

DIVIDEND CAPITAL TRUST INC

Form POS AM

July 07, 2006

Table of Contents

As filed with the Securities and Exchange Commission on July 7, 2006

Registration No. 333-122260

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 3 TO
FORM S-3 ON FORM S-11

FOR REGISTRATION UNDER THE SECURITIES ACT OF 1933
OF SECURITIES OF CERTAIN REAL ESTATE COMPANIES

DIVIDEND CAPITAL TRUST INC.

(Exact name of Registrant as specified in its governing instruments)

518 Seventeenth Street,

Suite 1700

Denver, Colorado 80202

Telephone (303) 228-2200
(Address, including zip code,

82-0538520
(I.R.S. Employer
Identification No.)

and telephone number,

including area code, of

registrant's principal executive

offices)

Maryland
(State or other jurisdiction of
incorporation or organization)

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Evan H. Zucker

Chief Executive Officer

518 Seventeenth Street, Suite 1700

Denver, Colorado 80202

Telephone (303) 228-2200

(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate Date of Commencement of Proposed Sale to the Public:

As soon as practicable after the effective date of this Registration Statement.

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If delivery of this prospectus is expected to be made pursuant to Rule 434, check the following box. "

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents

The information in this prospectus is not complete and may be changed. No person may sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

Subject to Completion, Dated July 7, 2006

\$1,000,000,000

Common Stock

Dividend Capital Trust Inc. is organized as a real estate investment trust that owns, operates and develops real estate properties, consisting primarily of high-quality, generic distribution warehouses and light industrial properties that are net leased to creditworthy corporate customers. Dividend Capital Trust was formed as a Maryland corporation in April 2002. Dividend Capital Trust is organized and conducts its operations in a manner so as to qualify as a real estate investment trust (REIT) for federal income tax purposes.

We are offering up to \$1,000,000,000 in shares of our common stock. We are offering up to 72,770,273 shares to the public at \$10.50 per share and Dividend Capital Securities LLC, which is an affiliate of Dividend Capital Trust, is acting as an underwriter and dealer manager of this offering on a best efforts basis. We are also offering up to 23,650,339 shares to participants in our distribution reinvestment plan at \$9.975 per share. Subject to certain exceptions described in this prospectus, investors that want to participate in this offering must invest a minimum of \$2,000. This offering will terminate on or before June 9, 2007. The proceeds from the offering will not be kept in an escrow account pending completion of this offering and we will use the proceeds, as discussed in the prospectus, as we receive them.

Dividend Capital Advisors LLC, our advisor, which is an affiliate of Dividend Capital Trust, is responsible for managing our day-to-day activities under the terms and conditions of an advisory agreement. Our advisor is beneficially owned and/or controlled by three of our directors. See the **Conflicts of Interest** section of this prospectus for a discussion of the relationship between Dividend Capital Trust, our advisor and other of our affiliates.

Our articles of incorporation contain a restriction on ownership of the common stock that prevents any person or entity from owning directly or indirectly more than 9.8% of the outstanding shares of any class or series of our stock. These restrictions, as well as other share ownership and transfer restrictions contained in our articles of incorporation, are designed to enable us to comply with share accumulation and other restrictions imposed on REITs by the Internal Revenue Code. For a more complete description of the common stock, including restrictions on the ownership of common stock, please see the **Description of Securities** section of this prospectus.

See **Risk Factors** beginning on page 23 for a discussion of certain factors that you should consider before you invest in our common stock. In particular, you should carefully consider the following risks:

We have a limited history of operations

There is no current public trading market for the common stock; if you choose to sell your shares, it will likely be at a price which is less than your purchase price

Reliance on our advisor to select properties and conduct our operations

Payment of substantial fees to our advisor and its affiliates

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Borrowing which increases the risk of loss of our investments

Conflicts of interest between Dividend Capital Trust and certain affiliates which will be compensated for their services, including our advisor, Dividend Capital Property Management LLC, our property manager, and Dividend Capital Securities LLC, our dealer manager

Failure to qualify as a REIT could adversely affect the results of our operations and our ability to make distributions to our shareholders.

Neither the Securities and Exchange Commission nor any state securities regulator has approved or disapproved of these securities or determined if this prospectus is truthful or complete. In addition, the Attorney General of the State of New York has not passed on or endorsed the merits of this offering. Any representation to the contrary is a criminal offense. The use of forecasts in this offering is prohibited. Any representation to the contrary and any predictions, written or oral, as to the amount or certainty of any present or future cash benefits or tax consequences which may flow from your investment is not permitted.

