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SPIRIT REALTY CAPITAL, INC.
Form FWP
September 20, 2012

Filed Pursuant to Rule 433

Issuer Free Writing Prospectus dated September 19, 2012

Relating to Preliminary Prospectus dated September 10, 2012

Registration No. 333-177904

Spirit Realty Capital, Inc.

FREE WRITING PROSPECTUS

This free writing prospectus relates to and should be read together with the preliminary prospectus dated September 10, 2012 (the Preliminary Prospectus) included in the Registration Statement on Form S-11 (File No. 333-177904) of Spirit Realty Capital, Inc., as filed with the Securities and Exchange Commission (the SEC) on September 10, 2012 (the Registration Statement). The Registration Statement and the Preliminary Prospectus included therein can be accessed through the following link:

<http://www.sec.gov/Archives/edgar/data/1277406/000119312512385599/d249437ds11a.htm> .

The following information supplements and updates certain information contained in the Preliminary Prospectus. Defined terms used in this free writing prospectus but not defined herein have the meanings ascribed to them in the Preliminary Prospectus.

| | |
|--|-------------------|
| Common stock offered by us | 29,000,000 shares |
| Underwriters over-allotment option | 4,350,000 shares |
| Initial public offering price per share | \$15.00 per share |
| Common stock to be outstanding after this offering and the debt conversion | 80,501,515 shares |

| | | | | | | | | | | | |
|---|--|--|-------------------|------------------------------|---|----|---------------|--------------|--|-------|--|
| Use of proceeds | <p>We estimate that the net proceeds to us from this offering, after deducting underwriting discounts and commissions and other estimated expenses payable by us, will be approximately \$394.6 million (\$455.2 million if the underwriters exercise their over-allotment option in full). We intend to use these net proceeds plus available cash to repay our outstanding \$399 million TLB, to pay \$15.6 million of estimated costs and expenses associated with securing lenders' consents to this offering and the secured revolving credit facility we expect to enter into upon completion of this offering and any remainder for general business and working capital purposes, including potential future acquisitions.</p> | | | | | | | | | | |
| Pro forma net loss per share of common stock - basic and diluted | <table border="0"> <tr> <td>Six months ended June 30, 2012</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">(0.06)</td> </tr> <tr> <td>Year ended December 31, 2011</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">(0.14)</td> </tr> </table> | Six months ended June 30, 2012 | \$ | (0.06) | Year ended December 31, 2011 | \$ | (0.14) | | | | |
| Six months ended June 30, 2012 | \$ | (0.06) | | | | | | | | | |
| Year ended December 31, 2011 | \$ | (0.14) | | | | | | | | | |
| Pro forma weighted average number of shares of common stock outstanding - basic and diluted | <table border="0"> <tr> <td>Six months ended June 30, 2012</td> <td style="text-align: right;">79,746,871 shares</td> </tr> <tr> <td>Year ended December 31, 2011</td> <td style="text-align: right;">79,344,549 shares</td> </tr> </table> | Six months ended June 30, 2012 | 79,746,871 shares | Year ended December 31, 2011 | 79,344,549 shares | | | | | | |
| Six months ended June 30, 2012 | 79,746,871 shares | | | | | | | | | | |
| Year ended December 31, 2011 | 79,344,549 shares | | | | | | | | | | |
| Pro forma cash and cash equivalents | <table border="0"> <tr> <td>As of June 30, 2012</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">44.2 million</td> </tr> </table> | As of June 30, 2012 | \$ | 44.2 million | | | | | | | |
| As of June 30, 2012 | \$ | 44.2 million | | | | | | | | | |
| Distribution policy | <table border="0"> <tr> <td>Estimated cash available for distribution for the 12 months ending June 30, 2013</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">102.5 million</td> </tr> <tr> <td>Total estimated initial annual distribution to stockholders</td> <td style="text-align: right;">\$</td> <td style="text-align: right;">100.6 million</td> </tr> <tr> <td>Payout ratio</td> <td></td> <td style="text-align: right;">98.1%</td> </tr> </table> | Estimated cash available for distribution for the 12 months ending June 30, 2013 | \$ | 102.5 million | Total estimated initial annual distribution to stockholders | \$ | 100.6 million | Payout ratio | | 98.1% | |
| Estimated cash available for distribution for the 12 months ending June 30, 2013 | \$ | 102.5 million | | | | | | | | | |
| Total estimated initial annual distribution to stockholders | \$ | 100.6 million | | | | | | | | | |
| Payout ratio | | 98.1% | | | | | | | | | |
| | <p>If the underwriters exercise their over-allotment option in full, our total estimated initial annual distribution to stockholders would be \$106.1 million and our payout ratio would be 103.4%. Accordingly, we expect that we would be unable to pay \$3.6 million of our estimated initial annual distribution out of our estimated cash available for distribution for the 12 months ending June 30, 2013. We may need to fund the shortage out of working capital or revenues from future property acquisitions, if any, or borrow to provide funds for such distributions, which would reduce the amount of proceeds available for real estate investments and increase our future interest costs.</p> | | | | | | | | | | |

