NATIONAL RETAIL PROPERTIES, INC.
Form 8-K
February 23, 2012

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of The

Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): February 23, 2012

NATIONAL RETAIL PROPERTIES, INC.

(Exact name of registrant as specified in its charter)

Maryland	**001-11290**	**56-1431377**
State or other jurisdiction	**(Commission**	**(IRS Employer**
of incorporation)	**File Number)**	**Identification No.)**

450 South Orange Avenue

Suite 900

Orlando, Florida **32801**
(Address of principal executive offices) **(Zip Code)**
Registrant s telephone number, including area code (407) 265-7348

Not applicable

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

¨ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

¨ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

¨ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

¨ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.03. Material Modification to Rights of Security Holders.

On February 23, 2012, National Retail Properties, Inc. (the Company) filed with the Stated Department of Assessments and Taxation of the State of Maryland Articles Supplementary, dated February 21, 2012 (the Articles Supplementary), to the Company s Amended and Restated Articles of Incorporation, as amended (the Articles of Incorporation), establishing and fixing the rights and preferences of 115,000 shares of the Company s 6.625% Series D Cumulative Redeemable Preferred Stock, par value $0.01 per share (the Series D Preferred Stock).

The Series D Preferred Stock will be redeemable at par at the Company s election on or after February 23, 2017, will pay a 6.625% annual dividend and will have a liquidation preference of $2,500.00 per share. With respect to the payment of dividends and the distribution of the Company s assets upon liquidation, dissolution or winding up, the Series D Preferred Stock will rank (i) senior to the Company s common stock, (ii) on a parity with the Company s outstanding shares of 7.375% Series C Cumulative Redeemable Preferred Stock, par value $0.01 per share, and with any series of preferred stock issued by the Company in the future that by their terms rank on a parity with the Series D Preferred Stock, and (iii) junior to all of the Company s and its subsidiaries existing and future indebtedness and any equity securities that the Company may issue that by their terms rank senior to the Series D Preferred Stock. Unless full dividends on the Series D Preferred Stock and any other class of the Company s stock ranking on parity with the Series D Preferred Stock as to dividends have been paid or funds set aside for payment therefor for all past dividend periods, no dividend or distribution may be declared or paid or funds set aside for payment on the Company s common stock or any other capital stock that rank junior to the Series D Preferred Stock as to dividends and none of the Company s common stock, junior stock or parity stock as to dividends may be redeemed. In the event of the Company s liquidation, dissolution or winding up, the holders of the Series D Preferred Stock are entitled to be paid out of the Company s assets legally available for distribution to its stockholders a liquidation preference of $2,500.00 per share, plus an amount equal to any accrued and unpaid dividends to the date of payment before any distribution of assets is made to holders of the Company s common stock or any other capital stock that rank junior to the Series D Preferred Stock as to liquidation preference.

On and after February 23, 2017, the Company may, at its option, redeem the Series D Preferred Stock, in whole or from time to time in part, by paying $2,500.00 per share, plus any accrued and unpaid dividends to, but not including, the date of redemption (the Optional Redemption Right). Upon the occurrence of a Change of Control (as defined below), the Company may, at its option, redeem the Series D Preferred Stock, in whole or in part and within 120 days after the first date on which such Change of Control occurred, by paying $2,500.00 per share, plus any accrued and unpaid dividends to, but not including, the date of redemption.

Upon the occurrence of a Change of Control, holders of Series D Preferred Stock will have the right (unless, prior to the Change of Control Conversion Date (as defined below), the Company has provided or provides notice of its election to redeem their Series D Preferred Stock) to convert some or all of their Series D Preferred Stock (the Change of Control Conversion Right) into a number of shares of common stock per Series D Preferred Stock to be converted equal to the lesser of:

the quotient obtained by dividing (i) the sum of the $2,500.00 liquidation preference plus the amount of any accrued and unpaid dividends to, but not including, the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a Series D Preferred Stock dividend payment and prior to the corresponding Series D Preferred Stock distribution payment date, in which case no additional amount for such accrued and unpaid dividend will be included in this sum) by (ii) the Common Stock Price (as defined below); and

187.06, subject to certain adjustments.

