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SECURITIES AND EXCHANGE COMMISSION
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**ANNUAL AUDITED REPORT
FORM X-17A-5
PART III**

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FACING PAGE

**Information Required of Brokers and Dealers Pursuant to Section 17 of the
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING JANUARY 1, 2010 AND ENDING DECEMBER 31, 2010
MM/DD/YY MM/DD/YY

A. REGISTRANT IDENTIFICATION

NAME OF BROKER DEALER: **CAREY FINANCIAL, LLC**

OFFICIAL USE ONLY
FIRM I.D. NO.

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

50 ROCKEFELLER PLAZA
(No. and Street)

NEW YORK
(City)

NEW YORK
(State)

10020-1605
(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

DAVID G. TERMINE

(212) 492-1100
(Area Code - Telephone Number)

B. ACCOUNTANT IDENTIFICATION

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report*

PRICEWATERHOUSECOOPERS LLP
(Name - if individual, state last, first, middle name)

300 MADISON AVENUE
(Address)

NEW YORK
(City)

NEW YORK
(State)

10017
(Zip Code)

CHECK ONE:

- Certified Public Accountant
- Public Accountant
- Accountant not resident in United States or any of its possessions.

FOR OFFICIAL USE ONLY

*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

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OATH OF AFFIRMATION

I, HARALD PAUMGARTEN, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of CAREY FINANCIAL, LLC, as of DECEMBER 31, 20 10, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

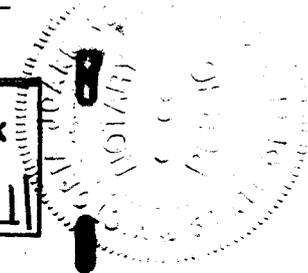
Harald Paumgarten
Signature

CHAIRMAN OF THE BOARD

Title

Victoria Joann Reed
Notary Public

VICTORIA JOANN REED
NOTARY PUBLIC, STATE OF NEW YORK
No. 01RE6095491
QUALIFIED IN NEW YORK COUNTY
MY COMMISSION EXPIRES JULY 14, 2011



This report ** contains (check all applicable boxes):

- (a) Facing Page.
- (b) Statement of Financial Condition.
- (c) Statement of Operations.
- (d) Statement of Cash Flows.
- (e) Statement of Changes in Member's Equity or Partners' or Sole Proprietors' Capital.
- (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- (g) Supplemental Computation of Net Capital under Rule 15c3-1.
- (h) Supplemental Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-3 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- (l) An Oath or Affirmation.
- (m) A copy of the SIPC Supplemental Report.
- (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.

** For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).



Report of Independent Auditors

To the Board of Directors and Member of
Carey Financial, LLC:

In our opinion, the accompanying statement of financial condition presents fairly, in all material respects, the financial position of Carey Financial, LLC (the "Company") at December 31, 2010, in conformity with accounting principles generally accepted in the United States of America. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit. We conducted our audit of this statement in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 5 to the financial statement, Carey Asset Management Corp. ("CAM"), the Company's parent company, has agreed to fund losses of the Company in 2011 as necessary to continue normal business operations and to keep the Company within FINRA's capital requirements.

PricewaterhouseCoopers LLP

February 28, 2011

*PricewaterhouseCoopers LLP, 300 Madison Avenue, New York, NY 10017
T: (646) 471 3000, F: (646) 471 8320, www.pwc.com/us*

Carey Financial, LLC
Statement of Financial Condition
December 31, 2010

Assets

Cash and cash equivalents	\$ 2,011,634
Due from affiliates	8,825
Fixed assets, net of accumulated depreciation	72,553
Other assets	<u>121,178</u>
Total assets	<u>\$ 2,214,190</u>

Liabilities and Member's Equity

Payable to affiliate	\$ 68,831
Accrued compensation expenses	979,963
Other accrued expenses	<u>213,684</u>
Total liabilities	<u>1,262,478</u>

Commitments and contingencies

Common stock, \$1.00 par value; authorized, 10,000 shares; issued and outstanding, 1,000 shares	1,000
Additional paid-in capital	36,713,135
Accumulated deficit	<u>(35,762,423)</u>
Total member's equity	<u>951,712</u>
Total liabilities and member's equity	<u>\$ 2,214,190</u>

The accompanying notes are an integral part of the financial statement.

Carey Financial, LLC

Notes to Financial Statements

December 31, 2010

1. Organization

Carey Financial Corporation was incorporated on May 1, 1984, under the laws of the State of Delaware and was owned 100% by W. P. Carey & Co. LLC ("W. P. Carey") through June 30, 2005. Effective July 1, 2005, Carey Financial Corporation converted to a Delaware limited liability company and changed its name to Carey Financial, LLC (the "Company"). Immediately prior to July 1, 2005, Carey Asset Management Corp. ("CAM"), an affiliated subsidiary of W. P. Carey, acquired sole ownership of the Company. The Company is registered as a broker-dealer with the Securities and Exchange Commission (the "Commission") and the Financial Industry Regulatory Authority ("FINRA") The Company's primary business activity during 2010 was as the sales agent for Corporate Property Associates 17-Global Incorporated ("CPA[®]:17 - Global"), a Maryland corporation affiliated with W. P. Carey.

