust Company, or DTC, and registered in the name of a nominee of DTC. Beneficial interests in any of the notes will be shown on, and transfers will be effected only through, records maintained by DTC or its nominee and any such interest may not be exchanged for certificated securities, except in limited circumstances.

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Absence of a Public Market for the Notes Each series of the notes is a new issue of securities and there is currently no established market for the notes. Accordingly, we cannot assure you that an active market for the notes of either series will develop. The underwriters have advised us that they currently intend to make a market in the notes. However, they are not obligated to do so, and they may discontinue any market making with respect to the notes without notice. We do not intend to apply to list the notes on any securities exchange or any automated dealer quotation system.

Federal Income Tax Consequences For the U.S. federal income tax consequences of the ownership, disposition and conversion of the notes, and the ownership and disposition of shares of our common stock, see Supplemental Federal Income Tax Considerations in this prospectus supplement and Federal Income Tax Considerations in the accompanying prospectus.

NYSE Symbol for our Common Stock Our common stock is listed on the NYSE under the symbol SRC.

Trustee, Paying Agent and Conversion Agent Wilmington Trust, National Association

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RISK FACTORS

*An investment in the notes and our common stock (into which such notes may be convertible) involves significant risks. Prior to making a decision about investing in the notes and our common stock, and in consultation with your own financial and legal advisors, you should carefully consider, among other matters, the following risk factors, as well as those incorporated by reference in this prospectus supplement and the accompanying prospectus or in any free writing prospectus that we may prepare in connection with this offering, including, without limitation, the risks of an investment in our company under the caption *Risk Factors* beginning on page 12 of our Annual Report on Form 10-K for the year ended December 31, 2013, which is incorporated by reference in this prospectus supplement and the accompanying prospectus. The occurrence of any of these risks could materially and adversely affect our business, financial condition, liquidity, results of operations, funds from operations and prospects and might cause you to lose all or a part of your investment in our common stock. Please also refer to the section entitled *Special Note Regarding Forward-Looking Statements* included elsewhere in this prospectus supplement.*

Risks Related to the Notes

The notes are effectively subordinated to our secured debt and any liabilities of our subsidiaries.

The notes will rank senior in right of payment to any of our indebtedness that is expressly subordinated in right of payment to the notes; equal in right of payment to any of our liabilities that are not so subordinated; effectively junior in right of payment to any of our secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) of our subsidiaries. In the event of our bankruptcy, liquidation, reorganization or other winding up, our assets that secure our debt will be available to pay obligations on the notes only after the secured debt has been repaid in full from these assets. There may not be sufficient assets remaining to pay amounts due on any or all of the notes then outstanding. The indentures governing the notes will not prohibit us from incurring additional senior debt or secured debt, nor will they prohibit any of our subsidiaries from incurring additional liabilities. For example, nothing in the indentures or the notes would prohibit our operating partnership from incurring indebtedness that would rank structurally senior to the notes.

As of March 31, 2014, our total consolidated indebtedness (including trade payables) was \$3.87 billion, substantially all of which was secured and subsidiary-level indebtedness to which the notes would have been structurally subordinated.

The notes are our obligations only, and our operations are conducted through, and substantially all of our consolidated assets are held by, our subsidiaries.

The notes are our obligations exclusively and are not guaranteed by any of our operating subsidiaries. Substantially all of our consolidated assets are held by our subsidiaries. Accordingly, our ability to service our debt, including the notes, depends on the results of operations of our subsidiaries and upon the ability of such subsidiaries to provide us with cash, whether in the form of dividends, loans or otherwise, to pay amounts due on our obligations, including the notes. Our subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to make payments on the notes or to make any funds available for that purpose. In addition, dividends, loans or other distributions to us from such subsidiaries may be subject to contractual and other restrictions and are subject to other business considerations.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to pay our substantial debt.

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Our ability to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the notes, depends on our future performance, which is subject to economic, financial,

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competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time, and may depend on the financial condition of certain of our tenants at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations, including the notes.

Recent and future regulatory actions and other events may adversely affect the trading price and liquidity of the notes.