A Change of Control is when, the following have occurred and are continuing:

the acquisition by any person, including any syndicate or group deemed to be a person under Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of purchases, mergers or other acquisition transactions of shares of our Company entitling that person to exercise more than 50% of the total voting power of all shares of our Company entitled to vote generally in elections of directors (except that such person will be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); and

following the closing of any transaction referred to in the bullet point above, neither we nor the acquiring or surviving entity has a class of common securities (or ADRs representing such securities) listed on the New York Stock Exchange (the NYSE), the NYSE Amex Equities or The NASDAQ Stock Market, or listed or quoted on an exchange or quotation system that is a successor thereto.

The Change of Control Conversion Date is the date the Series D Preferred Stock are to be converted, which will be a business day that is no fewer than 20 days nor more than 35 days after the date on which the Company provides the notice of occurrence of a Change of Control described above to the holders of Series D Preferred Stock.

The Common Stock Price will be: (1) the amount of cash consideration per share of Common Stock, if the consideration to be received in the Change of Control by the holders of the Common Stock is solely cash; and (2) the average of the closing prices for the Common Stock on the NYSE for the ten consecutive trading days immediately preceding, but not including, the effective date of the Change of Control, if the consideration to be received in the Change of Control by the holders of the Common Stock is other than solely cash.

The foregoing is a summary and is not complete. The full terms of the Series D Preferred Stock are set forth in the Articles Supplementary filed as Exhibit 3.1 hereto and incorporated herein by reference. The terms of the depositary shares, each representing a 1/100th interest in a share of Series D Preferred Stock, are set forth in the Deposit Agreement, dated February 23, 2012, among the Company, American Stock Transfer & Trust Company, LLC, as depositary, and the holders from time to time of depositary receipts issued thereunder (the Deposit Agreement). The Deposit Agreement is filed as Exhibit 4.1 to the Registration Statement on Form 8-A filed by the Company on February 22, 2012 and is incorporated herein by reference.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

On February 23, 2012, National Retail Properties, Inc. (the Company) filed with the Stated Department of Assessments and Taxation of the State of Maryland Articles Supplementary, dated February 21, 2012 (the Articles Supplementary), to the Company s Amended and Restated Articles of Incorporation, as amended (the Articles of Incorporation), establishing and fixing the rights and preferences of 115,000 shares of the Company s 6.625% Series D Cumulative Redeemable Preferred Stock, par value $0.01 per share (the Series D Preferred Stock). A copy of the Articles Supplementary to the Company s Articles of Incorporation is filed as Exhibit 3.1 to this Current Report on Form 8-K, and is incorporated herein by reference. For additional information about the terms and conditions of the Series D Preferred Stock, see Item 3.03 above which is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
3.1	Articles Supplementary Establishing and Fixing the Rights and Preferences of 6.625% Series D Cumulative Redeemable Preferred Stock, par value $0.01 per share, dated February 21, 2012.
4.1	Deposit Agreement, among the Registrant, American Stock Transfer & Trust Company, as Depositary, and the holders of depositary receipts (filed as Exhibit 4.2 to the Registration Statement on Form 8-A filed on February 22, 2012 and incorporated herein by reference).
4.2	Specimen Certificate for National Retail Property, Inc. s 6.625% Series D Cumulative Redeemable Preferred Stock, par value $0.01 per share (filed as Exhibit 4.2 to the Registration Statement on Form 8-A filed on February 22, 2012 and incorporated herein by reference).
5.1	Opinion of Pillsbury Winthrop Shaw Pittman LLP as to the legality of the securities being issued by the registrant.
8.1	Opinion of Pillsbury Winthrop Shaw Pittman LLP regarding certain material tax issues relating to the registrant.

23.1 Consent of Pillsbury Winthrop Shaw Pittman LLP to the filing of the Exhibit 5.1 herewith (included in its opinion filed as Exhibit 5.1).

23.2 Consent of Pillsbury Winthrop Shaw Pittman LLP to the filing of the Exhibit 8.1 herewith (included in its opinion filed as Exhibit 8.1).

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

NATIONAL RETAIL PROPERTIES, INC.

By: /s/ Kevin B. Habicht
Name: Kevin B. Habicht
Title: Executive Vice President, Chief Financial Officer, Assistant Secretary and Treasurer

Dated: February 23, 2012

EXHIBIT INDEX

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