2. Significant Accounting Policies

Basis of Presentation

The accompanying financial statement has been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP").

Cash Equivalents

The Company considers all short-term, highly liquid investments that are both readily convertible to cash and have a maturity of three months or less at the time of purchase to be cash equivalents. Cash equivalents at December 31, 2010 included \$1,520,701 invested in one money market fund.

Income Recognition

Pursuant to its sales agency agreement with CPA[®]:17 - Global, the Company earned a wholesaling fee of \$0.15 per share on the sale of shares of CPA[®]:17 - Global totaling \$8,914,240 during 2010. In addition to the wholesaling fee paid to the Company, a selected dealer fee of \$0.20 per share sold and selling commissions equal to \$0.65 per share sold, are due to the Company, and may be reallocated in whole or part to selected dealers for shares sold by the selected dealers. During 2010, the Company paid selected dealer fees and selling commissions and subsequently received reimbursement from an affiliate in the amount of \$48,720,639 which is included in commissions from affiliate in the accompanying financial statement. These amounts are recorded on a trade-date basis and are reported in the statement of operations as Commissions from affiliate and Commission re-allowance.

Income Taxes

The accounts of the Company are included in the consolidated tax return of CAM. For separate financial statement purposes, income taxes are computed on a separate company basis under which the Company computes its current and deferred taxes as if it were a separate taxpayer. To the extent that net deferred tax assets (including net operating losses) are generated by the Company, which cannot be utilized on a separate company basis, a valuation allowance is established.

We have evaluated our tax positions in accordance with the authoritative guidance for accounting for uncertainty in income taxes ASC 749 (previously referred to as FIN 48) and determined that no reserve for uncertain tax positions is needed. As of December 31, 2010, the tax years that are open for examination are 2007 through 2009.

Carey Financial, LLC
Notes to Financial Statements
December 31, 2010

Use of Estimates

The preparation of the accompanying financial statement in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities as of the date of the financial statement. Actual results could differ from estimates..

3. Regulatory Requirements

Pursuant to the net capital provisions of Rule 15c3-1 of the Securities Exchange Act of 1934, the Company is required to maintain minimum net capital of the higher of \$5,000 or 6-2/3% of its aggregate indebtedness, as defined of \$84,165. At December 31, 2010, the Company had excess net capital, as defined of \$634,577. The Company's net capital ratio ("aggregate indebtedness" to "net capital" as defined under the Rule) at December 31, 2010 was 1.76 to 1.

The Company is exempt from Rule 15c3-3 of the Securities Exchange Act of 1934 under paragraph (k)(2)(i) as it does not maintain customer accounts, nor does it hold securities for customers.

4. Income Taxes

In the year ended December 31, 2004 and in the period from January 1, 2005 through June 30, 2005, the Company had net operating losses in excess of those amounts which could be carried back. The current year tax loss generated by the Company is being used to offset income reported in CAM's consolidated tax return. On a standalone basis, the Company would not be able to utilize its NOL carryforward unless it is able to generate taxable income. Based on the fact that the Company has historically generated pre-tax book losses, the Company believes it is more likely than not that the deferred tax asset related to NOL carryforwards will not be realized. Therefore, the Company has recorded a deferred tax asset of approximately \$16,950,000 and a valuation allowance for the entire amount of the deferred tax asset. These net operating loss carryforwards will expire in 2025-2030.

5. Related-Party Transactions

W. P. Carey, and its affiliates, have provided the Company with administrative personnel, facilities and services as have been required in the normal conduct of the Company's business for the year ended December 31, 2010. CAM and an affiliated management services company charge a portion of the salaries and other compensation of their employees who work directly on activities for the Company.

The Company is currently evaluating several options, including the potential addition of personnel and services to increase earnings in the future. CAM agreed to fund losses of the Company in 2011 as necessary to continue normal business operations and to keep the Company within FINRA capital requirements. During 2010, the Company received \$7,775,000 of contributed capital from CAM.

Carey Financial, LLC
Notes to Financial Statements
December 31, 2010

Due from affiliates includes operating reimbursements due from CAM. Accounts payable to affiliate represents certain compensation and operating reimbursements due to CAM and other affiliates.

6. Commitments and Contingencies

In the normal course of business, the Company is involved in various claims and legal proceedings. The results of these matters are not expected to have a material adverse effect on the Company's financial position or results of operations.

7. Subsequent Events

In preparing the financial statements, the Company evaluated subsequent events occurring through February 28, 2011, the date the financial statements were issued, in accordance with the Company's procedures related to disclosures of subsequent events.