

CoreSite Realty Corp
Form DEF 14A
April 05, 2017

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

SCHEDULE 14A

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 under §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)

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**1001 17th Street, Suite 500
Denver, Colorado 80202
(866) 777-2673**

April 5, 2017

Dear CoreSite Stockholder:

You are cordially invited to the CoreSite Realty Corporation 2017 Annual Meeting of Stockholders (the "Annual Meeting") to be held on Wednesday, May 24, 2017, at 1:30 p.m., Pacific Time. The Annual Meeting will be held at The Fairmont San Jose, 170 South Market Street, San Jose, California 95113.

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 fiscal year ending December 31, 2017, (iii) approve an advisory vote on executive compensation, (iv) approve an advisory vote on the frequency of future advisory votes to approve our executive compensation, and (v) transact such other business as may properly come before the meeting or any postponements or adjournments thereof.

The accompanying Notice of 2017 Annual Meeting of Stockholders describes these matters. We have elected to provide access to our proxy materials on the Internet under the U.S. Securities and Exchange Commission's "notice and access" rules. Our proxy materials are available at www.proxyvote.com. We have sent the Notice of Annual Meeting to each of our stockholders, providing instructions on how to access our proxy materials and our 2016 Annual Report on the Internet. Please read the enclosed information carefully before submitting your proxy.

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

Sincerely,

PAUL E. SZUREK
President, Chief Executive Officer and Director

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**1001 17th Street, Suite 500
Denver, Colorado 80202
(866) 777-2673**

NOTICE OF 2017 ANNUAL MEETING OF STOCKHOLDERS

To the Stockholders of CoreSite Realty Corporation:

NOTICE IS HEREBY GIVEN that the 2017 Annual Meeting of Stockholders (the "Annual Meeting") of CoreSite Realty Corporation, a Maryland corporation, will be held at The Fairmont San Jose, 170 South Market Street, San Jose, California 95113, on Wednesday, May 24, 2017, at 1:30 p.m., Pacific Time, for the following purposes:

1. To consider and vote upon the election of seven directors to the Board of Directors to serve until the 2018 Annual Meeting of Stockholders and until their successors have been duly elected and qualify;
2. To consider and vote upon the ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017;
3. To consider and vote upon the advisory vote to approve the compensation of our named executive officers, as described in the Proxy Statement;
4. To consider and vote upon the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers; and
5. To transact such other business as may properly come before the Annual Meeting and any postponements or adjournments thereof.

We know of no other matters to come before the Annual Meeting. Only stockholders of record at the close of business on March 24, 2017, are entitled to notice of and to vote at the Annual Meeting or at any postponements or adjournments thereof.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2017 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 24, 2017. Our Proxy Statement and 2016 Annual Report are available at www.proxyvote.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,

DEREK S. MCCANDLESS
*Senior Vice President, Legal,
General Counsel and Secretary*

April 5, 2017
Denver, Colorado

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2017 PROXY STATEMENT SUMMARY

This summary highlights information contained elsewhere in this Proxy Statement. This summary does not contain all of the information you should consider. You should read the entire Proxy Statement carefully before voting.

GENERAL INFORMATION

Meeting: 2017 Annual Meeting of Stockholders

Date: Wednesday, May 24, 2017

Time: 1:30 p.m., Pacific Time

Location: The Fairmont San Jose, 170 South Market Street, San Jose, California 95113

Record Date: March 24, 2017

Record Date Shares Outstanding: 34,191,768 shares

Corporate Website: www.coresite.com

Investor Relations Website: www.coresite.com/investors

Annual Report: www.coresite.com/investors/shareholder-resources/annual-meetings-material

2016 BUSINESS HIGHLIGHTS

Total shareholder return (assuming dividend reinvestment) in 2016 of 44.3%.

Revenue in 2016 grew by 20.1% over 2015.

Net income in 2016 grew by 44.1% compared to 2015.

EBITDA (as defined herein) in 2016 grew by 27.2% versus 2015.

Funds from operations (FFO) attributable to common shares and units in 2016 grew by 30.2% versus 2015.

Increased the quarterly common stock dividend by 50.9% to \$0.80 per share, reflecting an annual rate of \$3.20 per share.

Commenced a record 443,112 NRSF of new and expansion leases representing \$58.6 million of annualized GAAP rent at an average rate of \$132 per square foot, which includes commenced leases at our recently opened SV7 data center in Santa Clara, California.

EXECUTIVE COMPENSATION HIGHLIGHTS

2016 Say-on-Pay Vote: Approximately 97.7% of the votes cast at the 2016 Annual Meeting of Stockholders approved the advisory vote to approve the compensation of our named executive officers.

2016 Compensation Mix:

2016 Cash vs. Equity Compensation:

Performance-Based Restricted Stock Awards ("PSAs"): In 2016, we continued our pay-for-performance philosophy to compensate our executive officers by granting PSAs to our senior leadership team which vest based on the achievement of relative total shareholder return over a three-year period.

