

CoreSite Realty Corp
Form DEF 14A
April 04, 2011

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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

**SCHEDULE 14A
SCHEDULE 14A INFORMATION**
Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to §240.14a-12

CORESITE REALTY CORPORATION

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(4) and 0-11.

1. Title of each class of securities to which transaction applies:

2. Aggregate number of securities to which transaction applies:

3. Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (Set forth the amount on which the filing fee is calculated and state how it was determined):

4. Proposed maximum aggregate value of transaction:

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1. Amount Previously Paid:

2. Form, Schedule or Registration Statement No.:

3. Filing Party:

4. Date Filed:

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**1050 17th Street, Suite 800
Denver, Colorado 80265
(866) 777-2673**

April 5, 2011

Dear CoreSite Stockholder:

You are cordially invited to the CoreSite Realty Corporation Annual Meeting of Stockholders to be held on Thursday, May 19, 2011, at 1:00 p.m., Mountain Time. The meeting will be held at The Brown Palace Hotel, 321 17th Street, Denver, Colorado 80202.

At the Annual Meeting, you will be asked to (i) elect seven directors to our Board of Directors, (ii) ratify the appointment of KPMG LLP as our independent registered public accounting firm for the 2011 fiscal year, (iii) participate in an advisory vote on executive compensation, (iv) participate in an advisory vote on the frequency of the advisory vote on executive compensation, and (v) transact such other business as may properly come before the meeting or any postponements or adjournments thereof.

We have included a copy of our Annual Report for the fiscal year ended December 31, 2010 with this Notice of Annual Meeting of Stockholders and Proxy Statement. Please read the enclosed information carefully before submitting your proxy.

Please join us at the meeting. Whether or not you plan to attend, it is important that you vote your proxy promptly. If you do attend the meeting, you may withdraw your proxy should you wish to vote in person.

Sincerely,

Thomas M. Ray
President, Chief Executive Officer and Director

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Denver, Colorado 80265
(866) 777-2673**

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders of CoreSite Realty Corporation:

NOTICE IS HEREBY GIVEN that the Annual Meeting of Stockholders of CoreSite Realty Corporation will be held at The Brown Palace Hotel, 321 17th Street, Denver, Colorado 80202, at 1:00 p.m., Mountain Time on May 19, 2011, for the following purposes:

1. To elect directors to the Board of Directors to serve until the next Annual Meeting or until their successors have been duly elected and qualified;
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;
3. To hold an advisory vote on executive compensation;
4. To hold an advisory vote on the frequency of future advisory votes on executive compensation; and
5. To transact such other business as may properly come before the meeting and any adjournments or postponements thereof.

We know of no other matters to come before the annual meeting. Only stockholders of record at the close of business on Wednesday, March 23, 2011 are entitled to notice of and to vote at the Annual Meeting or at any adjournments or postponements thereof.

The proxy statement, proxy card and the Annual Report on Form 10-K for the fiscal year ended December 31, 2010 are available at the Investors section of our website at www.coresite.com.

Regardless of the number of shares of common stock you hold, as a stockholder your role is very important and the Board of Directors strongly encourages you to exercise your right to vote.

BY ORDER OF THE BOARD OF DIRECTORS

Robert G. Stuckey
Chairman

Dated April 5, 2011
Denver, Colorado

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**1050 17th Street, Suite 800
Denver, Colorado 80265
(866) 777-2673**

PROXY STATEMENT

GENERAL INFORMATION

Proxy Solicitation

The Board of Directors (the Board) of CoreSite Realty Corporation, a Maryland corporation, has made these materials available to you on the Internet or, upon your request, has delivered printed versions of these materials to you by mail, in connection with its solicitation of proxies for CoreSite's Annual Meeting of Stockholders to be held on May 19, 2011 at 1:00 p.m., Mountain Time, at The Brown Palace Hotel, 321 17th Street, Denver, Colorado 80202, and at any adjournments or postponements thereof (the Annual Meeting). These materials were first made available to stockholders on April 5, 2011. Unless the context requires otherwise, references in this proxy statement to CoreSite, we, our, us and our company refer to CoreSite Realty Corporation, a Maryland corporation, together with its consolidated subsidiaries, including CoreSite, L.P., a Delaware limited partnership of which CoreSite Realty Corporation is the sole general partner (our Operating Partnership), and CoreSite Services, Inc., a Delaware corporation, our taxable REIT subsidiary.

