

# Investor Presentation

JUNE 2012

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Investor Relations | Download our IR package and join the CoreSite email list at [www.CoreSite.com](http://www.CoreSite.com) or email [InvestorRelations@CoreSite.com](mailto:InvestorRelations@CoreSite.com)  
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**SIMPLE. HONEST. STRONG.**

## Forward Looking Statements

This earnings release and accompanying supplemental information may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “pro forma,” “estimates” or “anticipates” or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond the company’s control, that may cause actual results to differ significantly from those expressed in any forward-looking statement. These risks include, without limitation: the geographic concentration of the company’s data centers in certain markets and any adverse developments in local economic conditions or the demand for data center space in these markets; fluctuations in interest rates and increased operating costs; difficulties in identifying properties to acquire and completing acquisitions; significant industry competition; the company’s failure to obtain necessary outside financing; the company’s failure to qualify or maintain our status as a REIT; financial market fluctuations; changes in real estate and zoning laws and increases in real property tax rates; and other factors affecting the real estate industry generally. All forward-looking statements reflect the company’s good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Furthermore, the company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause the company’s future results to differ materially from any forward-looking statements, see the section entitled “Risk Factors” in the company’s most recent annual report on Form 10-K, and other risks described in documents subsequently filed by the company from time to time with the Securities and Exchange Commission.

**PRODUCTS THAT ADDRESS THE FULL SPECTRUM OF DEMAND**

- Strong Industry Fundamentals
- Unique Business Strategy
  - High-quality, network-dense portfolio located in high barrier to entry markets
  - Fully integrated operating platform, enables the Company to meet the full spectrum of data center demand
  - Embedded capacity to deliver strong internal growth
- Balance Sheet Well-Positioned for Growth
- Management Strength and Continuity

**CoreSite is uniquely positioned among its peer group in the datacenter industry.**

- Able to serve full spectrum of market demand from network-based to power to proximity requirements
- Network-rich assets create high barriers to entry in premium locations
- Able to grow data center portfolio almost 2x through development space already owned in the portfolio
- In-house leasing and marketing oriented by vertical to capture market share
- Focused on providing superior customer service in high quality assets
- REIT status with attractive yield

### *Financial results*

	per share & unit	Increase over Q1- 2011
FFO	\$ 0.36	44.0%
Adj. EBITDA	\$ 0.43	41.4%
Revenue	\$ 1.03	18.3%

### *New & expansion sales*

	Q1-2012	Trailing 4- quarter average
NRSF	37,563	33,260
GAAP Rent / NRSF	188.0	177.7
Rent (\$ million)	7.1	5.9



- Entered Denver, ninth U.S. market, via acquisition of leading network-centric colocation company
- Under construction and planned near-term construction to increase asset base by 14% in 2012 and 2013

## WEST

### Bay Area

- 1656 McCarthy
- 2901 Coronado
- 2972 Stender
- 55 S. Market
- Coronado/Stender Properties (5)