Multiple Performance Metrics: We continued the use of three weighted performance measures for our annual incentive bonus program in an attempt to better connect executive compensation to overall company performance.

CORPORATE GOVERNANCE HIGHLIGHTS

Independent Directors and Board Committees All director nominees are independent except for the Chief Executive Officer. Our board committees are comprised solely of independent directors.

Annual Election of Directors We do not have a classified board and all of our directors are elected annually.

No Hedging or Pledging We do not allow our management or directors to engage in hedging transactions in our stock or to pledge our stock.

Independent Compensation Consultant The compensation committee retains an independent compensation consultant that does not provide any services to management and that has no conflicts of interest with our company.

Stock Ownership Guidelines We require our management and directors to hold a certain amount of our stock. All of our directors and officers are in compliance with the stock ownership guidelines.

No Enhanced Benefit Programs We do not provide our management with pensions or any other enhanced benefit programs.

Annual Say-On-Pay Vote We hold an annual advisory say-on-pay vote to approve executive compensation.

Stockholders Right to Amend the Bylaws We amended our bylaws to provide our stockholders, to the same extent as our board of directors, the power to amend our bylaws.

ANNUAL MEETING AGENDA (Board Recommendation)

Election of Seven Directors ("FOR")

Ratification of Appointment of KPMG LLP as our Independent Registered Public Accounting Firm ("FOR")

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Advisory Vote to Approve the Compensation of our Named Executive Officers ("FOR")

Advisory Vote to Approve the Frequency of Future Advisory Votes to Approve the Compensation of our Named Executive Officers ("ONE YEAR")

Transact Other Business That May Properly Come Before the Meeting, Or Any Postponement or Adjournment Thereof

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1001 17th Street, Suite 500
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(866) 777-2673

PROXY STATEMENT

GENERAL INFORMATION REGARDING SOLICITATION AND VOTING

General

This proxy statement is furnished by the Board of Directors (the "Board") in connection with the solicitation of proxies for CoreSite Realty Corporation's 2017 Annual Meeting of Stockholders (the "Annual Meeting") to be held on Wednesday, May 24, 2017, at 1:30 p.m., Pacific Time, at The Fairmont San Jose, 170 South Market Street, San Jose, California 95113, and at any postponements or adjournments thereof. 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"). This proxy statement will first be made available to stockholders on or about April 5, 2017.

Pursuant to rules adopted by the U.S. Securities and Exchange Commission ("SEC"), we have elected to provide access to our proxy materials via the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the "Notice") to our stockholders entitled to notice of and to vote at the Annual Meeting and at any postponement or adjournment thereof. The Notice is being mailed to stockholders beginning on or about April 5, 2017. 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.

IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE 2017 ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON MAY 24, 2017. Our Proxy Statement and 2016 Annual Report are available at www.proxyvote.com.

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. We also have retained Alliance Advisors to assist in the solicitation of proxies for an estimated fee of \$6,000, plus reimbursement of reasonable expenses. In addition, 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.

No person is authorized to give any information or to make any representation not contained in this proxy statement, and, if it is given or made, you should not rely on that information or

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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.

Purposes of the Annual Meeting

The purposes of the Annual Meeting are to: (1) consider and vote upon the election of seven members to the Board to serve until the next meeting of stockholders and until their successors are duly elected and qualify ("Proposal One"); (2) consider and vote upon the ratification of the appointment of KPMG LLP ("KPMG") as our independent registered public accounting firm for the fiscal year ending December 31, 2017 ("Proposal Two"); (3) consider and vote upon the advisory vote to approve the compensation of our named executive officers ("Proposal Three"); (4) consider and vote upon the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers ("Proposal Four"), and (5) transact such other business as may properly come before the Annual Meeting or any postponement or adjournment thereof. Our Board knows of no other matters to be brought before the Annual Meeting.

Stockholders Entitled to Vote

The close of business on March 24, 2017, 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 vote at the Annual Meeting. On the Record Date, our outstanding voting securities consisted of 34,191,768 shares of common stock. Each share of common stock is entitled to one vote. Votes may not be cumulated in the election of directors.

How to Vote

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 authorize your 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 authorize your proxy 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. You should instruct your broker or nominee how to vote your shares by following the voting instructions provided by your broker or nominee.

In addition, you may vote in person at the Annual Meeting as described below under the heading "Attending and Voting at the Annual Meeting."

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, a copy of the voting instruction card provided by your broker, trustee or nominee, or other similar evidence of

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ownership. The use of cell phones, smartphones, pagers, recording and photographic equipment and/or computers is not permitted in the meeting room 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 may vote your shares in person only if you obtain a legal proxy from the broker, trustee or nominee that holds your shares authorizing you to vote the shares. Even if you plan to attend the Annual Meeting, we recommend that you also authorize your proxy or submit voting instructions prior to the meeting as described below so that your vote will be counted if you later decide not to attend the Annual 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 authorize your proxy to vote your shares, either by mail or via the Internet, or by calling the toll-free number found on the Notice and the proxy card.