	Price to Public	Selling Commissions	Proceeds to the Company(2)(3)
Primary Offering Per Share	\$10.50	\$0.63(1)	\$9.87
Total Maximum	\$764,087,870	\$45,845,272(1)	\$718,242,598
Distribution Reinvestment Plan Per Share	\$9.975	\$	\$9.975
Total Maximum	\$235,912,130	\$	\$235,912,130

- (1) We will pay a sales commission to our dealer manager of up to 6% of the gross offering proceeds which may be re-allowed to participating broker-dealers.
- (2) Proceeds with respect to our primary offering are calculated before deducting certain dealer manager fees and organizational and offering expenses payable by us. We will pay a dealer manager fee to our dealer manager of up to 2% of gross offering proceeds and we will reimburse our advisor for organizational and offering expenses in an amount up to 2% of gross offering proceeds. Such fees and expenses are estimated to be approximately \$30,563,514 assuming 72,770,273 shares are sold at a public offering price of \$10.50 per share. See the Management Management Compensation section of this prospectus. Proceeds with respect to our distribution reinvestment plan are calculated before deducting a one-time servicing fee payable by us equal to 1% of the undiscounted selling price of the shares. Based on a public offering price of \$10.50 per share, such fee is estimated to be \$2,483,286 assuming 23,650,339 shares are sold pursuant to our distribution reinvestment plan. We reserve the right to reallocate the shares we are offering between our primary offering and our distribution reinvestment plan. See the Plan of Distribution section of this prospectus for a complete description of the amount and terms of such fees and expense reimbursement.
- (3) The selling commissions and, in some cases, all or a portion of the dealer manager fee will not be charged with regard to shares sold to or for the account of certain categories of purchasers. The reduction in these fees will be accompanied by a corresponding reduction in the per share purchase price, but will not impact the net proceeds received by us. See the Plan of Distribution section of this prospectus.

DIVIDEND CAPITAL SECURITIES LLC

(Dividend Capital Securities LLC will be underwriting any offering on a best efforts basis)

The date of this prospectus is , 2006

Table of Contents

TABLE OF CONTENTS

<u>FORWARD-LOOKING STATEMENTS</u>	1
<u>SUITABILITY STANDARDS</u>	2
<u>PROSPECTUS SUMMARY</u>	4
<u>Dividend Capital Trust Inc.</u>	4
<u>Recent Developments</u>	4
<u>Our REIT Status</u>	5
<u>Summary Risk Factors</u>	5
<u>Description of Properties</u>	6
<u>Estimated Use of Proceeds of Offering</u>	6
<u>Investment Objectives</u>	7
<u>Conflicts of Interest</u>	7
<u>Prior Offering Summary</u>	9
<u>The Offering</u>	9
<u>Terms of the Offering</u>	9
<u>Compensation to the Advisor</u>	10
<u>Distribution Policy</u>	11
<u>Liquidity Event</u>	12
<u>Distribution Reinvestment Plan</u>	12
<u>Share Redemption Program</u>	12
<u>Dividend Capital Operating Partnership</u>	13
<u>ERISA Considerations</u>	13
<u>Description of Securities</u>	13
<u>QUESTIONS AND ANSWERS ABOUT THIS OFFERING</u>	14
<u>RISK FACTORS</u>	23
<u>INVESTMENT RISKS</u>	23
<u>REAL ESTATE RISKS</u>	31
<u>RISKS ASSOCIATED WITH OUR OPERATING PARTNERSHIP S PRIVATE PLACEMENT</u>	36
<u>FEDERAL INCOME TAX RISKS</u>	37
<u>RETIREMENT PLAN RISKS</u>	40
<u>ESTIMATED USE OF PROCEEDS</u>	41
<u>RECENT DEVELOPMENTS</u>	43
<u>Sale of Common Stock</u>	43
<u>Our Operating Partnership s Private Placement</u>	43
<u>Investment in Real Estate</u>	43
<u>Proposed Internalization Transaction</u>	45
<u>SUMMARY FINANCIAL DATA</u>	46
<u>MANAGEMENT S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	47
<u>Overview</u>	47
<u>Liquidity and Capital Resources</u>	49
<u>Contractual Obligations</u>	57
<u>Off-Balance Sheet Arrangements</u>	57
<u>Results of Operations</u>	58
<u>Critical Accounting Policies</u>	66
<u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	70
<u>MANAGEMENT</u>	71
<u>General</u>	71
<u>Committees of the Board of Directors</u>	72
<u>Directors and Executive Officers</u>	73

