



CapLease, Inc.



LSE NYSE

REIT - Residential / Commercial

Market Capitalization USD:

\$245.68 mm

CONCERN LEVEL: LOW

- 1 The CEO's total remuneration is within the typical market range for the relevant industry and market cap.
- 2 The ratio between the CEO's pay and the median pay of the other named executive officers is 3X or less.
- 3 The CEO's annual cash incentives rose or fell in line with annual performance. 
- 4 The CEO received no more than one annual cash bonus this fiscal year.
- 5 The CEO's equity remuneration reflected the company's share price movement over the last five years.
- 6 The company only pays long-term incentives to the CEO for above median performance against a peer group.
- 7 The company's dilution from equity incentives is 10 percent or less.
- 8 Unvested equity lapses when the CEO's employment is terminated. 
- 9 The CEO's potential cash severance payment is capped at two times annual cash remuneration.
- 10 The accrued benefits of the CEO's post-retirement income are within the typical market range for the relevant market cap bracket.

CEO: Paul H. McDowell

Age: 51

CEO Since: 2003

	2009	2010	2011
Base Salary	\$416,700	\$416,700	\$428,867
Discretionary Bonus	\$325,000	\$360,000	\$350,000
Annual Cash Incentive	\$0	\$0	\$0
Benefits and Perquisites	\$114,709	\$147,754	\$148,301
TOTAL ANNUAL COMPENSATION	\$856,409	\$924,454	\$927,168
Increase in Post-Retirement Benefits	\$0	\$0	\$0
Stock Option Awards	\$0	\$0	\$0
Stock Awards	\$253,101	\$385,390	\$411,875
TOTAL COMPENSATION	\$1,109,510	\$1,309,844	\$1,339,043
Median of Other Named Executive Officers Total Compensation	\$765,630	\$921,918	\$927,715
Value Realized on Exercise of Stock Option	\$0	\$0	\$0
Value Realized on Vesting of Stock	\$62,252	\$473,144	\$473,524
TOTAL REALIZED EQUITY COMPENSATION	\$62,252	\$473,144	\$473,524

Proxy Date: 23 Apr 2012

Annual Meeting Date: 14 Jun 2012

Equity Reserves:

Stock Option Run Rate: 0.00%

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Performance Comparison

■ S&P500 ■ Industry ■ LSE



Peer Comparisons (TRBC) =REIT - Residential / Commercial

Total Summary CEO Compensation

Ticker	Company Name	2009	2010	2011	Market Cap
LSE	CapLease, Inc.	\$1,109,510	\$1,309,844	\$1,339,043	\$245,680,950
IRET	Investors Real Estate Trust	\$367,167	\$481,627		\$726,649,502
AAT	American Assets Trust, Inc.				\$705,144,138
FR	First Industrial Realty Trust, Inc.	\$7,545,804	\$2,385,978	\$2,877,333	\$692,933,888
IRC	Inland Real Estate Corporation	\$554,623	\$664,754		\$649,055,702
BFS	Saul Centers, Inc.	\$256,379	\$246,164	\$249,593	\$640,124,730
WAC	Walter Investment Management Corp.	\$2,013,605	\$1,935,852	\$3,360,236	\$633,845,253

To insure consistency, peer comparisons are based on a combination of TRBC Industry and Sector classifications and company market caps. Missing peer pay figures for 2011 are due to differences in company filing schedules.

Pay Peer Group

136 publicly traded commercial real estate companies. (List not disclosed)

Performance Peer Group

Lexington Realty Trust, Entertainment Properties Trust, National Retail Properties, Inc., Realty Income Corp., One Liberty Properties, Inc., Getty Realty Corp. and NorthStar Realty Finance Corp.

COMPENSATION COMMITTEE MEMBERS

Director	Membership	Age	Gender	Tenure	Independence
Michael E. Gagliardi	Chairman	54	Male	8	Outside
Catherine F. Long	Member	55	Female	1	Outside
Jeffrey F. Roatz	Member	50	Male	8	Outside