Proxies authorized properly via one of the methods discussed above will be voted in accordance with the instructions contained therein. If the proxy is authorized 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 as our independent registered public accounting firm for the fiscal year ending December 31, 2017, "FOR" the advisory vote to approve the compensation of our named executive officers as described in this proxy statement, "ONE YEAR" for the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers, 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 postponement or adjournment thereof.

If your shares of 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 a broker that holds shares of our common stock for a beneficial owner does not receive voting instructions from that owner, the broker may vote on the proposal only if it is considered a "routine" matter under the NYSE's rules, such as this year's ratification of the appointment of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2017 (Proposal 2), or leave that owner's shares unvoted. Pursuant to the rules of the NYSE, the election of directors (Proposal 1), the advisory vote to approve the compensation of our named executive officers (Proposal 3), and the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers (Proposal 4) are not "routine" matters as to which brokerage firms may vote in their discretion on behalf of clients who have not furnished voting instructions. A broker non-vote occurs when a bank, broker or other person holding shares for a 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.

The proposals set forth in this proxy statement constitute the only business that the Board intends to present at the Annual 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 Annual Meeting. If the Annual Meeting is postponed or adjourned, the Proxy Agents can vote your shares on the new meeting date as well, unless you have revoked your proxy.

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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 by the chairman of the Annual Meeting to a date not more than 120 days after the Record Date without notice other than announcement at the Annual Meeting. Shares that are voted "FOR," "AGAINST," "ABSTAIN," or, with respect to the election of directors, "WITHHOLD," or, with respect to the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers, "ONE YEAR," "TWO YEARS," "THREE YEARS" or "ABSTAIN," will be treated as being present at the Annual Meeting for purposes of establishing a quorum. Accordingly, if you are a stockholder of record as of the Record Date and 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.

Required Vote

With respect to Proposal One, you may vote "FOR" all nominees, "WITHHOLD" your vote as to all nominees, or "FOR" all nominees except those specific nominees from whom you "WITHHOLD" your vote. A properly executed proxy marked "WITHHOLD" with respect to the election of one or more directors will not be voted with respect to the director or directors indicated. Members of the Board are elected by a plurality of votes cast, in person or by proxy, at the Annual Meeting. This means that the seven nominees who receive the greatest number of "FOR" votes cast will be elected. Cumulative voting is not permitted. Neither broker non-votes nor votes marked "WITHHOLD" will have an effect with respect to the election of any nominee.

You may vote "FOR," "AGAINST" or "ABSTAIN" on Proposals Two and Three. To be approved, each of Proposals Two and Three must receive the affirmative vote of a majority of the votes cast, in person or by proxy, at the Annual Meeting on the proposal. Abstentions and broker non-votes, if any, will not be counted as votes cast on Proposals Two and Three and will have no effect on the result of either vote.

You may vote "ONE YEAR," "TWO YEARS," "THREE YEARS" or "ABSTAIN" on Proposal Four. The voting frequency option that receives a majority of all of the votes cast in person or by proxy at the Annual Meeting will be the frequency for the advisory vote on executive compensation that has been recommended by stockholders. In the event that no option receives a majority of the votes cast, the Board will consider the option that receives the highest number of votes as the recommended choice of the stockholders. Abstentions and broker non-votes will have no effect on the outcome of this proposal.

Board Recommendation

The Board recommends that you vote as follows:

"FOR" each of the seven director nominees set forth in Proposal One;

"FOR" Proposal Two, relating to the ratification of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2017;

"FOR" Proposal Three, relating to the advisory vote to approve the compensation of our named executive officers; and

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"ONE YEAR" for Proposal Four, relating to the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers.

Any properly authorized 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 it being exercised by (i) delivering a written notice of revocation to our Secretary, (ii) submitting a duly executed proxy bearing a later date with us or (iii) attending the Annual Meeting and voting in person. Attendance at the Annual Meeting will not, by itself, revoke a duly executed proxy.

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

Currently, there are seven directors on our Board. 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 2018 Annual Meeting of Stockholders and until their respective successors are elected and qualify. The Board 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 as a member of the Board if elected. Each of the nominees has consented to being named in this proxy statement. In addition, the Board has determined that all of our directors, other than Mr. Szurek, are independent under applicable SEC and NYSE rules. In making their independence determination, the Board considered the relationship of Messrs. Attwood and Stuckey with The Carlyle Group L.P. ("Carlyle"), a significant holder of our Operating Partnership. A plurality of votes cast 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 our industry and taking into account the interests of our various stockholders;

experience as a board member of another publicly held company;

academic expertise in an area of our operations;

diversity of experience, profession, expertise, skill and background (including with respect to race and gender), both on an individual level and in relation to the Board as a whole;

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

the nature of and time involved in a director's service on other boards of directors and/or committees.