Table of Contents

<u>Compensation of Directors</u>	75
<u>Compensation of Executive Officers</u>	75
<u>Compensation Committee Interlocks and Insider Participation</u>	76
<u>Board Compensation Committee Report on Executive Compensation</u>	76
<u>Independent Director Option Plan</u>	76
<u>Employee Option Plan</u>	77
<u>Limited Liability and Indemnification of Directors, Officers and Others</u>	77
<u>The Advisor</u>	79
<u>The Advisory Agreement</u>	82
<u>Holdings of Common Stock and Partnership Units</u>	84
<u>Affiliated Companies</u>	85
<u>Management Decisions of the Advisor</u>	88
<u>Management Compensation</u>	88
<u>Organizational and Offering Stage</u>	88
<u>Acquisition and Development Stage</u>	89
<u>Operational Stage</u>	89
<u>CONFLICTS OF INTEREST</u>	93
<u>Interests in Other Real Estate Programs</u>	93
<u>Other Activities of the Advisor and its Affiliates</u>	93
<u>Competition</u>	93
<u>Affiliated Dealer Manager</u>	94
<u>Affiliated Property Manager</u>	94
<u>Lack of Separate Representation</u>	95
<u>Joint Ventures with Affiliates of the Advisor</u>	95
<u>Fees and Other Compensation to the Advisor</u>	95
<u>Certain Conflict Resolution Procedures</u>	96
<u>CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS</u>	97
<u>Our Advisor</u>	97
<u>Our Property Manager</u>	98
<u>Our Dealer Manager</u>	98
<u>Our Facilitator</u>	99
<u>INVESTMENT OBJECTIVES AND CRITERIA</u>	100
<u>General</u>	100
<u>Investment Strategy</u>	100
<u>Acquisition and Investment Policies</u>	102
<u>Development and Construction of Properties</u>	104
<u>Acquisition of Properties from the Advisor</u>	104
<u>Terms of Leases and Customer Creditworthiness</u>	104
<u>Joint Venture Investments</u>	104
<u>Our Operating Partnership's Private Placement</u>	105
<u>Borrowing Policies and Related Indebtedness</u>	106
<u>Disposition Policies</u>	108
<u>Investment Limitations</u>	108
<u>Change in Investment</u>	110
<u>REAL ESTATE INVESTMENTS</u>	111
<u>General</u>	111
<u>Properties</u>	111
<u>Contribution of Properties to an Institutional Fund</u>	112
<u>Significant Customers</u>	112
<u>Customer Lease Expirations</u>	112
<u>Insurance Coverage on Properties</u>	113
<u>Additional Property Acquisitions</u>	113

Table of Contents

<u>PRIOR PERFORMANCE SUMMARY</u>	114
<u>FEDERAL INCOME TAX CONSIDERATIONS</u>	115
<u>General</u>	115
<u>Requirements for Qualification as a REIT</u>	117
<u>Failure to Qualify as a REIT</u>	123
<u>Sale-Leaseback Transactions</u>	123
<u>Taxation of Taxable U.S. Shareholders</u>	123
<u>Treatment of Tax-Exempt Shareholders</u>	126
<u>Special Tax Considerations for Non-U.S. Shareholders</u>	126
<u>Statement of Stock Ownership</u>	128
<u>Federal Income Tax Aspects of Our Partnership</u>	128
<u>Other Tax Considerations</u>	131
<u>ERISA CONSIDERATIONS</u>	132
<u>Plan Asset Considerations</u>	132
<u>Other Prohibited Transactions</u>	134
<u>Annual Valuation</u>	134
<u>DESCRIPTION OF SECURITIES</u>	136
<u>Common Stock</u>	136
<u>Preferred Stock</u>	136
<u>Meetings, Special Voting Requirements and Access to Records</u>	136
<u>Restriction on Ownership of Common Stock</u>	137
<u>Distributions</u>	139
<u>Distribution Reinvestment Plan</u>	140
<u>Share Redemption Program</u>	141
<u>Market Information</u>	143
<u>Securities Authorized for Issuance under Our Compensation Plans</u>	144
<u>Business Combinations</u>	144
<u>Control Share Acquisitions</u>	145
<u>THE PARTNERSHIP AGREEMENT</u>	146
<u>General</u>	146
<u>Capital Contributions</u>	146
<u>Operations</u>	146
<u>Redemption Rights</u>	147
<u>Transferability of Interests</u>	147
<u>PLAN OF DISTRIBUTION</u>	149
<u>Supplemental Sales Material</u>	152
<u>LEGAL OPINIONS</u>	153
<u>EXPERTS</u>	153
<u>WHERE YOU CAN FIND ADDITIONAL INFORMATION</u>	153
<u>FINANCIAL STATEMENTS</u>	F-1
<u>APPENDIX A SUBSCRIPTION AGREEMENT</u>	A-1
<u>APPENDIX B AMENDED AND RESTATED DISTRIBUTION REINVESTMENT PLAN</u>	B-1