### Denver

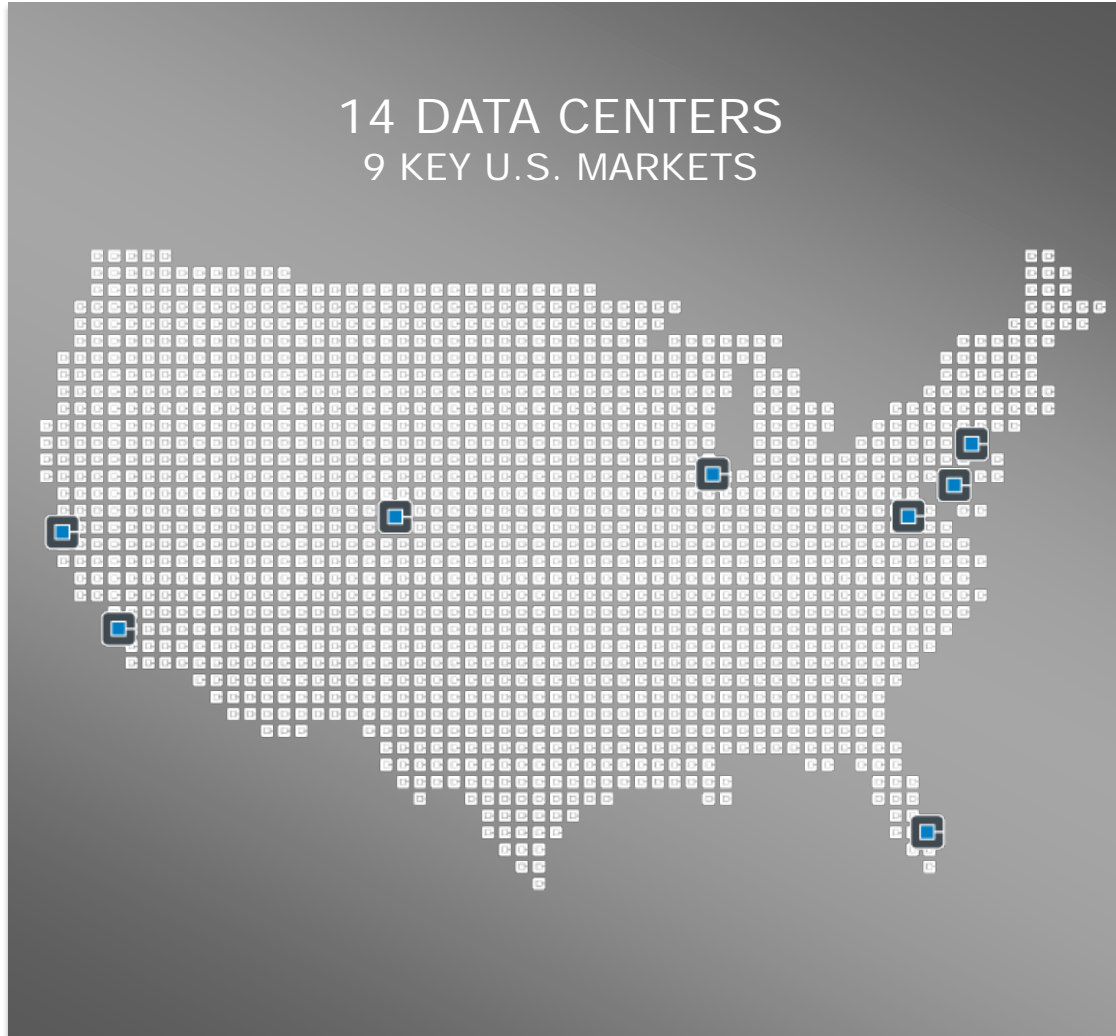
- Corporate Headquarters
- 910 15<sup>th</sup> Street
- 639 E 18<sup>th</sup> Ave

### Los Angeles

- 900 N. Alameda
- One Wilshire



14 DATA CENTERS  
9 KEY U.S. MARKETS



## East

### Boston

- 70 Innerbelt

### Chicago

- 427 S LaSalle

### Miami

- 2115 NW 22<sup>nd</sup> St

### New York

- 32 Ave of the Americas

### Northern Virginia

- 12100 Sunrise Valley Dr.