The Nominating/Corporate Governance Committee continually reviews Board composition and potential additions while striving to maintain and grow a diverse and broad skill set that complements the business. The Nominating/Corporate Governance Committee is currently conducting an on-going search for an additional director to serve on the Board and has engaged a third-party search firm to assist in the process. Although 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, to help ensure that the Board remains aware of and responsive to the needs and interests of our customers, stockholders, employees and other stakeholders, the Board believes it is important to identify otherwise qualified director candidates that would increase the gender, racial, ethnic and/or cultural diversity of the Board. Accordingly, the Nominating/Corporate Governance Committee makes an effort when nominating new directors to ensure that the composition of the Board reflects a broad diversity of experience, profession, expertise, skill, and background, including gender, racial, ethnic, and/or cultural diversity. The Nominating/Corporate Governance Committee does not assign a specific weight to the various factors it considers in evaluating potential new candidates to the Board, and no particular criteria is necessarily applicable to all prospective nominees. In the evaluation of potential

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new candidates, the Nominating/Corporate Governance Committee considers each candidate's qualifications in light of the then-current mix of Board attributes, including diversity. Continuing directors are evaluated by the Nominating/Corporate Governance Committee in the same way, including the continuing director's past contributions to the Board in such evaluation.

In identifying potential candidates for the Board, other than the director candidate nominated by Carlyle, the Nominating/Corporate Governance Committee generally relies on a variety of resources to identify potential candidates, which, among other things and depending on the circumstances, may include its and the Board's network of contacts, corporate search resources, and, if the Nominating/Corporate Governance Committee deems appropriate, a professional search firm. By utilizing a broad variety of resources as deemed appropriate by the Nominating/Corporate Governance Committee in light of the then-current mix of Board attributes and any previously identified potential candidates, the Nominating/Corporate Governance Committee believes it will be able to identify, evaluate and consider a diverse range of qualified candidates, including candidates that increase the gender, racial and/or cultural diversity of the Board.

Under the partnership agreement governing our Operating Partnership (the "Operating Partnership Agreement"), Carlyle, which directly or indirectly holds 28.7% ownership of our Operating Partnership, is currently entitled to nominate one director for election to our Board. (See "Information about our Board 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 Robert G. Stuckey for election at the Annual Meeting.

James A. Attwood, Jr. was originally nominated to our Board pursuant to Carlyle's previous right to nominate two directors for election to our Board. In May 2015, Carlyle's right to nominate two directors was decreased to one director due to the decrease in Carlyle's ownership percentage of our Operating Partnership. Upon consideration of the contributions of Mr. Attwood to our Board, our Nominating/Corporate Governance Committee and the Board approved the continued nomination of Mr. Attwood for election as a director at both the 2015 Annual Meeting of Stockholders and the 2016 Annual Meeting of Stockholders. Mr. Attwood was elected by approximately 97.7% of the votes cast in the election of directors at the 2016 Annual Meeting of Stockholders. Taking into account Mr. Attwood's continued relationship with Carlyle, the Nominating/Corporate Governance Committee and the Board continue to believe that Mr. Attwood is a valuable member of the Board due to, among other things, his experience with our Company and in our industry, and the Board, based on the recommendation of the Nominating/Corporate Governance Committee, has nominated Mr. Attwood to be elected as a director at the Annual Meeting.

Nominees for Election as Directors

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	55	2010
	Director and President and Chief Executive Officer		
Paul E. Szurek	Officer	56	2010
James A. Attwood, Jr.	Director	59	2010
Kelly C. Chambliss	Director	46	2016
Michael R. Koehler	Director	50	2010
J. David Thompson	Director	50	2010
David A. Wilson	Director	75	2010

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Directors

Robert G. Stuckey has served as a director since September 2010. Mr. Stuckey is a Managing Director and Fund Head, US Real Estate, at Carlyle. Prior to joining Carlyle in 1998, Mr. Stuckey was Chief Investment Officer at CarrAmerica Realty Corporation ("CarrAmerica"), a real estate investment trust ("REIT"). Prior to that, he was Senior Vice President of Prologis, Inc. ("Prologis"), a REIT which is an owner, operator and developer of industrial real estate, and Chief Financial Officer for Trammell Crow Company (Northeast Region), a developer of, and investor in, commercial real estate. Mr. Stuckey was twice an 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 provides us with valuable insight into commercial real estate, REIT and data center industry trends that affect our business.

Paul E. Szurek has served as our President and Chief Executive Officer since September 2016, and as a director since September 2010. From 2003 to August 2016, Mr. Szurek was Chief Financial Officer of Biltmore Farms, LLC, a residential and commercial real estate development and operating company. Prior to joining Biltmore Farms, LLC, Mr. Szurek served as Chief Financial Officer of Security Capital Group Incorporated, a publicly traded real estate investment, development and operating company with extensive REIT engagement. Mr. Szurek is currently a director of Four Corners Property Trust, a REIT focused on restaurant real estate. He has also previously served as a director of the Charlotte, North Carolina branch of the Federal Reserve Bank of Richmond and as a 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. In addition, Mr. Szurek provides valuable insight to the Board based on the day-to-day operations and issues he encounters as our President and Chief Executive Officer.