Table of Contents

FORWARD-LOOKING STATEMENTS

We make statements in this prospectus that are considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, which are usually identified by the use of words such as will, anticipates, believes, estimates, expects, projects, plans, intends, should or similar expressions. We intend these forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995 and are including this statement for purposes of complying with those safe harbor provisions. These forward-looking statements reflect our current views about our plans, strategies and prospects, which are based on the information currently available to us and on assumptions we have made. Although we believe that our plans, intentions and expectations as reflected in or suggested by those forward-looking statements are reasonable, we can give no assurance that the plans, intentions or expectations will be achieved. We have discussed in this prospectus some important risks, uncertainties and contingencies which could cause our actual results, performance or achievements to be materially different from the forward-looking statements we make in these documents.

We assume no obligation to update publicly any forward-looking statements, whether as a result of new information, future events or otherwise. In evaluating forward-looking statements, you should consider these risks and uncertainties, together with the other risks described from time to time in our reports and documents filed with the SEC, and you should not place undue reliance on those statements.

Table of Contents

SUITABILITY STANDARDS

The shares we are offering are suitable only as a long-term investment for persons of adequate financial means. Initially, we do not expect to have a public market for the common stock, which means that it may be difficult for you to sell your shares. You should not buy these shares if you need to sell them immediately or will need to sell them quickly in the future.

Dividend Capital Advisors LLC (the Advisor or our advisor) and those selling shares on our behalf shall make every reasonable effort to determine that the purchase of common stock is a suitable and appropriate investment for each investor based on information obtained by those selling shares on our behalf concerning the investor's financial situation and investment objectives. In consideration of these factors, we have established suitability standards for initial shareholders and subsequent transferees. Those selling shares on our behalf will determine that each purchaser of common stock satisfy these standards. These suitability standards require that a purchaser of common stock have either:

A net worth of at least \$150,000; or

A gross annual income of at least \$45,000 and a net worth of at least \$45,000.

For purposes of determining suitability, net worth shall exclude the value of an investor's home, furnishings and automobiles. The minimum purchase is \$2,000 except in certain states as described below. In order to satisfy the minimum purchase requirements for retirement plans, unless otherwise prohibited by state law, a husband and wife may jointly contribute funds from their separate IRAs, provided that each such contribution is made in increments of \$100. You should note that an investment in common stock of Dividend Capital Trust will not, in itself, create a retirement plan and that, in order to create a retirement plan, you must comply with all applicable provisions of the Internal Revenue Code of 1986, as amended (the Code).

The minimum purchase for Maine, Minnesota, New York and North Carolina residents is \$2,500, except for IRAs and other qualified retirement plans which must purchase a minimum of \$2,000.

Purchases of common stock pursuant to our distribution reinvestment plan may be in amounts less than set forth above.

Several states have established suitability standards different from those we have outlined. Shares will be sold only to investors in these states who meet the special suitability standards set forth below.

Arizona, California, Iowa, Kansas, Michigan, Missouri, North Carolina, Oregon and Tennessee Investors must have either (1) a net worth of at least \$225,000 or (2) gross annual income of \$60,000 and a net worth of at least \$60,000.

Maine Investors must have either (1) a net worth of at least \$200,000 or (2) gross annual income of \$50,000 and a net worth of at least \$50,000.

Ohio Investors must have either (1) a net worth of at least \$250,000 or (2) gross annual income of \$70,000 and a net worth of at least \$70,000.

Kansas In addition to our suitability requirements, it is recommended that investors should invest not more than 10% of their liquid net worth in our stock and securities of other REITs. Liquid net worth means the portion of net worth (total assets minus total liabilities) that is comprised of cash, cash equivalents and readily marketable securities.