### Washington D.C.

- 1275 K Street

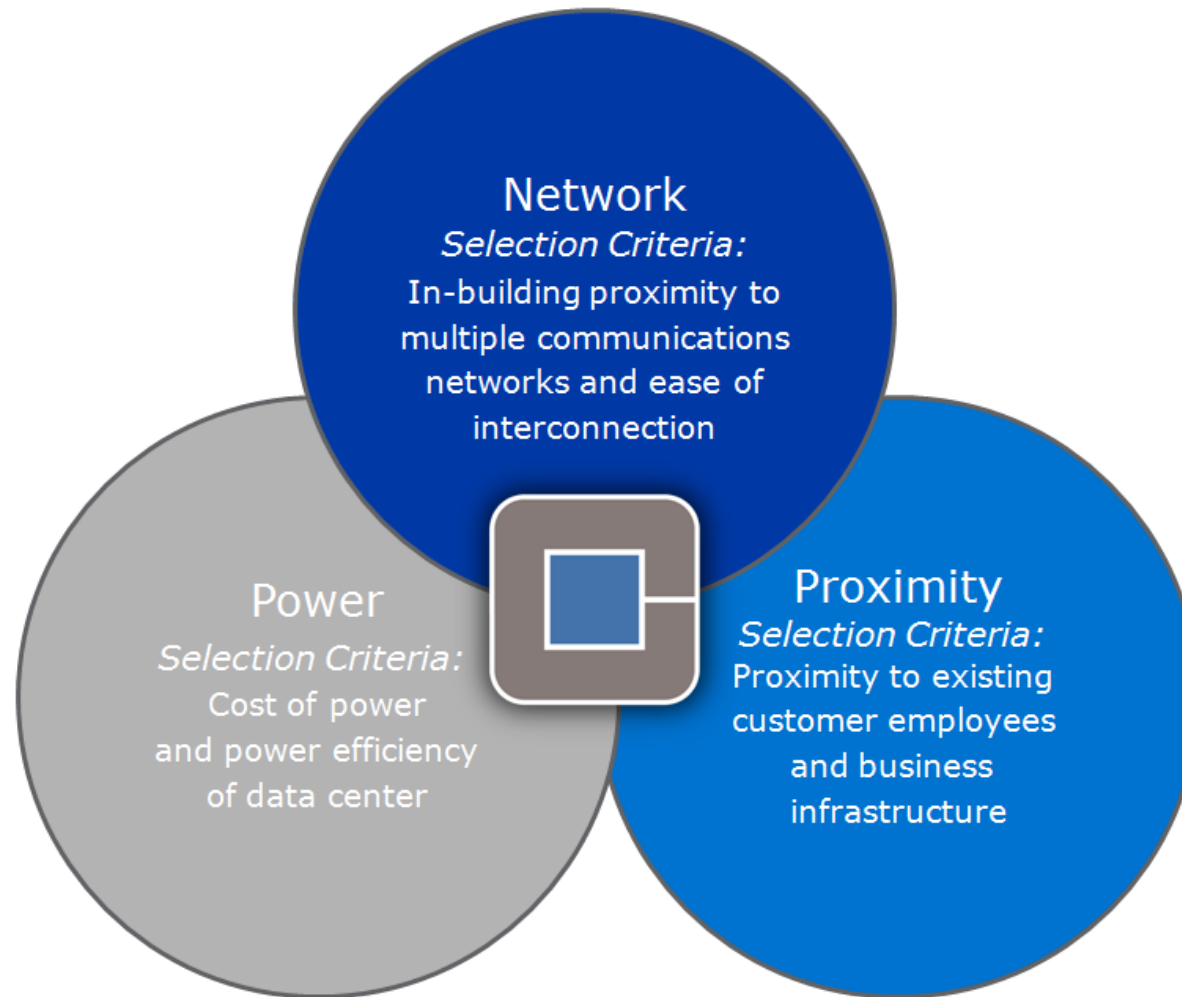


## Operating Properties as of 3/31/2012

Market/Facilities	Acquisition Date <sup>(5)</sup>	Annualized Rent (\$000) <sup>(6)</sup>	NRSF										
			Operating <sup>(1)</sup>						Redevelopment and Development <sup>(4)</sup>				
			Data Center <sup>(2)</sup>		Office and Light-Industrial <sup>(5)</sup>		Total		Under Construction <sup>(9)</sup>		Vacant	Total	Total Portfolio
			Total	Percent Leased <sup>(7)</sup>	Total	Percent Leased <sup>(7)</sup>	Total <sup>(8)</sup>	Percent Leased <sup>(7)</sup>	Construction <sup>(9)</sup>				
<b>Los Angeles</b>													
One Wilshire*	Aug. 2007	\$ 22,495	157,588	68.7 %	7,500	52.0 %	165,088	67.9 %	-	-	-	165,088	
900 N. Alameda	Oct. 2006	11,113	156,366	77.6	8,360	28.4	164,726	75.1	-	269,433	269,433	434,159	
<b>Los Angeles Total</b>		<b>33,608</b>	<b>313,954</b>	<b>73.1</b>	<b>15,860</b>	<b>39.6</b>	<b>329,814</b>	<b>71.5</b>	<b>-</b>	<b>269,433</b>	<b>269,433</b>	<b>599,247</b>	
<b>San Francisco Bay</b>													
55 S. Market	Feb. 2000	12,153	84,045	91.9	206,255	91.9	290,300	91.9	-	-	-	290,300	
2901 Coronado	Feb. 2007	9,085	50,000	100.0	-	-	50,000	100.0	-	-	-	50,000	
1656 McCarthy	Dec. 2006	7,728	76,676	90.0	-	-	76,676	90.0	-	-	-	76,676	
Coronado-Stender Properties <sup>(10)</sup>	Feb. 2007	1,040	-	-	115,560	82.5	115,560	82.5	-	13,640	13,640	129,200	
2972 Stender <sup>(11)</sup>	Feb. 2007	3,014	33,129	55.9	436	74.8	33,565	56.1	16,835	50,600	67,435	101,000	
<b>San Francisco Bay Total</b>		<b>33,020</b>	<b>243,850</b>	<b>88.1</b>	<b>322,251</b>	<b>88.5</b>	<b>566,101</b>	<b>88.3</b>	<b>16,835</b>	<b>64,240</b>	<b>81,075</b>	<b>647,176</b>	
<b>Northern Virginia</b>													
12100 Sunrise Valley	Dec. 2007	17,906	168,959	81.8	61,050	72.7	230,009	79.4	32,760	-	32,760	262,769	
1275 K Street*	June 2006	1,791	22,137	72.0	-	-	22,137	72.0	-	-	-	22,137	
<b>Northern Virginia Total</b>		<b>19,697</b>	<b>191,096</b>	<b>80.7</b>	<b>61,050</b>	<b>72.7</b>	<b>252,146</b>	<b>78.7</b>	<b>32,760</b>	<b>-</b>	<b>32,760</b>	<b>284,906</b>	
<b>Boston</b>													
70 Innerbelt	Apr. 2007	9,000	148,795	88.1	13,063	34.2	161,858	83.7	-	111,313	111,313	273,171	
<b>Chicago</b>													
427 S. LaSalle	Feb. 2007	7,934	128,906	93.7	4,946	56.9	133,852	92.3	29,261	20,241	49,502	183,354	
<b>New York</b>													
32 Avenue of the Americas*	June 2007	5,174	48,404	66.7	-	-	48,404	66.7	-	-	-	48,404	
<b>Miami</b>													
2115 NW 22nd Street	June 2006	1,706	30,175	55.3	1,890	100.0	32,065	58.0	-	13,199	13,199	45,264	
<b>Total Facilities</b>		<b>\$ 110,139</b>	<b>1,105,180</b>	<b>81.4 %</b>	<b>419,060</b>	<b>82.3 %</b>	<b>1,524,240</b>	<b>81.6 %</b>	<b>78,856</b>	<b>478,426</b>	<b>557,282</b>	<b>2,081,522</b>	