James A. Attwood, Jr. has served as a director since September 2010. Mr. Attwood is a Managing Director and Head of the Global Telecommunications, Media and Technology Group at Carlyle. Prior to joining Carlyle in 2000, Mr. Attwood served as Executive Vice President for Strategy, Development and Planning at Verizon Communications, Inc. ("Verizon"), a telecommunications provider, and GTE Corporation (prior to its merger with Bell Atlantic to form Verizon). Prior to his four years at Verizon and GTE Corporation, Mr. Attwood served as an investment banker at Goldman, Sachs & Co. for 11 years. Mr. Attwood graduated summa cum laude from Yale University with a B.A. in applied mathematics and an M.A. in statistics. He also received J.D. and M.B.A. degrees from Harvard University. Mr. Attwood currently serves as a member of the boards of directors of Syniverse Holdings, Inc., a provider of business and technology services for the mobile telecommunications industry, Nielsen Holdings plc, a global information and measurement company, and Getty Images Inc., a global creator and distributor of still imagery, video and multimedia products, which is privately held. Mr. Attwood has gained significant knowledge of the telecommunications industry through his work with Verizon and Carlyle. 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 as an officer and on the boards of directors of various telecommunications companies, which provide us with a valuable perspective in monitoring and evaluating our business.

Kelly C. Chambliss has served as a director since September 2016. Ms. Chambliss has been the General Manager and Managing Partner of the Distribution Sector within IBM Global Business

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Services (GBS) North America since May 2015. Prior to this role, from October 2013 to April 2015, Ms. Chambliss served as the Global Chief Technology Officer (CTO) for IBM GBS, with a focus on the development, marketing, sales, and delivery of cloud-based solutions. Ms. Chambliss served in various other roles at IBM from late 2002 to October 2013. Ms. Chambliss joined IBM in late 2002 through the acquisition of PricewaterhouseCoopers (PwC) Consulting, where she was a Partner. Ms. Chambliss graduated from Virginia Tech with a degree in Management Science and a specialization in Decision Support Systems. In determining Ms. Chambliss' qualifications to serve on our Board, the Board considered, among other things, Ms. Chambliss' significant experience in the technology and technology consulting industries, which provides us with valuable insight into the technology and market trends that affect our industry.

Michael R. Koehler has served as a director since September 2010. Mr. Koehler currently serves as Senior Vice President and Chief Information and Chief Digital Officer of Exelon Corporation, an electric and gas utility company, which he joined in April 2016. From September 2015 to April 2016, he served as Managing Partner of Volution Partners L.L.C., a management consulting firm specializing in information technology. Mr. Koehler served as Senior Vice President, Global Services, of EMC Corporation, a provider of IT consulting services and hardware, from August 2011 to September 2015. During 2008 and 2009, Mr. Koehler served as Senior Vice President, Americas Region, of Electronic Data Systems Corporation ("EDS"), a division of the Hewlett-Packard Company ("HP"). EDS, a global provider of information technology and business processing outsourcing services, was acquired by HP in 2008. Prior to HP's acquisition of EDS, Mr. Koehler served as Executive Vice President, Global ITO Services and as Senior Vice President, Infrastructure Technology and Business Process Outsourcing at EDS. During 2007, 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.

J. David Thompson has served as a director since September 2010. Mr. Thompson has been Executive Vice President, Global Operations and Technology, and Chief Information Officer of The Western Union Company, a global payment services company, since April 2012. From 2006 to April 2012, Mr. Thompson was 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, Mr. Thompson served as Senior Vice President and Chief Information Officer for 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 served as a director since September 2010. Mr. Wilson served as President and Chief Executive Officer of the Graduate Management Admission Council (the "Council") from 1995 until his retirement in December 2013. The Council is the owner of the Graduate Management Admission Test, the GMAT. Prior to 1995, he was a Managing Partner and National Director for

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Professional Development at Ernst & Young LLP, a public accounting firm. From 1968 to 1978, Mr. Wilson 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. Mr. Wilson served on the board of directors of Laureate Education, Inc. ("Laureate"), a company which provides access to high-quality, innovative institutions of higher education, from 2002 to 2007, and of Terra Industries, Inc. ("Terra"), a producer and marketer of nitrogen products for the agricultural and industrial markets, from 2009 to 2010. 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. Mr. Wilson served on the board of directors of Barnes and Noble, Inc., a book retailer and content, commerce and technology company, and as chair of its Audit Committee from September 2010 to August 2015, and currently serves on the board of directors of Barnes & Noble Education, Inc., a provider of educational services, and as chair of its Audit Committee. He serves on the Board of Trustees of Johnson & Wales University and as Chairman of its Audit Committee and a member of its Finance 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.