Pursuant to rules adopted by the SEC, we have elected to provide access to its proxy materials via the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the Notice) to our stockholders. All stockholders will have the ability to access the proxy materials at www.proxyvote.com or request to receive a printed set of the proxy materials by mail or an electronic set of materials by email. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. In addition, stockholders may request to receive proxy materials in printed form by mail or electronically by email on an ongoing basis. We believe these rules allow us to provide our stockholders with the information they need, while lowering the cost of delivery and reducing the environmental impact of our Annual Meeting.

In addition to solicitation by mail, certain of our directors, officers and employees may solicit proxies by telephone, personal contact, or other means of communication. They will not receive any additional compensation for these activities. Also, brokers, banks and other persons holding common stock on behalf of beneficial owners will be requested to solicit proxies or authorizations from beneficial owners. We will bear all costs incurred in connection with the preparation, assembly and mailing of the proxy materials and the solicitation of proxies and will reimburse brokers, banks and other nominees, fiduciaries and custodians for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of our common stock. Although no proxy solicitor has been engaged at this time, we may determine it is necessary to employ an outside firm to assist in the solicitation process. If so, we will pay the proxy solicitor reasonable and customary fees.

No person is authorized to give any information or to make any representation not contained in this proxy statement and, if given or made, you should not rely on that information or representation as having been authorized by us. The delivery of this proxy statement does not imply that the information herein has remained unchanged since the date of

this proxy statement.

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Purposes of the Annual Meeting

The purposes of the Annual Meeting are to: (1) elect seven members to the Board of Directors (Proposal One); (2) ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2011 (Proposal Two); (3) hold an advisory vote on executive compensation (Proposal Three); (4) hold an advisory vote on the frequency of future advisory votes on executive compensation (Proposal Four); and (5) transact such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof. Our Board of Directors knows of no other matters to be brought before the Annual Meeting.

CoreSite Contact Information

The mailing address of our principal executive offices is 1050 17th Street, Suite 800, Denver, Colorado 80265, and our main telephone number is (866) 777-2673. We maintain an Internet website at www.coresite.com. Information at or connected to our website is not and should not be considered part of this proxy statement.

VOTING

Stockholders Entitled to Vote

The close of business on March 23, 2011 has been fixed as the record date (the **Record Date**) for the determination of stockholders entitled to receive notice of and to vote at the Annual Meeting. Only stockholders of record as of the close of business on the Record Date are entitled to receive notice of, to attend, and to vote at the Annual Meeting. On that date, our outstanding voting securities consisted of 19,870,508 shares of common stock. Each share of common stock is entitled to one vote. Votes may not be cumulated.

If your shares are registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, LLC, you are considered the stockholder of record with respect to those shares, and the Notice was sent directly to you by us. You may vote by proxy via the Internet by following the instructions provided in the Notice. If you request printed copies of the proxy materials by mail, you may also vote by filling out the proxy card included with the materials or by calling the toll free number found on the proxy card.

If your shares are held in an account at a brokerage firm, bank, broker-dealer, or other similar organization, then you are the beneficial owner of shares held in **street name**, and the Notice was forwarded to you by that organization. The organization holding your account is considered the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to instruct that organization on how to vote the shares held in your account. Those instructions are contained in a **vote instruction form**. If you request printed copies of the proxy materials by mail, you will receive a **vote instruction form**.

Attending and Voting at the Annual Meeting

Only stockholders as of the Record Date, or their duly appointed proxies, may attend the Annual Meeting. Stockholders may be asked to present valid picture identification such as a driver's license or passport and proof of stock ownership as of the Record Date. If you are not a stockholder of record but hold shares through a broker or nominee (i.e., in **street name**), you should provide proof of beneficial ownership on the Record Date, such as your most recent account statement prior to March 23, 2011, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of ownership. The use of cell phones, smartphones, pagers, recording and photographic equipment and/or computers is not permitted in the meeting rooms at the Annual Meeting.