\* Indicates properties in which we hold a leasehold interest.

(10) The Coronado-Stender Business Park is entitled for development of 345,250 NRSF of data center space. For all other footnotes, please see our 10-Q for Q1 2012.



**CoreSite's platform attracts the largest addressable market**

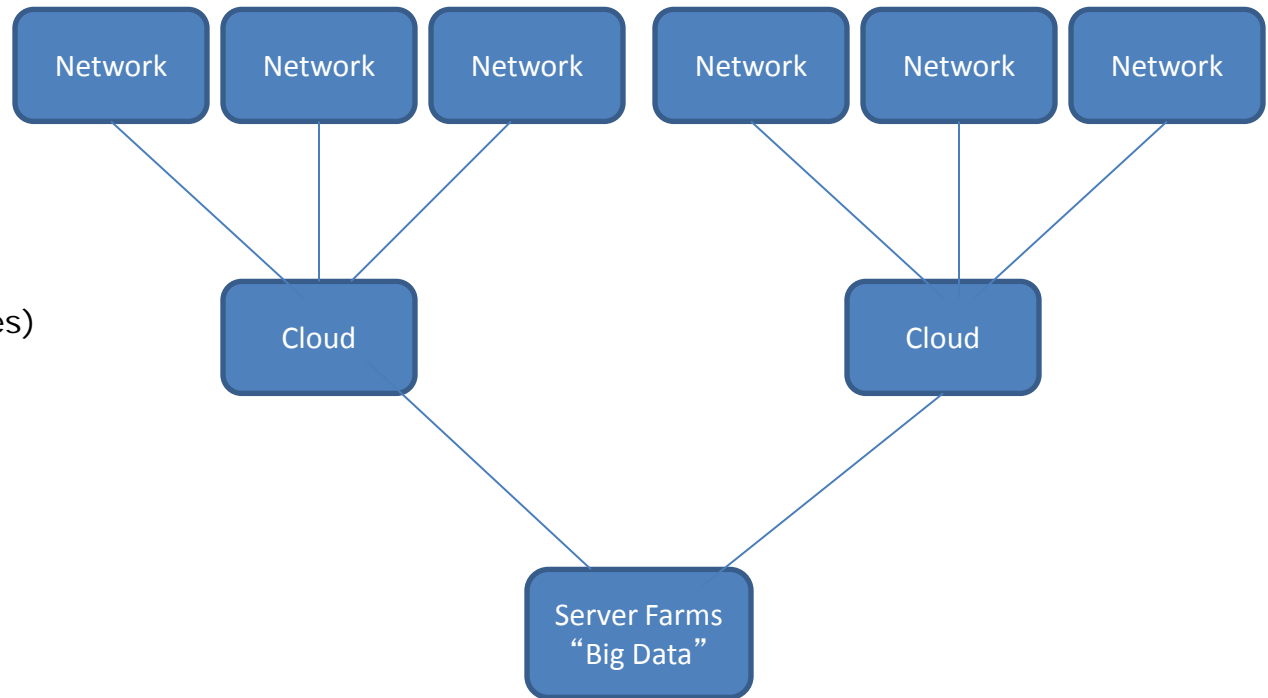


Network Nodes  
(WAN HUB – IP Peering,  
Fiber, Ethernet & MPLS)  
(< 100kw)