Summary of Director Qualifications and Experience	Robert G. Stuckey	Paul E. Szurek	James A. Attwood, Jr.	Kelly C. Chambliss	Michael R. Koehler	J. David Thompson	David A. Wilson
REIT experience is important in understanding REIT-industry trends that affect our business.	•	•	•		•	•	•
Business Head/Administration experience is important given that directors with administration experience typically possess strong leadership qualities and the ability to identify and develop those qualities in others.	•	•	•	•	•	•	•
Data Center/Technology experience is important in understanding data industry and technology trends that affect our business.	•	•	•	•	•	•	
Financial Expertise/Literacy is important in evaluating our financial statements and capital structure.	•	•	•	•	•	•	•
Corporate Governance experience supports our goals of strong Board and management accountability, transparency and protection of shareholder interests.	•	•	•				•
Financing and Investments experience is important in evaluating our financing needs and investment strategy.	•	•	•				•
Accounting, Internal Control and Risk Management experience is critical to the Board's role in overseeing the risks facing our company.		•			•		•
Legal Expertise facilitates assistance with the Board's oversight of our legal and compliance matters.		•	•				
Operational and Strategic Planning experience provides directors with a practical understanding of developing, implementing and assessing our operating plan and business strategy.	•	•	•	•	•	•	•
Commercial Real Estate experience is important in evaluating property development/acquisition and identifying commercial real estate trends that affect our business.	•	•					
Public Company experience provides us with a valuable perspective in monitoring, evaluating and directing our business.	•	•	•		•	•	•
Academia/Education experience is important because it brings perspective regarding organizational management and academic research relevant to our business and strategy.							•

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

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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 as our company's independent registered public accounting firm for the fiscal year ending December 31, 2017. KPMG has been our independent registered public accounting firm since our initial public offering in 2010. 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 as the independent registered public accounting firm of our company for 2017. 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 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 affirmative vote of a majority of all votes cast on the proposal is necessary to ratify the appointment of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2017.

Annual Evaluation and Selection of KPMG

The Audit Committee annually evaluates the performance of its independent registered public accounting firm, including the senior members of the audit engagement team, and determines whether to reengage the current independent auditors or consider other audit firms. Factors considered by the Audit Committee in deciding whether to retain include:

KPMG's capabilities considering the complexity of our business, and the resulting demands placed on KPMG in terms of technical expertise and knowledge of our industry and business;

the quality and candor of KPMG's communications with the Audit Committee and management;

KPMG's independence;

the quality and efficiency of the services provided by KPMG, including input from management on KPMG's performance and how effectively KPMG demonstrated its independent judgment, objectivity and professional skepticism;

external data on audit quality and performance, including recent Public Company Accounting Oversight Board (PCAOB) reports on KPMG and its peer firms; and

the appropriateness of KPMG's fees, tenure as our independent auditor, including the benefits of a longer tenure, and the controls and processes in place that help ensure KPMG's continued independence.

Based on this evaluation, the Audit Committee and the Board believe that retaining KPMG to serve as our independent registered public accounting firm for the fiscal year ending December 31, 2017, is in the best interests of our Company and its stockholders.

The Audit Committee also oversees the process for, and ultimately approves, the selection of our independent registered public accounting firm's lead engagement partner at the five-year mandatory rotation period. Fiscal year 2016 was the fifth year KPMG's lead engagement partner served on the Company's audit. At the Audit Committee's instruction, KPMG selected candidates and provided qualifications to be considered for the lead engagement partner role, who were then interviewed by members of our Audit Committee and senior management. After considering the candidates and their qualifications recommended by KPMG, senior management and the Audit Committee discussed the candidates and their relative qualifications. The Audit Committee then discussed the candidates with the current lead engagement partner, interviewed the leading candidate, and ultimately approved this

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individual. The new KPMG lead engagement partner commenced service on our company's audit in 2017.

Principal Accountant Fees and Services

The following table summarizes the fees billed by KPMG for professional services rendered to us for fiscal years 2016 and 2015.

	2016	2015
Audit Fees	\$ 887,000	\$ 771,200
Audit-Related Fees	40,045	82,620
Tax Fees		
All Other Fees		
Total	\$ 927,045	\$ 853,820

Audit Fees. Audit fees 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 consisted 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 amounts for 2016 and 2015 related to comfort letter services provided in connection with the sale of shares by Carlyle in registered public offerings.

Pre-Approval Policies and Procedures

The Audit Committee pre-approves all audit and non-audit services provided by our independent registered public accounting firm. For each proposed service, the independent registered public accounting firm is required to provide detailed supporting documentation at the time of approval to permit the Audit Committee to make a determination as to whether the provision of such services would impair the independent registered public accounting firm's independence, and whether the fees for the services are appropriate. The Audit Committee pre-approved all services performed by, and audits fees paid to, our independent registered public accounting firm during fiscal years 2015 and 2016.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE RATIFICATION OF THE APPOINTMENT OF KPMG LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2017.

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AUDIT COMMITTEE REPORT

The Audit Committee (the "Audit Committee") of the Board of Directors (the "Board") of CoreSite Realty Corporation (the "Company") 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.