Table of Contents

Michigan, Ohio and Pennsylvania In addition to our suitability requirements, investors must have a net worth of at least ten times their investment in Dividend Capital Trust.

In the case of sales to fiduciary accounts, these suitability standards must be met by the fiduciary account, by the person who directly or indirectly supplied the funds for the purchase of the common stock or by the beneficiary of the account. These suitability standards are intended to help ensure that, given the long-term nature of an investment in our common stock, our investment objectives and the relative illiquidity of our common stock, shares of Dividend Capital Trust are an appropriate investment for each shareholder. Each participating broker-dealer must make every reasonable effort to determine that the purchase of shares is a suitable and appropriate investment for each shareholder based on information provided by the shareholder in the Subscription Agreement. Each participating broker-dealer is required to maintain for six years records of the information used to determine that an investment in the shares is suitable and appropriate for a shareholder.

Table of Contents

PROSPECTUS SUMMARY

This prospectus summary summarizes information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including the Risk Factors section.

Dividend Capital Trust Inc.

Dividend Capital Trust Inc. is organized as a real estate investment trust that owns, operates and develops real estate properties, consisting primarily of high-quality, generic distribution warehouses and light industrial properties that are net leased to creditworthy corporate customers. Dividend Capital Trust was formed as a Maryland corporation on April 12, 2002. We are structured as an umbrella partnership real estate investment trust (UPREIT) under which substantially all of our current and future business is and will be conducted through our controlling interest in Dividend Capital Operating Partnership, LP (the Partnership or our operating partnership). Our office is located at 518 17th Street, Suite 1700, Denver, Colorado 80202 and our telephone number is (303) 228-2200.

The Advisor is responsible for managing our affairs on a day-to-day basis and for identifying and making investments on our behalf. Our board of directors, or our investment committee comprised of board members, must approve each property acquisition or development proposed by the Advisor, as well as certain other matters set forth in our articles of incorporation. We have seven members on our board of directors. Four of our directors are independent of the Advisor and have responsibility for reviewing the performance of the Advisor. Our directors are elected annually by the shareholders.

Recent Developments

Sale of Common Stock

Since December 2002, we have conducted four successive public offerings of our common stock on a continuous basis and raised approximately \$1.4 billion of net proceeds. On January 23, 2006, we closed the primary offering component of our fourth public offering, but we will continue to offer shares pursuant our distribution reinvestment plan.

As of March 31, 2006, approximately 149.2 million shares of common stock were issued and outstanding. The net proceeds from the sale of these securities were transferred to our operating partnership on a one-for-one basis for limited partnership units. Our operating partnership has used these proceeds to fund the acquisition or development of our properties.

Our Operating Partnership s Private Placement

Since November 26, 2003 through March 31, 2006, we have raised approximately \$228.0 million in gross proceeds from our operating partnership s private placement of tenancy-in-common interests in industrial properties, of which approximately \$50.0 million has been raised subsequent to December 31, 2005. Our operating partnership s private placement is discussed in greater detail in the Investment Objectives and Criteria Our Operating Partnership s Private Placement section of this prospectus.

Investment in Real Estate

Consistent with our investment strategy to invest in high-quality, generic distribution warehouses and light industrial properties, since March 31, 2006 through June 15, 2006, we have completed nine property transactions with a total estimated investment of approximately \$777.7 million and representing 103 industrial properties, including Cal TIA discussed below. As of June 15, 2006, the total estimated investment in our properties was approximately \$2.7 billion comprised of 372 industrial buildings located in 22 of our 26 target markets. (See the Recent Developments, Investment Objectives and Criteria and Real Estate Investments sections of this prospectus).

Table of Contents

Cal TIA Acquisition

On May 10, 2006, we entered into a purchase agreement to acquire a portfolio of 79 bulk distribution, light industrial and service center buildings comprising approximately 7.9 million square feet located in the following eight markets: Atlanta, Baltimore, Charlotte, Cincinnati, Dallas, Miami, Orlando and San Francisco (collectively, Cal TIA). Pursuant to the purchase agreement, on June 9, 2006, we acquired a fee interest in 78 of the 79 buildings in Cal TIA, as well as a land parcel comprising 9.2 acres located in the Orlando market, for a total estimated cost of approximately \$500.7 million (which includes an acquisition fee of \$4.9 million that is payable to our advisor), which was funded using our existing cash balances, net proceeds from our operating partnership's private placement and debt proceeds of approximately \$387.0 million. These debt proceeds consisted of borrowings from our senior unsecured revolving credit facility in the amount of \$112.0 million and the issuance of \$275.0 million of unsecured debt.