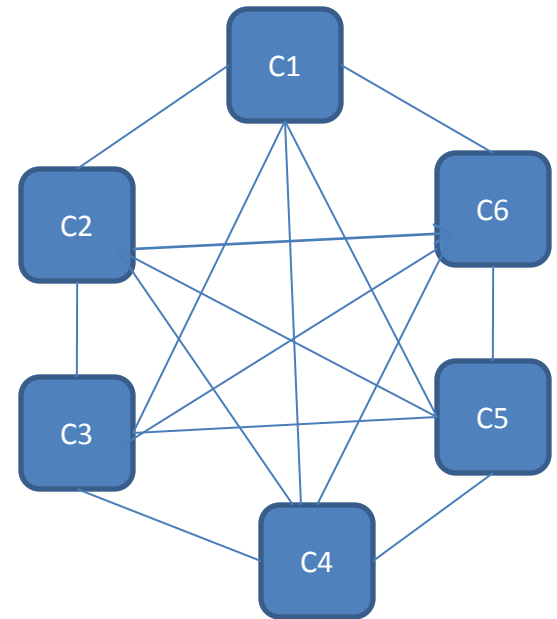
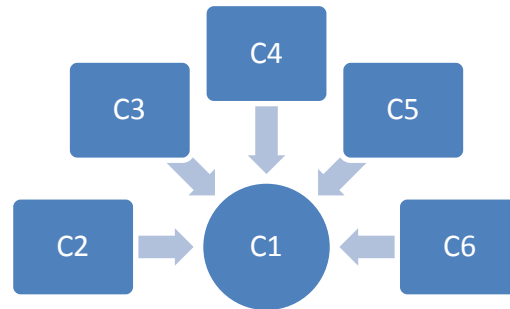
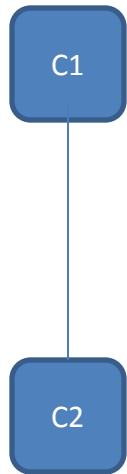
Aggregation Nodes  
(Cloud HUB & NW Core Nodes)  
(100kw – 1M)

Compute Farms  
(Cheap power  
Non-latency sensitive)  
>500kw – 3MW

Note: Some Big Data  
Applications have Latency  
Performance implications

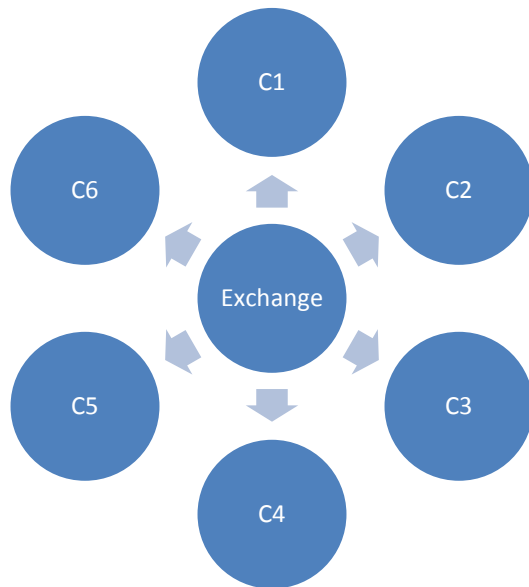


*Direct Connect: (cross connects)*



“The Power of Hubbing” for Data Center Networking

*Exchange Communities: more efficient - Hubbing*



TAM – Target addressable market

Traffic exchanges	~ 10k
Business exchanges	~ M users

Measuring the value of an ecosystem community through connections & exchange traffic

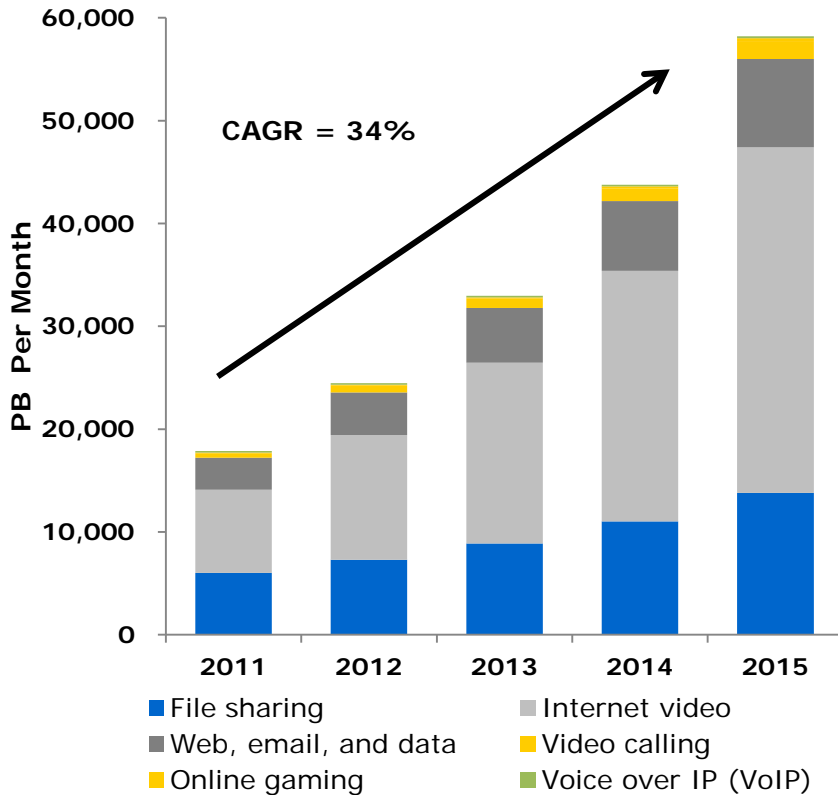
Network    Cloud    SI/MSP    Mobility    Content    Financial