Common Stock Ownership

| | |
|---|------------|
| TLC conversion premium | 10.20% |
| Total number of shares to be issued to TLC lenders in debt conversion | 24,245,278 |
| Total number of shares owned by continuing investors (other than our directors, executive officers and other employees) | 25,859,787 |
| Total number of shares owned by or granted to directors, executive officers and other employees | 1,396,450 |
| Shares to be issued in this offering (excluding the exercise of the underwriters over-allotment option) | 29,000,000 |

Total number of shares outstanding following completion of this offering and the debt conversion (excluding the exercise of the underwriters over-allotment option) 80,501,515

| | |
|---|-------|
| Common stock ownership percentages after this offering and the debt conversion (fully diluted) | |
| Percentage owned by public | 36.0% |
| Percentage owned by the TLC lenders | 30.1% |
| Percentage owned by continuing investors (other than our directors, executive officers and other employees) | 32.1% |
| Percentage owned by directors, executive officers and other employees | 1.7% |

Total 100.0%

OUR CENTRAL INDEX KEY, OR CIK, ON THE SEC WEB SITE IS: 0001277406.

THE ISSUER HAS FILED A REGISTRATION STATEMENT (INCLUDING A PROSPECTUS) WITH THE SEC FOR THE OFFERING TO WHICH THIS COMMUNICATION RELATES. BEFORE YOU INVEST, YOU SHOULD READ THE PROSPECTUS IN THAT REGISTRATION STATEMENT AND OTHER DOCUMENTS THE ISSUER HAS FILED WITH THE SEC FOR MORE COMPLETE INFORMATION ABOUT THE ISSUER AND THIS OFFERING.

YOU MAY OBTAIN THESE DOCUMENTS FOR FREE BY VISITING EDGAR ON THE SEC WEB SITE AT WWW.SEC.GOV OR BY CLICKING ON THE LINK ABOVE. ALTERNATIVELY, THE ISSUER, ANY UNDERWRITER OR ANY DEALER PARTICIPATING IN THE OFFERING WILL ARRANGE TO SEND TO YOU THE PROSPECTUS IF YOU REQUEST IT BY CONTACTING MORGAN STANLEY, ATTENTION: PROSPECTUS DEPARTMENT 180 VARICK STREET, 2ND FLOOR, NEW YORK, NY 10014, TELEPHONE: 1-866-718-1649 OR E-MAIL: PROSPECTUS@MORGANSTANLEY.COM; MACQUARIE CAPITAL, ATTENTION: PROSPECTUS DEPARTMENT 125 WEST 55TH STREET, NEW YORK, NY 10019, TELEPHONE: 1-888-268-3937 OR E-MAIL: US.PROSPECTUS@MACQUARIE.COM; UBS INVESTMENT BANK, ATTENTION: PROSPECTUS DEPARTMENT, 299 PARK AVENUE, NEW YORK, NY 10171, TELEPHONE: 1-888-827-7275; DEUTSCHE BANK SECURITIES, ATTENTION: PROSPECTUS GROUP, 60 WALL STREET, NEW YORK, NY 10005, TELEPHONE: 1-800-503-4611 OR E-MAIL: CPDG@DB.COM; OR RBC CAPITAL MARKETS, ATTENTION: PROSPECTUS DEPARTMENT, THREE WORLD FINANCIAL CENTER, 200 VESEY STREET, 8TH FLOOR, NEW YORK, NY 10281, TELEPHONE: 1-877-822-4089.

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