We expect that many investors in, and potential purchasers of, the notes will employ, or seek to employ, a convertible arbitrage strategy with respect to the notes. Investors would typically implement such a strategy by selling short the shares of common stock underlying the notes and dynamically adjusting their short position over time while continuing to hold the notes. Investors may also implement this type of strategy by entering into swaps on our common stock in lieu of or in addition to short selling our common stock.

The SEC and other regulatory and self-regulatory authorities have implemented various rules and taken certain actions, and may in the future adopt additional rules and take other actions, that may impact those engaging in short selling activity involving equity securities (including our common stock). Such rules and actions include Rule 201 of SEC Regulation SHO, the adoption by the Financial Industry Regulatory Authority, Inc. and the national securities exchanges of a Limit Up-Limit Down program, the imposition of market-wide circuit breakers that halt trading of securities for certain periods following specific market declines, and the implementation of certain regulatory reforms required by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. Any governmental or regulatory action that restricts the ability of investors in, or potential purchasers of, the notes to effect short sales of our common stock, borrow our common stock or enter into swaps on our common stock could adversely affect the trading price and the liquidity of the notes.

In addition, if investors and potential purchasers seeking to employ a convertible arbitrage strategy are unable to borrow or enter into swaps on our common stock, in each case on commercially reasonable terms, the trading price and liquidity of the notes may be adversely affected.

Volatility in the market price and trading volume of our common stock could adversely impact the trading price of the notes.

The stock market in recent years has experienced significant price and volume fluctuations that have often been unrelated to the operating performance of companies. The market price of our common stock could fluctuate significantly for many reasons, including in response to the risks described in this section, elsewhere in this prospectus supplement or the documents we have incorporated by reference in this prospectus supplement or for reasons unrelated to our operations, such as reports by industry analysts, investor perceptions or negative announcements by our tenants, competitors or suppliers regarding their own performance, as well as industry conditions and general financial, economic and political instability. A decrease in the market price of our common stock would likely adversely impact the trading price of the notes. The market price of our common stock could also be affected by possible sales of our common stock by investors who view the notes as a more attractive means of equity participation in us and by hedging or arbitrage trading activity that we expect to develop involving our common stock. This trading activity could, in turn, affect the trading price of the notes.

Despite our current debt levels, we may still incur substantially more debt or take other actions which would intensify the risks discussed above.

Despite our current consolidated debt levels, we and our subsidiaries may be able to incur substantial additional debt in the future, subject to the restrictions contained in our debt instruments, some of which may be

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secured debt or debt that ranks on par with, or is structurally senior to, the notes. We will not be restricted under the terms of the indentures governing the notes from incurring additional debt, securing existing or future debt, recapitalizing our debt or taking a number of other actions that could have the effect of diminishing our ability to make payments on the notes when due.

We may not have the ability to raise the funds necessary to settle conversions of the notes or to repurchase the notes upon a fundamental change; our future debt may contain limitations on our ability to pay cash upon conversion or repurchase of the notes.

Holders of the notes will have the right to require us to repurchase their notes upon the occurrence of a fundamental change at a fundamental change repurchase price equal to 100% of the principal amount of the notes to be repurchased, *plus* accrued and unpaid interest, if any, as described under Description of Notes Fundamental Change Permits Holders to Require Us to Repurchase Notes. In addition, upon conversion of the notes, unless we elect to deliver solely shares of our common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the notes being converted as described in under Description of Notes Conversion Rights Settlement Upon Conversion. However, we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of notes surrendered therefor or to pay the cash amounts due upon conversion of the notes. In addition, our ability to repurchase the notes or to pay cash upon conversions of the notes may be limited by law, by regulatory authority or by agreements governing our indebtedness. The failure to repurchase notes at a time when the repurchase is required by the indentures or to pay any cash due and payable on the notes as required by the indentures would constitute a default under the indentures. A default under the indentures or the fundamental change itself could also lead to a default under agreements governing our existing and future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the notes or make cash payments thereon.

The conditional conversion feature of the notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the notes is triggered, holders of notes will be entitled to convert the notes at any time during specified periods at their option. See Description of Notes Conversion Rights. If one or more holders elect to convert their notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity. In addition, even if holders do not elect to convert their notes, we could be required under applicable accounting rules to reclassify all or a portion of the outstanding principal of the notes as a current rather than long-term liability, which would result in a material reduction of our net working capital.

