

CoreSite Realty Corp  
Form 10-Q  
April 29, 2016  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM 10-Q**

**x Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the quarterly period ended March 31, 2016**

**o Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the transition period from                      to                      .**

**Commission file number: 001-34877**

**CoreSite Realty Corporation**

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or other jurisdiction  
of incorporation or organization)

**27-1925611**  
(I.R.S. Employer  
Identification No.)

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1001 17th Street, Suite 500  
Denver, CO  
(Address of principal executive offices)

80202  
(Zip Code)

(866) 777-2673

(Registrant's telephone number, including area code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐.

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes ☒ No ☐.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☒

Accelerated filer ☐

Non-accelerated filer ☐  
(Do not check if a smaller reporting  
company)

Smaller reporting company ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒.

The number of shares of common stock outstanding at April 27, 2016, was 30,914,685.

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FOR THE QUARTER ENDED MARCH 31, 2016**

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Exhibit 32.2

EX-101 INSTANCE DOCUMENT

EX-101 SCHEMA DOCUMENT

EX-101 CALCULATION LINKBASE DOCUMENT

EX-101 LABELS LINKBASE DOCUMENT

EX-101 PRESENTATION LINKBASE DOCUMENT

EX-101 DEFINITION LINKBASE DOCUMENT

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	March 31, 2016	December 31, 2015
<b>ASSETS</b>		
Investments in real estate:		
Land	\$ 76,217	\$ 74,819
Buildings and improvements	1,086,521	1,037,127
	1,162,738	1,111,946
Less: Accumulated depreciation and amortization	(303,093)	(284,219)
Net investment in operating properties	859,645	827,727
Construction in progress	200,232	183,189
Net investments in real estate	1,059,877	1,010,916
Cash and cash equivalents	3,200	6,854
Accounts and other receivables, net of allowance for doubtful accounts of \$122 and \$56 as of March 31, 2016, and December 31, 2015, respectively	16,104	12,235
Lease intangibles, net of accumulated amortization of \$11,904 and \$11,437 as of March 31, 2016, and December 31, 2015, respectively	4,191	4,714
Goodwill	41,191	41,191
Other assets, net	93,098	86,633
<b>Total assets</b>	<b>\$ 1,217,661</b>	<b>\$ 1,162,543</b>
<b>LIABILITIES AND EQUITY</b>		
Liabilities:		
Debt, net of unamortized deferred financing costs of \$2,273 and \$1,243 as of March 31, 2016, and December 31, 2015, respectively	\$ 458,727	\$ 391,007
Accounts payable and accrued expenses	68,085	75,783
Accrued dividends and distributions	28,158	28,104
Deferred rent payable	7,614	7,934
Acquired below-market lease contracts, net of accumulated amortization of \$5,495 and \$5,279 as of March 31, 2016, and December 31, 2015, respectively	4,477	4,693
Unearned revenue, prepaid rent and other liabilities	31,577	28,717
<b>Total liabilities</b>	<b>598,638</b>	<b>536,238</b>
Stockholders' equity:		
Series A Cumulative Preferred Stock 7.25%, \$115,000 liquidation preference (\$25.00 per share, \$0.01 par value), 4,600,000 shares issued and outstanding as of March 31, 2016, and December 31, 2015	115,000	115,000
Common Stock, par value \$0.01, 100,000,000 shares authorized and 30,914,685 and 30,650,703 shares issued and outstanding at March 31, 2016, and December 31, 2015, respectively	303	301
Additional paid-in capital	393,516	390,200

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Accumulated other comprehensive loss	(2,255)	(493)
Distributions in excess of net income	(94,002)	(88,891)
Total stockholders' equity	412,562	416,117
Noncontrolling interests	206,461	210,188
<b>Total equity</b>	<b>619,023</b>	<b>626,305</b>
<b>Total liabilities and equity</b>	<b>\$ 1,217,661</b>	<b>\$ 1,162,543</b>

See accompanying notes to condensed consolidated financial statements.

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**CORESITE REALTY CORPORATION**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
**(unaudited and in thousands except share and per share data)**

	<b>Three Months Ended March 31,</b>	
	<b>2016</b>	<b>2015</b>
Operating revenues:		
Data center revenue:		
Rental revenue	\$ 50,371	\$ 41,323
Power revenue	25,574	19,567
Interconnection revenue	12,742	10,215
Tenant reimbursement and other	1,830	1,416
Office, light-industrial and other revenue	1,963	2,134
Total operating revenues	92,480	74,655
Operating expenses:		
Property operating and maintenance	24,663	19,678
Real estate taxes and insurance	3,065	1,935
Depreciation and amortization	24,770	22,816
Sales and marketing	4,221	3,782