*CoreSite markets*

	Network	Cloud	SI/MSP	Mobility	Content	Financial
LA	Blue	Blue	Blue	Blue	Blue	Light
NY	Blue	Blue	Blue	Blue	Blue	Blue
DC	Blue	Light	Light	Light	Light	Blue
Virginia	Blue	Blue	Blue	Blue	Blue	Light
Bay Area	Blue	Blue	Blue	Blue	Blue	Light
Chicago	Blue	Blue	Blue	Blue	Light	Blue
Miami	Blue	Blue	Blue	Light	Light	Light
Denver	Blue	Blue	Blue	Light	Light	Light
Boston	Blue	Blue	Blue	Light	Light	Light

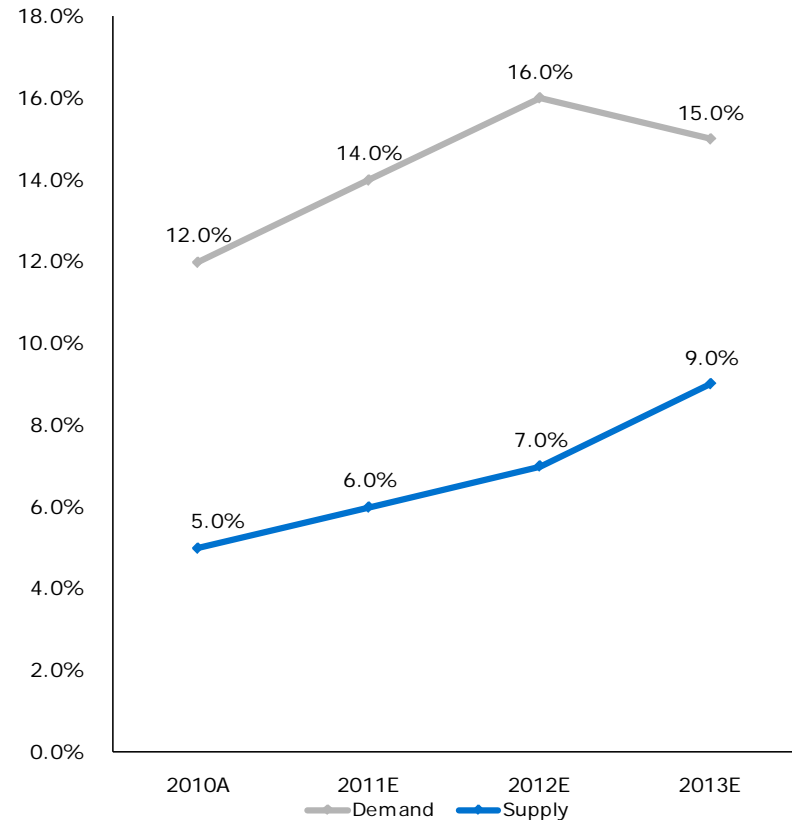
*Demand has been consistently strong and is expected to continue growing, driven by the significant growth in Internet traffic and the increase in enterprise outsourcing*

## Global Consumer Internet Traffic



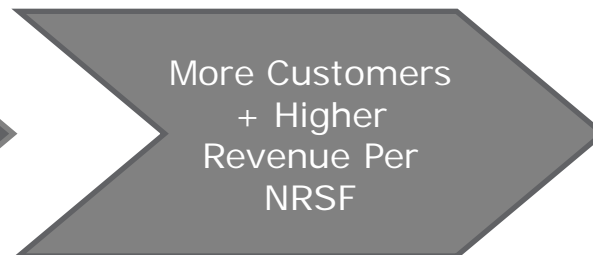
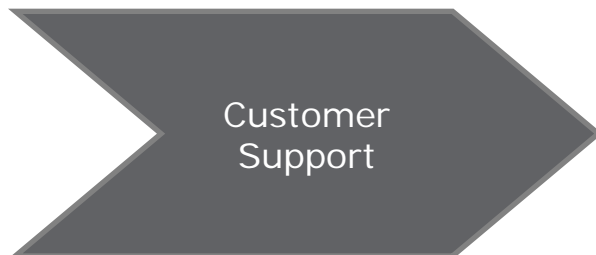
Source: Cisco Visual Networking Index, Forecast and Methodology, 2010-2015