Shares held in your name as the stockholder of record may be voted in person at the Annual Meeting. If you are not a stockholder of record but hold shares through a broker or nominee (i.e., in street name), you

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may vote your shares in person only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares giving you the right to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also submit your proxy or voting instructions prior to the meeting as described below so that your vote will be counted if you later decide not to attend the meeting.

Voting Without Attending the Annual Meeting

Whether you hold shares directly as the stockholder of record or beneficially in street name, you may direct how your shares are voted without attending the Annual Meeting. If you are a stockholder of record, you may vote by submitting a proxy, either by mail or via the Internet, or by calling the toll free number found on the Notice and the proxy card. If you hold shares beneficially in street name, you may vote by submitting voting instructions to your broker, trustee or nominee. For directions on how to vote, please refer to the instructions included in the Notice or, for shares held beneficially in street name, the voting instruction card provided by your broker, trustee or nominee.

Proxies submitted properly via one of the methods discussed above will be voted in accordance with the instructions contained therein. If the proxy is submitted but voting directions are not made, the proxy will be voted FOR each of the seven director nominees, FOR the ratification of the appointment of KPMG LLP as our independent registered public accounting firm, FOR approval of the current compensation structure of our named executive officers as described in this proxy statement, EVERY THREE YEARS with respect to the frequency with which we will hold an advisory vote regarding executive compensation, and in such manner as the proxy holders named on the proxy (the Proxy Agents), in their discretion, determine upon such other business as may properly come before the Annual Meeting or any adjournment or postponement thereof.

If your shares of our common stock are held through a broker, bank or other nominee (collectively referred to as brokers), under applicable rules of the New York Stock Exchange (the NYSE) (the exchange on which our common stock is traded), the brokers will vote your shares according to the specific instructions they receive from you. If brokers that hold shares of our common stock for a beneficial owner do not receive voting instructions from that owner, the broker may vote on the proposal if it is considered a routine matter under the NYSE's rules, including this year's ratification of the appointment of KPMG LLP as our independent registered public accounting firm for 2011, or leave your shares unvoted. Under recent amendments to the rules of the NYSE, the election of directors is no longer a routine matter as to which brokerage firms may vote in their discretion on behalf of clients who have not furnished voting instructions with respect to an uncontested director election. Because we have a plurality voting standard, however, broker non-votes will not affect the outcome of the vote on the election of directors.

The proposals set forth in this proxy statement constitute the only business that the Board intends to present or is informed that others will present at the meeting. The proxy does, however, confer discretionary authority upon the Proxy Agents or their substitutes, to vote on any other business that may properly come before the meeting. If the Annual Meeting is adjourned, the Proxy Agents can vote your shares on the new meeting date as well, unless you have revoked your proxy.

Quorum

Holders of a majority of our outstanding common stock entitled to vote must be present, in person or by proxy, at the Annual Meeting for a quorum to exist. If the shares present in person or by proxy at the Annual Meeting do not constitute a quorum, the Annual Meeting may be adjourned to a subsequent time. Shares that are voted FOR, AGAINST, ABSTAIN, or, with respect to the election of directors, WITHHOLD, will be treated as being present at the Annual Meeting for purposes of establishing a quorum. Accordingly, if you have returned a valid proxy or attend the Annual Meeting in person, your shares will be counted for the purpose of determining whether there is a quorum, even if you wish to abstain from voting on some or all matters at the Annual Meeting. Broker non-votes will also be

counted as present for purposes of determining the presence of a quorum. A broker non-vote occurs when a bank, broker or other person holding shares for a

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beneficial owner does not vote on a particular proposal because that holder does not have discretionary voting power for that particular item and has not received voting instructions from the beneficial owner.

Required Vote

You may vote **FOR** or **WITHHOLD** authority to vote on Proposal One, relating to the election of directors. Members of the Board are elected by a plurality of votes cast. This means that the seven nominees who receive the largest number of **FOR** votes cast will be elected. Neither broker non-votes nor **WITHHOLD** votes cast with respect to any nominee will affect the election of that nominee.