Proposed Internalization Transaction

On April 13, 2006, a special committee of our board of directors comprised of all of our independent directors was formed to review, consider, evaluate and negotiate any proposals that may be made with respect to a possible business combination transaction with our advisor in order to facilitate any future listing or quotation of our common stock. The special committee and members of the advisor's management have since been negotiating a proposed contribution agreement pursuant to which, the entire outstanding membership interest, and all economic interests, in our advisor would be contributed by Dividend Capital Advisors Group LLC, our advisor's parent company, to our operating partnership.

As of the date of this prospectus, no agreement has been entered into with respect to the acquisition and there can be no guarantee that an agreement will in fact be agreed to by the parties. Even if an agreement is signed, it is currently contemplated that the closing of the advisor acquisition would be subject to a number of conditions, including the approval of the transaction by the affirmative vote of the holders of at least a majority of the shares at a duly constituted meeting of our shareholders, and there could be no guarantee that an acquisition would be consummated.

Our REIT Status

We operate in a manner to qualify as a real estate investment trust (REIT) for federal income tax purposes commencing with our taxable year ending December 31, 2003. As a REIT, we generally will not be subject to federal income tax on taxable income that we distribute to our shareholders. Under the Internal Revenue Code of 1986, as amended (the Code), REITs are subject to numerous organizational and operational requirements, including a requirement that they distribute at least 90% of their taxable income. If we fail to qualify for taxation as a REIT in any year, our income will be taxed at regular corporate rates, we will not be allowed a deduction for distributions to our shareholders in computing our taxable income and we may be precluded from qualifying for treatment as a REIT for the four-year period following the year of our failure to qualify. Even if we qualify as a REIT for federal income tax purposes, we may still be subject to state and local taxes on our income and property and to federal income and excise taxes on our undistributed income.

Summary Risk Factors

Following are the most significant risks relating to your investment:

We have a limited history of operations which you are able to evaluate in making a decision to purchase our common stock.

There is no current public market for the common stock and we have no obligation or immediate plans to apply for quotation or listing in any public securities market. Although we continue to evaluate and consider opportunities and transactions to establish a public market for our common stock, including internalizing our advisor to facilitate the future quotation or listing of our common stock, there can be no assurance that a public market will ever exist. It will therefore be very difficult for you to sell your shares promptly or at all.

Table of Contents

We must rely on the Advisor for the day-to-day management of our business and the identification of real estate properties which we may acquire.

The timing and availability of cash distributions to our shareholders is uncertain.

To ensure that we continue to qualify as a REIT, our articles of incorporation prohibit any person or entity from owning directly or indirectly more than 9.8% of the outstanding shares of any class or series of our stock. This may discourage or prevent a third party from acquiring Dividend Capital Trust on terms that might be favorable to our shareholders.

If for any reason we fail to qualify as a REIT for federal income tax purposes, we would be subject to tax on our income at corporate rates. That would reduce the amount of funds available for investment or distribution to our shareholders because of the additional tax liability for the years involved.

You will not have preemptive rights as a shareholder, so any common stock we issue in the future may dilute your interest in Dividend Capital Trust.

We will pay significant fees to the Advisor and its affiliates.

Real estate investments are subject to cyclical trends, which are beyond our control.

We may enter into certain transactions that could potentially impair our ability to dispose of or otherwise turn our investments into cash and could potentially subject us to additional liabilities.

Loans we have and will obtain are and may be secured by some of our properties, which will put those properties at risk of forfeiture if we are unable to repay those loans.

To the extent we invest in vacant land to be developed, such investment may create risks relating to the builder's ability to control construction costs, failure to perform or failure to build in conformity with plans, specifications and timetables.

If we have not listed our common stock on a national securities exchange or an over-the-counter market, completed a sale or merger of Dividend Capital Trust in a transaction which provides our shareholders with a combination of cash and/or securities of a publicly traded company or sold substantially all of our properties for cash or other consideration by February 2013, our articles of incorporation require us to begin selling our properties and other assets and to distribute the net proceeds to our shareholders.

The Advisor will face various conflicts of interest resulting from its activities with affiliated entities. Before you invest in Dividend Capital Trust, you should read the "Risk Factors" section of this prospectus.