With regard to the fiscal year ended December 31, 2016, the Audit Committee (i) reviewed and discussed with management our audited consolidated financial statements as of December 31, 2016, and for the year then ended; (ii) discussed with KPMG LLP, the independent auditors, the matters required by PCAOB AS Section 1301, *Communications with Audit Committees*; (iii) received the written disclosures and the letter from KPMG LLP required by applicable requirements of the PCAOB regarding KPMG LLP's communications with the Audit Committee regarding independence; and (iv) discussed with KPMG LLP their independence.

Based on the review and discussions described above, the Audit Committee recommended to our Board that our audited financial statements be included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016, for filing with the Securities and Exchange Commission.

The Audit Committee:

David A. Wilson
J. David Thompson
Michael R. Koehler

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PROPOSAL THREE: ADVISORY VOTE TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Pursuant to Section 14A of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), 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 and 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 our company or the Board, we value the opinions of our stockholders and will consider the outcome of the vote when making future compensation decisions. The advisory vote to approve the compensation of our named executive officers requires the affirmative vote of a majority of all the votes cast on the proposal. Our current policy is to provide stockholders with an opportunity to approve the compensation of our named executive officers each year at the annual meeting of stockholders until the next required stockholder vote on the frequency of such votes. See Proposal 4, relating to the advisory vote on the frequency of future advisory votes to approve the compensation of our named executive officers.

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 achieve the annual and long-term performance necessary to create stockholder value. The program also seeks to align executive compensation with stockholder value on an annual and long-term basis through a combination of base pay, annual incentives and long-term incentives. Our practice of placing a significant portion of each executive's compensation at risk demonstrates this pay-for-performance philosophy.

We actively review and assess our executive compensation program in light of the industry in which we operate, the marketplace for executive talent in which we compete, and evolving compensation governance and best practices. We are focused on compensating our executive officers fairly and in a manner that promotes our compensation philosophy and is consistent with our annual and longer-term performance. Specifically, our compensation program for executive officers focuses on the following principal objectives:

align executive compensation with stockholder interests;

attract and retain talented personnel by offering competitive compensation packages;

motivate employees to achieve strategic and tactical corporate objectives and the profitable growth of our company; and

reward employees for individual, functional and corporate performance.

Our Board believes that our executive compensation program satisfies these objectives, properly aligns the interests of our executive officers with those of our stockholders, and is worthy of stockholder support. In determining whether to approve this proposal, we believe that stockholders should consider the following:

Independent Compensation Committee. Executive compensation is reviewed and established by a Compensation Committee of the Board consisting solely of independent directors. The Compensation Committee meets in executive session in determining annual compensation. The Compensation Committee receives data, analysis and input from an independent compensation consultant.

Performance-Based Incentive Compensation. Elements of performance-based, incentive compensation are largely aligned with financial and operational objectives established in the Board-approved annual operating plan.

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Limited Perquisites. Our executive officers receive minimal perquisites, consisting primarily of group term life insurance premiums.

Equity Plans. Grants under our equity plans generally include time-based and performance-based vesting periods, and our plan prohibits repricing or exchange of outstanding option awards without consent of stockholders, and requires that options be granted with exercise prices at fair market value.

Accordingly, we ask our stockholders to vote "FOR" the following resolution at the Annual Meeting:

"RESOLVED, that the stockholders approve, on an advisory basis, the compensation of our named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, the compensation tables and narrative discussion in this proxy statement."

***THE BOARD OF DIRECTORS RECOMMENDS A VOTE "FOR" THE ADVISORY VOTE
TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.***

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PROPOSAL FOUR: ADVISORY VOTE ON THE FREQUENCY OF FUTURE ADVISORY VOTES TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Pursuant to Section 14A of the Exchange Act, stockholders have an opportunity to indicate how frequently we should seek an advisory vote on the compensation of our named executive officers at least every 6 years. Our stockholders last voted on this matter at our 2011 Annual Meeting of Stockholders. Stockholders may indicate whether they would prefer an advisory vote on executive compensation once every one, two or three years or they may abstain from voting.

Our Board has discussed and carefully considered the alternatives regarding the frequency of future advisory votes to approve executive compensation in an effort to determine the approach that would best serve the Company and our stockholders. Our Board has considered several factors supporting an annual vote, including:

An annual say-on-pay vote is consistent with past practice, as we have been conducting an annual vote since 2011 and have received over 96% support each year we have conducted an advisory vote on the compensation of our named executive officers.

An annual say-on-pay vote provides us with immediate and direct input from our stockholders on our compensation principles and practices as disclosed in the proxy statement every year.

An annual say-on-pay vote provides frequent communication from our stockholders, which is consistent with our efforts to seek input from our stockholders regarding corporate governance and our compensation philosophy.

The lack of an annual say-on-pay vote might make it more difficult for us to understand the outcome of a stockholder vote as to whether the stockholder vote pertains to the compensation disclosed in the current year proxy statement or pay practices over the previous year or two. As a result, a frequency other than annual might make it more difficult for the Board to understand and respond appropriately to the message being communicated by our stockholders.