You may vote **FOR**, **AGAINST** or **ABSTAIN** on Proposals Two and Three. You may vote **EVERY YEAR**, **EVERY TWO YEARS**, **EVERY THREE YEARS**, OR **ABSTAIN** on Proposal Four. To be approved, Proposal Two must receive the affirmative vote of a majority of the voting shares that are present, in person or by proxy, at the meeting and entitled to vote on the proposal. An abstention will have the effect of a vote against Proposal Two. A broker non-vote will not have any effect on the outcome of the vote on Proposal Two. Since Proposals Three and Four are advisory votes, there is no vote requirement.

Board Recommendation

The Board recommends that you vote as follows:

FOR Proposal One, relating to the election of directors;

FOR Proposal Two, relating to the ratification of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2011;

FOR Proposal Three, relating to the advisory vote on executive compensation; and

EVERY THREE YEARS with regard to Proposal Four, relating to an advisory vote on the frequency of the advisory vote on executive compensation.

Any proxy as to which no instructions are given will be voted in accordance with the foregoing recommendations.

Revocation of Proxies

You may revoke your proxy at any time prior to its use by (i) delivering a written notice of revocation to our Secretary, (ii) filing a duly executed proxy bearing a later date with us or (iii) attending the Annual Meeting and voting in person.

Voting Privacy

Proxy instructions, ballots and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either within CoreSite or to third parties, except (i) as necessary to meet applicable legal requirements, (ii) to allow for the tabulation and certification of votes, and (iii) to facilitate a successful proxy solicitation. Occasionally, stockholders provide written comments on their proxy cards, which may be forwarded to the company's management and the Board.

Voting Results

The voting results will be tallied by the inspector of election appointed for the meeting and filed with the SEC in a Current Report on Form 8-K within four business days following the Annual Meeting.

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PROPOSAL ONE: ELECTION OF DIRECTORS

The Board has fixed the number of directors at seven. The seven persons named below, each of whom currently serves on our Board, have been recommended by our Nominating/Corporate Governance Committee and nominated by our Board to serve on the Board until our 2012 Annual Meeting of Stockholders and until their respective successors are elected and qualified. The Board of Directors has no reason to believe that any of the persons named below as a nominee for our Board will be unable, or will decline, to serve if elected. In addition, the Board has determined that all of the persons named below other than Mr. Ray are independent under applicable SEC and NYSE rules. A plurality of all the votes cast at the Annual Meeting at which a quorum is present is necessary for the election of a director. There is no cumulative voting in the election of directors.

The Nominating/Corporate Governance Committee has not set forth minimum qualifications for Board nominees. However, pursuant to its charter, in identifying candidates to recommend for election to the Board, the Nominating/Corporate Governance Committee considers the following criteria:

personal and professional integrity, ethics and values;

experience in corporate governance including as an officer, board member or senior executive or as a former officer, board member or senior executive of a publicly held company, and a general understanding of marketing, finance and other elements relevant to the success of a publicly traded company in today's business environment;

experience in the real estate industry, including real estate investment trusts (REITs) and with relevant social policy concerns;

experience as a board member of another publicly held company;

academic expertise in an area of our operations;

diversity of experience, profession, skill and background, both on an individual level and in relation to the Board as a whole; and

practical and mature business judgment, including ability to make independent analytical inquiries.

The Board does not have a formal policy specifying how diversity of background and personal experience should be applied in identifying or evaluating director candidates. A director candidate's background and personal experience, however, will be significant in the Board's candidate identification and evaluation process to help ensure that the Board remains sensitive and responsive to the needs and interests of our customers, stockholders and other stakeholders.

Under the partnership agreement governing our Operating Partnership (the Operating Partnership Agreement), The Carlyle Group (Carlyle), which directly or indirectly holds 57.3% of our Operating Partnership, is currently entitled to nominate up to two directors for election to our Board. (See Information about our Board of Directors and its Committees for more information about the circumstances under which Carlyle is entitled to appoint nominees to our Board.) Carlyle has exercised this right by nominating James A. Attwood, Jr. and Robert G. Stuckey for election in 2011.

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The table below sets forth the names and biographical information of each of the directors nominated for election at the Annual Meeting.