Description of Properties

We invest in commercial real estate properties consisting primarily of high-quality, generic distribution warehouses and light industrial properties that are net leased to creditworthy corporate customers. These facilities will generally be located in the top 26 distribution and logistics markets in the United States. Such properties include properties which are under development or construction, newly constructed or

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have been constructed and have operating histories. In addition, we have acquired, and may continue to acquire, properties with some level of vacancy at the time of closing. Please see the Real Estate Investments section of this prospectus for a more complete description of the properties we have acquired.

Estimated Use of Proceeds of Offering

Our management team intends to invest approximately 91.2% of the gross offering proceeds, assuming we sell 72,770,273 shares to the public and 23,650,339 shares pursuant to our distribution reinvestment plan, to acquire properties as described above. The remainder of the gross offering proceeds will be used to pay fees and expenses of this offering, which shall include sales commissions, dealer manager fees, distribution reinvestment

Table of Contents

plan servicing fees, the reimbursement of offering expenses and acquisition fees. In the aggregate, these fees total an amount of up to approximately 8.8% of gross offering proceeds, assuming we sell 72,770,273 shares to the public and 23,650,339 shares pursuant to our distribution reinvestment plan.

Investment Objectives

Our investment objectives are:

To pay consistent quarterly cash distributions to our shareholders and to increase the amount of such distributions over time;

To manage risk in order to preserve, protect and return our shareholders' capital contributions; and

To ultimately list our common stock on a national securities exchange or an over-the counter market or complete a sale or merger of Dividend Capital Trust in a transaction which provides our shareholders with securities of a publicly traded company or sell substantially all of our properties for cash or other consideration and to realize capital appreciation for our shareholders; if we do not complete such a transaction or obtain such listing of our common stock by February 2013, our articles of incorporation require us to begin selling our properties and other assets and distribute the net proceeds to our shareholders.

We may only change these investment objectives upon a majority vote of our shareholders. See the "Investment Objectives and Criteria" section of this prospectus for a more complete description of our business and objectives.

Conflicts of Interest

The Advisor will experience conflicts of interest in connection with the management of our business affairs, including but not limited to the following:

The managers of the Advisor will have to allocate their time between Dividend Capital Trust and other real estate projects and business activities in which they are involved;

The Advisor must determine whether any related entities should enter into joint ventures with Dividend Capital Trust for the acquisition and operation of specific properties. The terms of any joint ventures proposed by the Advisor may not be the result of arm's-length negotiations;

The Advisor will present to Dividend Capital Trust all investment opportunities which the Advisor determines are suitable for Dividend Capital Trust given our investment objectives and certain other considerations. Opportunities which the Advisor determines are not suitable for us may be pursued by affiliates of the Advisor. As a result, the Advisor may be subject to certain conflicts of interest in evaluating the suitability of investment opportunities and making recommendations to our board of directors;

The Advisor and its affiliates will receive distributions with respect to their limited partnership interests in the Partnership and fees in connection with transactions involving the purchase, management and sale of our properties regardless of the quality of the property acquired or the services provided to us; and

Dividend Capital Property Management LLC (the "Property Manager" or our property manager) may perform certain property management and leasing services with respect to the properties which we acquire and Dividend Capital Securities LLC (the "Dealer Manager" or our dealer manager) will serve as the dealer manager of any offering. The Property Manager is presently managed and

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directed by John Blumberg, James Mulvihill, Thomas Wattles and Evan Zucker, each of whom is a manager of the Advisor and each of whom, with the exception of Mr. Blumberg, is a director of Dividend Capital Trust. The Dealer Manager is owned by Dividend Capital Securities Group LLLP, in which Mark Quam and Messrs. Blumberg, Florence, Mulvihill, Wattles and Zucker and/or their affiliates indirectly own limited

Table of Contents

partnership interests and which is controlled by Mr. Quam and Charles Murray. As a result, conflicts of interest may exist with respect to certain transactions between Dividend Capital Trust and the Property Manager and the Dealer Manager. See the Management and Conflicts of Interest sections of this prospectus for a more detailed discussion of these relationships and certain conflicts of interest. The following chart shows the ownership structure of certain Dividend Capital entities that are affiliated with the Advisor. Dividend Capital Securities Group LLLP, Dividend Capital Management Group LLC, Dividend Capital Advisors Group LLC and Dividend Capital Exchange Facilitators LLC (the Facilitator or our facilitator) are presently each indirectly majority owned by one or more of the following: John Blumberg, Thomas Florence, James Mulvihill, Mark Quam, Thomas Wattles, Evan Zucker and/or their affiliates. Dividend Capital Advisors Group LLC has issued and may further issue, and Dividend Capital Management Group LLC has not issued as of the date of this prospectus but may in the future issue, equity interests or derivatives thereof to certain of their employees or other unaffiliated individuals, consultants or other parties. However, none of such transactions are expected to result in a change in control of these entities.