The accounting method for convertible debt securities that may be settled in cash, such as the notes, could have a material effect on our reported financial results.

In May 2008, the Financial Accounting Standards Board, which we refer to as FASB, issued FASB Staff Position No. APB 14-1, Accounting for Convertible Debt Instruments That May Be Settled in Cash Upon Conversion (Including Partial Cash Settlement), which has subsequently been codified as Accounting Standards Codification 470-20, Debt with Conversion and Other Options, which we refer to as ASC 470-20. Under ASC 470-20, an entity must separately account for the liability and equity components of the convertible debt instruments (such as the notes) that may be settled entirely or partially in cash upon conversion in a manner that reflects the issuer's economic interest cost for non-convertible debt. The effect of ASC 470-20 on the accounting for the notes is that the equity component is

required to be included in the additional paid-in capital section of stockholders' equity on our consolidated balance sheet, and the value of the equity component would be treated

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as original issue discount for purposes of accounting for the debt component of the notes. As a result, we will be required to record a greater amount of non-cash interest expense in current periods as a result of the amortization of the discounted carrying value of the notes to their face amount over the term of the notes. We will report lower net income in our financial results because ASC 470-20 will require our interest expense to include both the current period's amortization of the debt discount and the instrument's coupon interest, which could adversely affect our reported or future financial results, the trading price of our common stock and the trading price of the notes.

In addition, under certain circumstances, convertible debt instruments (such as the notes) that may be settled entirely or partly in cash are currently accounted for utilizing the treasury stock method, the effect of which is that the shares issuable upon conversion of the notes are not included in the calculation of diluted earnings per share except to the extent that the conversion value of the notes exceeds their principal amount. Under the treasury stock method, for diluted earnings per share purposes, the transaction is accounted for as if the number of shares of common stock that would be necessary to settle such excess, if we elected to settle such excess in shares, are issued. We cannot be sure that the accounting standards in the future will continue to permit the use of the treasury stock method. If we are unable to use the treasury stock method in accounting for the shares issuable upon conversion of the notes, then our diluted earnings per share would be adversely affected.

Future sales, or the perception of future sales, of our common stock in the public market could lower the market price for our common stock and adversely impact the trading price of the notes.

In the future, we may sell additional shares of our common stock to raise capital. In addition, a substantial number of shares of our common stock is reserved for issuance upon conversion of securities convertible into common stock (including OP units) and upon conversion of the notes. We cannot predict the size of future issuances or the effect, if any, that they may have on the market price for our common stock. The issuance and sale of substantial amounts of common stock, or the perception that such issuances and sales may occur, could adversely affect the trading price of the notes and the market price of our common stock and impair our ability to raise capital through the sale of additional equity securities.

Holders of notes will not be entitled to any rights with respect to our common stock, but they will be subject to all changes made with respect to them to the extent our conversion obligation includes shares of our common stock.

Holders of notes will not be entitled to any rights with respect to our common stock (including, without limitation, voting rights and rights to receive any dividends or other distributions on our common stock) prior to the conversion date relating to such notes (if we have elected to settle the relevant conversion by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), which we refer to as physical settlement) or the last trading day of the relevant observation period (if we elect to pay and deliver, as the case may be, a combination of cash and shares of our common stock in respect of the relevant conversion, which we refer to as combination settlement), but holders of notes will be subject to all changes affecting our common stock. For example, if an amendment is proposed to our articles of restatement or bylaws requiring stockholder approval and the record date for determining the stockholders of record entitled to vote on the amendment occurs prior to the conversion date related to a holder's conversion of its notes (if we have elected to physical settlement) or the last trading day of the relevant observation period (if we have elected combination settlement), such holder will not be entitled to vote on the amendment, although such holder will nevertheless be subject to any changes affecting our common stock.

The conditional conversion feature of the notes could result in your receiving less than the value of our common stock into which the notes would otherwise be convertible.

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Prior to the close of business on the business day immediately preceding November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, you may convert your notes only if specified conditions are met. If the specific conditions for conversion are not met, you will not be able to convert your notes, and you may not be able to receive the value of the cash, common stock or a combination of cash and common stock, as applicable, into which the notes would otherwise be convertible.