Name	Position With the Company	Age as of the Annual Meeting	Director Since
Robert G. Stuckey	Director and Chairman of the Board	49	2010
Thomas M. Ray	Director and Chief Executive Officer	48	2010
James A. Attwood, Jr.	Director	52	2010
Michael Koehler	Director	44	2010
Paul E. Szurek	Director	50	2010
J. David Thompson	Director	44	2010
David A. Wilson	Director	69	2010

Directors

Robert G. Stuckey has been a Director of CoreSite since September 2010. Mr. Stuckey is a Managing Director and Fund Head, US Real Estate, at The Carlyle Group. Prior to joining Carlyle Realty in 1998, Mr. Stuckey was Chief Investment Officer at CarrAmerica. Prior to that, he was Senior Vice President of ProLogis and Chief Financial Officer for Trammel Crow Company, N.E. Mr. Stuckey was twice Academic All-American in football at the University of Nebraska and received an M.B.A. from Harvard University. In determining Mr. Stuckey's qualifications to serve on our Board, the Board considered, among other things, Mr. Stuckey's significant experience concerning the acquisition, disposition, financing, operations and market opportunities of data center properties and private and publicly traded REITs, which provide us with valuable insight into REIT and data center industry trends that affect our business.

Thomas M. Ray is our President and Chief Executive Officer and a member of our board of directors since September 2010. Mr. Ray has been responsible for our company's activities since its founding in 2001. Prior to the initial public offering of our company, Mr. Ray also served as a Managing Director of The Carlyle Group, focusing upon opportunities for the firm's real estate funds and leading those funds' activities in the data center sector. He brings over 20 years of experience making and managing investments and businesses throughout the U.S., Europe and Asia. Prior to joining Carlyle and our company, Mr. Ray held management-level roles at companies such as ProLogis, CarrAmerica and predecessors to Archstone-Smith. Prior thereto he practiced real estate and transactional law. Mr. Ray received his M.B.A. from the University of Texas at Austin Graduate School of Business, where he was a Longhorn Scholar. He received a J.D. from the University of Colorado at Boulder School of Law and a B.S. in Business Administration with emphasis in Finance from the University of Denver, where he was a Hornbeck Scholar. In determining Mr. Ray's qualifications to serve on our Board, the Board considered, among other things, Mr. Ray's significant experience with publicly traded REITs and in the acquisition, finance and operation of commercial real estate, as well as over a decade of experience in the data center industry, which provide us with insight into commercial real estate, REIT and data center trends that affect our business.

James A. Attwood, Jr. has been a Director of CoreSite since September 2010. Mr. Attwood is a Managing Director and Head of the Global Telecommunications and Media Group at The Carlyle Group. Prior to joining Carlyle in 2000, Mr. Attwood served as Executive Vice President for Strategy, Development and Planning at Verizon Communications, Inc. and GTE Corporation prior to that. Prior to his four years at Verizon and GTE, Mr. Attwood served as an investment banker at Goldman, Sachs & Co. for 11 years. Mr. Attwood graduated summa cum laude from Yale University in 1980 with a B.A. in applied mathematics and an M.A. in statistics. In 1985, he received both J.D. and M.B.A. degrees from Harvard University. Mr. Attwood serves as a member of the Boards of Directors of Syniverse Holdings, Inc., Insight Communications and The Nielsen Company. Mr. Attwood has gained significant knowledge of the telecommunications industry through his work with

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Verizon and The Carlyle Group. In determining Mr. Attwood's qualifications to serve on our Board, the Board considered, among other things, Mr. Attwood's private equity experience, together with the experience gained by having served on the boards of directors of various telecommunications companies, which provide us with a valuable perspective in monitoring and evaluating our business.