Table of Contents

The Advisor initially invested \$200,000 in the Partnership in exchange for a regular limited partner interest. Dividend Capital Trust, which serves as the general partner of the Partnership, contributed \$2,000 in exchange for 200 general partnership units of the Partnership. Dividend Capital Advisors Group LLC, the parent of the Advisor, has invested \$1,000 in the Partnership and has been issued limited partnership units of the Partnership which constitute the Special Units (as defined below). Currently, except as described above, the Advisor, the Dealer Manager and the Property Manager do not have any ownership interests in Dividend Capital Trust or the Partnership.

In January 2005, in connection with our third public offering, members of our board of directors, managers of our advisor, our advisor's senior management team and/or each of their respective affiliates collectively purchased in excess of \$1.0 million of our common stock.

Prior Offering Summary

Certain managers of the Advisor, directly or indirectly through affiliated entities, have sponsored three public REITs, (i) American Real Estate Investment Corp. (known as Keystone Property Trust, NYSE:KTR) which raised approximately \$93,230,000 of equity capital (including \$10,750,000 in its initial public offering and \$82,480,000 in connection with the acquisition of real estate) from more than 130 investors and was acquired by ProLogis (NYSE:PLD) in August 2004, (ii) Dividend Capital Trust Inc., which as of March 31, 2006, had raised net proceeds of approximately \$1,400,000,000 from more than 30,000 investors and (iii) Dividend Capital Total Realty Trust Inc., which, on April 3, 2006, satisfied its minimum offering requirements of selling \$2,000,000 in shares to at least 100 independent subscribers in its initial public offering and commenced formal business operations. In addition, as of March 31, 2006, certain of these managers have sponsored 53 private real estate programs which had raised approximately \$817,000,000 of equity capital from over 650 investors. Collectively, as March 31, 2006, the public and private programs sponsored by certain managers of the Advisor, as described above, purchased interests in various real estate projects having combined acquisition and development costs of approximately \$3.2 billion. In addition, our Chairman, in his capacity as either or both Co-Chairman and Chief Investment Officer of ProLogis, participated in overseeing the growth in its asset base from its inception in 1992 to approximately \$2.5 billion in March 1997.

The Offering

We are offering up to \$1,000,000,000 in shares of our common stock. We are offering up to 72,770,273 shares to the public at \$10.50 per share, and we are also offering up to 23,650,339 shares pursuant to our distribution reinvestment plan through which participants will be able to acquire shares at a discounted price equal to 95% of the current offering price of our common stock, or \$9.975 per share. We reserve the right to reallocate the shares of common stock we are offering between our primary offering and our distribution reinvestment plan.

Our board of directors determined the price of our shares pursuant to this offering considering a number of factors including, but not limited to: our historic, current and anticipated dividend yields; yields provided by similar and other real estate investments; our current and anticipated operating results; the quality, size, diversity and location of properties in our portfolio; the quality and diversity of our tenant base; our existing and anticipated debt structure; and our progress in executing our investment and operating strategy. In addition, after the commencement of this offering, our board of directors may from time to time change the offering price of our common stock, and therefore the amount of shares being offered in this offering, through one or more supplements or amendments to this prospectus or post-effective amendments to the registration statement of which this prospectus is a part.

Terms of the Offering

This offering will continue until June 9, 2007 (two years after the SEC's effective date of this offering) or until all shares under this offering are sold, whichever is sooner. However, our board of directors may also

Table of Contents

terminate this offering at any time prior to such termination dates. On January 23, 2006, we closed the primary offering component of this offering. While we anticipate that the primary offering will be closed for the foreseeable future, we retain the right to recommence the primary offering at any time prior to June 9, 2007. In addition, we will continue to offer shares of common stock through our distribution reinvestment plan. To the extent we are conducting the primary offering, we generally intend to admit shareholders to Dividend Capital Trust on a daily basis. The offering proceeds will be available for the acquisition of properties or the payment of fees and expenses as soon as we accept your Subscription Agreement.