## Data Center Global Supply and Demand



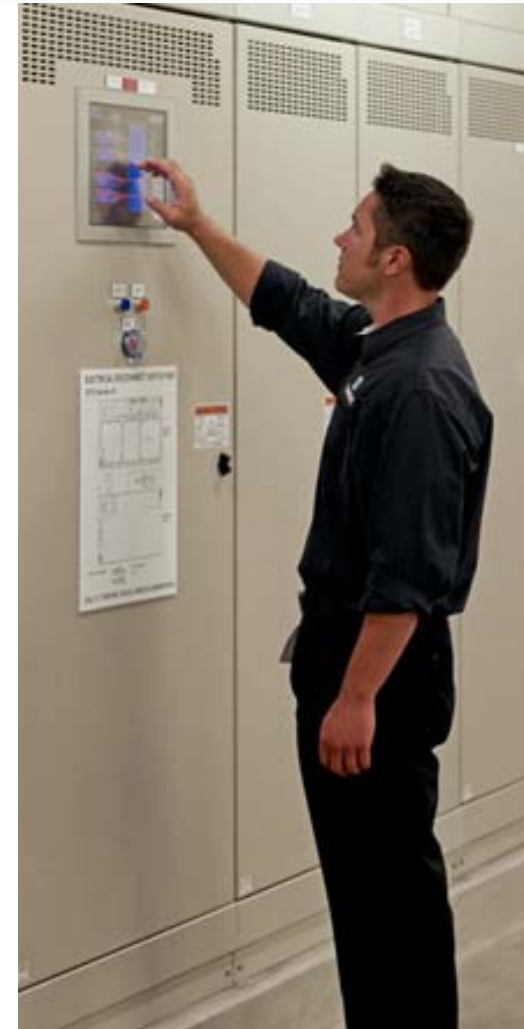
Source: Tier1 Research, Internet Data Center Supply 2010 report

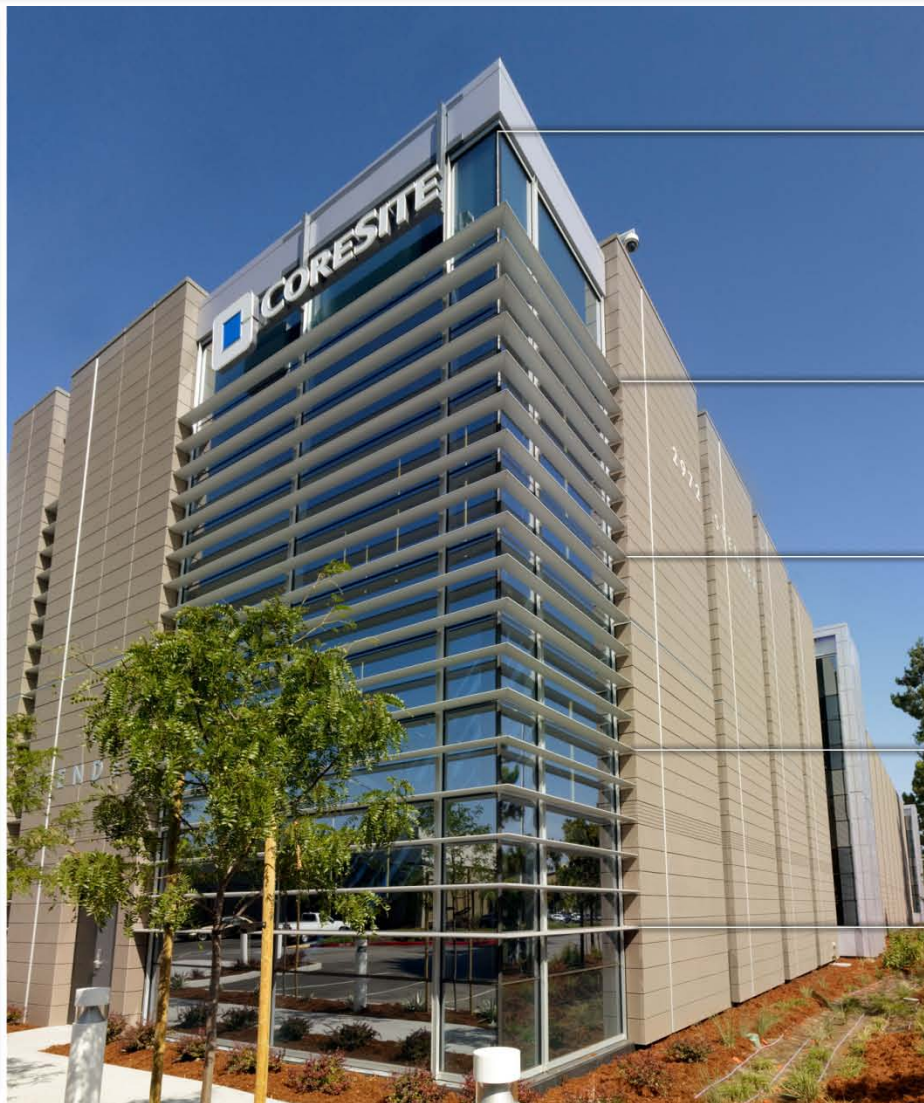
- In-house leasing team oriented around targeted customer verticals
  - Allows us to capture the full spectrum of customer requirements
  - Provides market intelligence and customer insight
  - Essential to capture network centric applications
- Customer support
  - People
    - Necessary to meet network centric customer requirements
    - Foster strong customer relationships
  - Information technology
    - Enhanced “MyCoreSite” customer portal