Michael Koehler has been a Director of CoreSite since September 2010. During 2008 and 2009, Mr. Koehler served as Senior Vice President, Americas Region, of Electronic Data Systems Corporation, or EDS, a division of the Hewlett-Packard Company, or HP. EDS, a global provider of information technology and business process outsourcing services, was acquired by HP in 2008. During 2008, and prior to HP's acquisition of EDS, Mr. Koehler served as Executive Vice President, Global ITO Services and, following a promotion, as Senior Vice President, Infrastructure Technology and Business Process Outsourcing, in each case, at EDS. During 2007, and prior to his assuming the position of Executive Vice President, Global ITO Services, Mr. Koehler served as Regional Senior Vice President, Europe, Middle East and Africa Operations, at EDS and, from 2006 to 2008, as Enterprise Client Executive, Navy Marine Corps Intranet Account, at EDS. From 2004 to 2006, Mr. Koehler served as Chief Operating Officer of The Feld Group, a management information technology consulting firm that was acquired by EDS in 2004. From 1994 to 2001, he held management positions of increasingly greater responsibility at The Feld Group. Mr. Koehler received his B.S. in Industrial Engineering from Texas Tech University. In determining Mr. Koehler's qualifications to serve on our Board, the Board considered, among other things, Mr. Koehler's significant experience in the technology consulting and outsourcing industries and extensive operational and strategic planning experience in complex, global companies, which provide us with valuable insight into the technology trends that affect our business.

Paul E. Szurek has been a Director of CoreSite since September 2010. Mr. Szurek has been Chief Financial Officer of Biltmore Farms, LLC, a residential and commercial real estate development and operating company, since 2003. Prior to joining Biltmore Farms, Mr. Szurek served as Chief Financial Officer of Security Capital Group Incorporated, a real estate investment, development and operating company. He has also served as Director to two publicly traded real estate companies, Regency Centers and Security Capital U.S. Realty. Mr. Szurek received a J.D. with honors from Harvard Law School and a B.A. in Government, magna cum laude, from the University of Texas at Austin. In determining Mr. Szurek's qualifications to serve on our Board, the Board considered, among other things, Mr. Szurek's significant experience concerning the acquisition, disposition, financing, operations and market opportunities of private and publicly traded REITs, which provide us with valuable insight into REIT-industry trends that affect our business.

J. David Thompson has been a Director of CoreSite since September 2010. Since 2006, Mr. Thompson has been Group President of the Symantec Services Group and Chief Information Officer of Symantec Corporation, a global provider of security, storage, and systems management solutions. From 2004 to 2006, prior to joining Symantec Corporation, Mr. Thompson served as Senior Vice President and Chief Information Officer for Oracle Corporation. Before joining Oracle Corporation, Mr. Thompson was Senior Vice President and Chief Information Officer at PeopleSoft, Inc. from 1998 to 2005, prior to its acquisition by Oracle Corporation. Mr. Thompson began his career as an officer in the U.S. Air Force as an Intelligence Systems Officer. Mr. Thompson studied computer science at American University. In determining Mr. Thompson's qualifications to serve on our Board, the Board considered, among other things, Mr. Thompson's significant experience in the technology industry and extensive operational experience in information technology systems optimization, which provide us with valuable insights into the information technology trends that affect our business.

David A. Wilson has been a Director of CoreSite since September 2010. Mr. Wilson has been the President and Chief Executive Officer of the Graduate Management Admission Council, or the Council, since 1995. The Council is a \$100.0 million enterprise that is the owner of the Graduate Management Admission Test, the GMAT. Prior to that, he was a Managing Partner and National Director for Professional Development at Ernst & Young. From 1968 to 1978, he held faculty positions at the University of Texas at Austin, where he was awarded tenure, and at Harvard Business

School. Mr. Wilson completed his undergraduate studies at Queen's University in Canada, received his M.B.A. at the University of California, Berkeley, and received his doctorate at the University of Illinois. He is a Chartered Accountant in Canada and a Certified Public Accountant in the United States. He has served on the board of directors of Laureate Education, Inc., and of

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Terra Industries, Inc. At Laureate, he chaired the Audit Committee and served as a member of the Nominating and Governance Committee and the Conflicts Committee. He served on the Audit Committee of Terra. He has served on the Worldwide Board of Junior Achievement, the Conseil d Administration de la Confrérie de la Chaîne des Rôtisseurs (Paris) and The Wolf Trap Foundation. He presently serves on the board of directors of Barnes and Noble, Inc. and as a member of the board of The Atlantic Council, and is a national trustee of the National Symphony Orchestra. Mr. Wilson currently serves as Chairman of and the Financial Expert on our Audit Committee. In determining Mr. Wilson's qualifications to serve on our Board, the Board considered, among other things, Mr. Wilson's significant industry experience in the areas of accounting policy, internal controls, and risk management.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR ELECTION OF EACH OF MESSRS. STUCKEY, RAY, ATTWOOD, KOEHLER, SZUREK, THOMPSON, AND WILSON.