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Upon conversion of the notes, you may receive less valuable consideration than expected because the value of our common stock may decline after you exercise your conversion right but before we settle our conversion obligation.

Under the notes, a converting holder will be exposed to fluctuations in the value of our common stock during the period from the date such holder surrenders notes for conversion until the date we settle our conversion obligation.

Upon conversion of the notes, we have the option to pay or deliver, as the case may be, cash, shares of our common stock, or a combination of cash and shares of our common stock. If we elect to satisfy our conversion obligation in cash or a combination of cash and shares of our common stock, the amount of consideration that you will receive upon conversion of your notes will be determined by reference to the volume-weighted average price of our common stock for each trading day in a 20 trading day observation period. As described under **Description of Notes Conversion Rights Settlement Upon Conversion**, this period would be (i) subject to clause (ii), if the relevant conversion date occurs prior to November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, the 20 consecutive trading day period beginning on, and including, the second trading day immediately succeeding such conversion date; (ii) if the relevant conversion date occurs on or after the date of our issuance of a notice of redemption with respect to the notes as described under **Description of Notes Redemption of Notes to Preserve REIT Status** and prior to the relevant redemption date, the 20 consecutive trading days beginning on, and including, the 22nd scheduled trading day immediately preceding such redemption date; and (iii) subject to clause (ii), if the relevant conversion date occurs on or after November 15, 2018, in the case of the 2019 notes, or November 15, 2020, in the case of the 2021 notes, the 20 consecutive trading days beginning on, and including, the 22nd scheduled trading day immediately preceding the maturity date of the notes of the applicable series. Accordingly, if the price of our common stock decreases during this period, the amount and value of consideration you receive will be adversely affected. In addition, if the market price of our common stock at the time we deliver the consideration due upon conversion is below the average volume-weighted average price of our common stock during such period, the value of any shares of our common stock that you will receive in satisfaction of our conversion obligation will be less than the value used to determine the number of shares that you will receive.

If we elect to satisfy our conversion obligation solely in shares of our common stock upon conversion of the notes, we will be required to deliver the shares of our common stock, together with cash for any fractional shares, on the third business day following the relevant conversion date. However, if the conversion date for a conversion that is to be settled by physical settlement is on or after the 22nd scheduled trading day immediately preceding the applicable maturity date, then we will deliver the consideration due in respect of such conversion on the later of (x) the third business day immediately following such conversion date and (y) the applicable maturity date. Accordingly, if the price of our common stock decreases during these periods, the value of the shares that you receive will be adversely affected and would be less than the conversion value of the notes on the conversion date.

The notes are not protected by restrictive covenants.

The indentures governing the notes will not contain any financial or operating covenants or restrictions on the payments of dividends, the incurrence of indebtedness or the issuance or repurchase of securities by us or any of our subsidiaries. The indentures will contain no covenants or other provisions to afford protection to holders of the notes in the event of a fundamental change or other corporate transaction involving us except to the extent described under **Description of Notes Fundamental Change Permits Holders to Require Us to Repurchase Notes**, **Description of Notes Conversion Rights Increase in Conversion Rate Upon Conversion Upon a Make-Whole Fundamental Change** and **Description of Notes Consolidation, Merger and Sale of Assets**.

The increase in the conversion rate for notes converted in connection with a make-whole fundamental change may not adequately compensate you for any lost value of your notes as a result of such transaction.

If a make-whole fundamental change occurs prior to the maturity date of the notes of either series, under certain circumstances, we will increase the conversion rate by a number of additional shares of our common stock for notes converted in connection with such make-whole fundamental change. The increase in the

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conversion rate will be determined based on the date on which the specified corporate transaction becomes effective and the price paid (or deemed to be paid) per share of our common stock in such transaction, as described below under

Description of Notes Conversion Rights Increase in Conversion Rate Upon Conversion Upon a Make-Whole Fundamental Change. The increase in the conversion rate for notes converted in connection with a make-whole fundamental change may not adequately compensate you for any lost value of your notes as a result of such make-whole fundamental change. In addition, in the case of either series of the notes, if the price of our common stock in the transaction is greater than \$22.00 per share