- Upgrading Network Architecture
  - Peering and interconnection platform upgrade designed to exceed seven 9s of network up time
- Streamlining Customer Experience
  - National, consistent platform including security and customer amenities
  - Online customer IT portal to simplify ordering, contracting and move-in processes
- Enhancing Go-to-Market Platform
  - Vertically oriented sales team allows for deep penetration of key customer sectors
  - Product management and marketing





## Data Center Development Cost Comparison

### Greenfield Development

- \$800 to \$1,200 per NRSF
- \$7,500 to \$9,000 per ckW

### Re-development

- \$300 to \$600 per NRSF
- \$4,500 to \$6,500 per ckW

### SOFT COSTS

Financing, commissions, lease-up deficit

Cost: \$100-\$150/SF

Depreciation: Life of Lease

+

### SHORTER-LIVED CR

Batteries, CRAC/CRAH, UPS, PDU

Cost: \$150-\$225/SF

Depreciation: 5-15 years

+

### LONGER-LIVED CR

Life-safety systems, raised-flooring, architectural

Cost: \$100-\$200/SF

Depreciation: 10-30 years

+

### BASE BUILDING

Generators, chillers, switchgear, piping, distribution

Cost: \$200-\$300/SF

Depreciation: 10-30 years

+

### LAND, CORE & SHELL

Cost: \$150-\$250/SF

Depreciation: 40+ years\*

\*Land is not depreciated



### *Dry powder to support growth*

- Debt / LQA adjusted EBITDA at 3/31/12: 1.6x
- \$188 million in additional debt capacity assuming Debt / LQA adjusted EBITDA of 4.0x
- \$154 million of available capacity on revolving credit facility
- 3.3% weighted-average cost of in-place debt at 3/31/12
- Fee-owned properties = greater debt proceeds and lower costs of borrowing

<p><b>Thomas M. Ray</b> President and Chief Executive Officer</p>	<ul style="list-style-type: none"> <li>Has led the operation of CoreSite's assets since 2001</li> <li>Previously Managing Director for The Carlyle Group's Real Estate Funds and the Security Capital Group of companies (ProLogis, CarrAmerica)</li> </ul>
<p><b>Jeff Finin</b> Chief Financial Officer</p>	<ul style="list-style-type: none"> <li>Previously served as Chief Accounting Officer and Managing Director at ProLogis</li> <li>Served as partner for KPMG and Arthur Andersen in their real estate practice</li> </ul>
<p><b>Jarrett Appleby</b> Chief Operating Officer</p>	<ul style="list-style-type: none"> <li>Previously served as Chief Marketing Officer at Equinix</li> <li>Served as Chief Strategy and Marketing Officer for Reliance Globalcom LTD</li> </ul>
<p><b>Derek McCandless</b> General Counsel</p>	<ul style="list-style-type: none"> <li>Previously served as Senior Vice President and Assistant General Counsel of Apartment Investment and Management Company</li> </ul>
<p><b>Rob Rockwood – SVP</b> General Manager - East</p>	<ul style="list-style-type: none"> <li>Previously Managing Director of the Faris Group</li> <li>Served as General Manager of Transcom, a subsidiary of Columbia Energy group</li> </ul>
<p><b>Chris Bair – SVP</b> Sales</p>	<ul style="list-style-type: none"> <li>15 years of executive sales and management experience</li> <li>Previous extensive experience with Sungard, InFlow and Qualifacts Systems</li> </ul>
<p><b>Billie Haggard – SVP</b> Data Centers</p>	<ul style="list-style-type: none"> <li>Previously Senior Technical Manager at Switch and Data</li> <li>Previously with Lee Technologies and in nuclear Navy</li> </ul>
<p><b>Dominic Tobin – SVP</b> Customer Operations</p>	<ul style="list-style-type: none"> <li>Previously spent 15 combined years at First Level Technology and AT&amp;T, with roles including Field Operations Manager and District Manager</li> </ul>

*Our management team has significant experience in the real estate, communications and technology industries.*