PROPOSAL TWO: RATIFICATION OF THE APPOINTMENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee of our Board, which is composed entirely of independent directors, has appointed KPMG LLP as our company's independent registered public accounting firm for the year ending December 31, 2011. Although stockholder approval is not required, we desire to obtain from our stockholders an indication of their approval or disapproval of the Audit Committee's action in appointing KPMG LLP as the independent registered public accounting firm of our company for 2011. If our stockholders do not ratify and approve this appointment, the appointment will be reconsidered by the Audit Committee and our Board.

A representative of KPMG LLP will be present at our Annual Meeting, where the representative will be afforded an opportunity to make a statement and to respond to appropriate questions.

The vote of a majority of all votes cast at the Annual Meeting at which a quorum is present is necessary to ratify the appointment of KPMG LLP as our independent registered public accounting firm for 2011.

Audit Committee Report

The following report of the Audit Committee shall not be deemed to be soliciting material or to otherwise be considered filed with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933 (the Securities Act) or the Securities Exchange Act of 1934 (the Exchange Act) except to the extent that we specifically incorporate it by reference into such filing.

The Audit Committee of the Board of Directors (the Board) of CoreSite Realty Corporation (the Company) consists of David A. Wilson (Chairman and Audit Committee Financial Expert), Paul E. Szurek and Michael Koehler, and operates under a written charter adopted by the Board.

The Audit Committee assists the Board with its oversight responsibilities regarding the Company's financial reporting process. The Company's management is responsible for the preparation, presentation and integrity of the Company's financial statements and the reporting process, including the Company's accounting policies, internal audit function, internal control over financial reporting and disclosure controls and procedures. KPMG LLP, the Company's independent registered public accounting firm, is responsible for performing an audit of the Company's financial statements.

The Audit Committee has reviewed and discussed with management the audited financial statements in the Annual Report on Form 10-K for the year ended December 31, 2010 (the Annual Report). The Audit Committee has discussed with KPMG LLP the overall scope of and plans for the audit by KPMG LLP. The Audit Committee

regularly meets with KPMG LLP, with and without management present, to discuss the results of its examination, its evaluation of the Company's internal control over financial reporting, and the overall quality of the Company's financial reporting. In the performance of their oversight function, the members of the Audit Committee necessarily relied upon the information, opinions, reports and statements presented to them by management and by KPMG LLP. The Audit Committee also has discussed with KPMG

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LLP the matters required to be discussed by the statement on Auditing Standards 114, as modified or supplemented, including the overall scope and plan for their audit, the auditor's judgment as to the quality, not just the acceptability, of the accounting principles, the consistency of their application and the clarity and completeness of the audited financial statements.

The Audit Committee has received the written disclosures and the letter from the independent accountant required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with the independent accountant the independent accountant's independence.

In reliance on the reviews and discussions referred to above, the Audit Committee recommended to the Board (and the Board agreed) that the audited financial statements be included in the Company's Annual Report on Form 10-K, for filing with the Securities and Exchange Commission. The Audit Committee also appointed KPMG LLP as the Company's auditors for the 2011 fiscal year.

David A. Wilson
Paul E. Szurek
Michael Koehler

Relationship with Independent Registered Public Accounting Firm**Principal Accountant Fees and Services**

The following table summarizes the fees billed by KPMG LLP for professional services rendered to us for 2010:

	2010
Audit Fees	\$ 807,000
Audit-Related Fees	619,000
Tax Fees	100,632
All Other Fees	
Total	\$ 1,525,632

Audit Fees. Audit fees for 2010 consisted of aggregate fees billed for professional services rendered for the audit of our consolidated annual financial statements, review of interim consolidated financial statements, consultations on accounting matters directly related to the audit, or services that are normally provided by the independent registered public accounting firm in connection with statutory and regulatory filings or engagements.

Audit-Related Fees. Audit-related fees consists of aggregate fees billed for accounting consultations and other services that were reasonably related to the performance of audits or reviews of our financial statements and were not reported above under Audit Fees. The amount includes \$618,869 of costs associated with the Registration Statement on Form S-11 relating to our initial public offering.

Tax Fees. Tax fees consisted principally of assistance with matters related to tax compliance and reporting. On September 7, 2010, our executive management team approved a reduction in the scope of services provided by KPMG LLP and hired Deloitte Tax LLP for the purposes of providing tax advisory services for the remainder of 2010 and

through 2011, and to prepare the federal and state income tax returns for us and our affiliates for 2010.

All Other Fees. All other fees consists of aggregate fees billed for products and services provided by the independent registered public accounting firm other than those disclosed above.

Change in Independent Registered Accounting Firms

On September 21, 2009, our executive management team approved the dismissal of Ernst & Young LLP (E&Y) as our independent registered public accounting firm, which was immediately effective, and

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appointed KPMG LLP as our independent registered public accounting firm for the year ended December 31, 2009.

E&Y's reports on our financial statements of our significant subsidiaries for the years ended December 31, 2008 and 2007, did not contain an adverse opinion or a disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles. During our two most recent fiscal years and any subsequent interim period preceding the dismissal of E&Y, there were no disagreements with E&Y on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which, if not resolved to E&Y's satisfaction, would have caused E&Y to make reference to the matter in their report, and there have been no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K.

Prior to the engagement of KPMG LLP, we did not consult with such firm regarding the application of accounting principles to a specific completed or contemplated transaction, or any matter that was either the subject of a disagreement or a reportable event. We also did not consult with KPMG LLP regarding the type of audit opinion which might be rendered on our financial statements and no oral or written report was provided by KPMG LLP.

On September 21, 2009, our executive management team approved the dismissal of Beers and Cutler, PLLC (B&C) as our independent registered public accounting firm, which was immediately effective, and appointed KPMG LLP as our independent registered public accounting firm for the year ended December 31, 2009.

B&C's reports on our financial statements of our significant subsidiaries for the years ended December 31, 2008 and 2007, did not contain an adverse opinion or a disclaimer of opinion and was not qualified or modified as to uncertainty, audit scope or accounting principles. During our two most recent fiscal years and any subsequent interim period preceding the dismissal of B&C, there were no disagreements with B&C on any matters of accounting principles or practices, financial statement disclosure or auditing scope or procedure, which, if not resolved to B&C's satisfaction, would have caused B&C to make reference to the matter in their report, and there have been no reportable events as defined in Item 304(a)(1)(v) of Regulation S-K.

Prior to the engagement of KPMG LLP, we did not consult with such firm regarding the application of accounting principles to a specific completed or contemplated transaction, or any matter that was either the subject of a disagreement or a reportable event. We also did not consult with KPMG LLP regarding the type of audit opinion which might be rendered on our financial statements and no oral or written report was provided by KPMG LLP.

Pre-Approval Policies and Procedures

The Audit Committee pre-approves all audit and non-audit services provided by our independent registered public accounting firm. Requests to provide services requiring pre-approval by the Audit Committee are submitted to the Audit Committee with a description of the services to be provided and an estimate of the fees to be charged in connection with such services. The Audit Committee approved all services to be performed by our independent registered accounting firm during 2010.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR PROPOSAL TWO.

PROPOSAL THREE: AN ADVISORY VOTE APPROVING OUR EXECUTIVE COMPENSATION

Our stockholders are entitled to cast an advisory vote at the Annual Meeting to approve the compensation of our named executive officers, as disclosed pursuant to the SEC's compensation disclosure rules, including the Compensation Discussion & Analysis section of this proxy statement, or CD&A, the compensation tables and accompanying narrative disclosures. While this stockholder vote on executive compensation is an advisory vote that is not binding on the company or the Board, we value the opinions of our stockholders and will consider the outcome of

the vote when making future compensation decisions.

As described more fully in the CD&A, our executive compensation program is designed to attract, motivate and retain individuals with the skills required to formulate and drive our strategic direction and