Our stockholders recommended an annual say-on-pay vote at our 2011 Annual Meeting of Stockholders.

After such consideration, our Board believes that it is most appropriate to continue to conduct an advisory vote on the compensation of our named executive officers every year and, therefore, our Board recommends that you vote for an annual advisory vote on the compensation of our named executive officers.

The option of every year, every two years or every three years that receives a majority of all of the votes cast at the Annual Meeting will be the frequency for the advisory vote on executive compensation that has been recommended by stockholders. In the event that no option receives a majority of the votes cast, the Board will consider the option that receives the highest number of votes as the preferred choice of the stockholders. This vote is advisory and, therefore, not binding, and the Board may decide in the future that it is in the best interests of our stockholders and the Company to hold an advisory vote on the compensation of our named executive officers more or less frequently than the option approved by our stockholders.

THE BOARD OF DIRECTORS RECOMMENDS A VOTE FOR A FREQUENCY PERIOD OF "ONE YEAR" FOR FUTURE ADVISORY VOTES TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS.

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INFORMATION ABOUT OUR BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Our Board currently consists of seven directors. Our charter and bylaws provide that the number of directors constituting our Board may be increased or decreased by a majority vote of our entire Board, provided the number of directors may not be decreased to fewer than one, the minimum number required under the Maryland General Corporation Law nor, unless our bylaws are amended, more than 15 directors.

Our bylaws require that nominees for director, whether for election by the stockholders or by the Board, shall include such individuals as are entitled to be nominated pursuant to the Operating Partnership Agreement. The Operating Partnership Agreement provides that, for so long as the number of Operating Partnership units and shares of common stock held collectively by the real estate funds affiliated with Carlyle (the "Carlyle Funds") is less than 50% but at least 10% of the total number of shares of outstanding common stock (assuming all Operating Partnership units are exchanged for common stock), certain of the Carlyle Funds shall have the right to nominate the number of directors that is one less than the lowest whole number that would exceed 20% of the directors, but not less than one director. With the Board currently consisting of seven members, the Carlyle Funds presently are entitled to nominate one director. Such rights to nominate directors are subject to increase or decrease as follows (in each case assuming all Operating Partnership units are exchanged for common stock):

If the Carlyle Funds collectively own equal to or greater than 50% of the outstanding common stock, then the Carlyle Funds would have the right to nominate the number of directors that is one less than the lowest whole number that would exceed one-third of the directors, but not less than one director. Assuming the Board still had seven directors, then the Carlyle Funds would be entitled to nominate two directors under this scenario.

If the Carlyle Funds collectively own less than 10% of the outstanding common stock, then the Carlyle Funds would no longer be entitled to nominate any directors.

Board and Committee Meetings

During 2016, the Board held twelve meetings. Each member of the Board attended or participated in 75% or more of the aggregate of (i) the total number of meetings of the Board (held during the period for which such person has been a director) and (ii) the total number of meetings held by all committees of the Board on which such person served (during the periods that such person served).

Board Leadership Structure

The Board does not have a policy regarding separation of the roles of Chief Executive Officer and Chairman of the Board. The Board believes it is in our best interests to make that determination based on current circumstances. The Board has determined that an independent director serving as Chairman is in our best interests at this time. The current Chairman of the Board is Robert G. Stuckey. This structure ensures a greater role of independent directors in the active oversight of our business, including risk management oversight, and in setting agendas and establishing Board priorities and procedures. This structure also allows our Chief Executive Officer to focus to a greater extent on the management of our day-to-day operations. In addition to an independent chairman, our bylaws also require us to have a lead independent director, who may preside over meetings of independent directors in the event of a potential conflict of interest that precludes our chairman from participating. Our current lead independent director is David A. Wilson.

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Executive Sessions

Our non-employee directors met in a special executive session without management at each regularly scheduled Board meeting in 2016. Our non-employee directors also held five separate meetings of non-employee directors during July 2016 and one separate meeting of non-employee directors in December 2016. Robert G. Stuckey, as Chairman of the Board, chaired the non-employee director executive sessions held during 2016 and generally chairs any executive sessions held by non-employee directors. The Board expects to continue to conduct an executive session limited to non-employee directors at least annually and our non-employee directors may schedule additional executive sessions in their discretion.

Committees of the Board of Directors

Our Board has a standing Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee. Each of these committees must be composed exclusively of independent directors. The Audit Committee and the Nominating/Corporate Governance Committee must each have at least three directors and the Compensation Committee must have at least two directors. Our Board may from time to time establish other committees to facilitate the management of our company. The Operating Partnership Agreement currently requires that, so long as the Carlyle Funds collectively own at least 10% of the outstanding common stock (assuming all Operating Partnership units are exchanged for common stock), the Carlyle Funds shall have the right to have at least one of their nominees on each committee, unless prohibited by law or the rules of the NYSE, other than any committee whose purpose is to evaluate or negotiate any transaction with the Carlyle Funds. The Carlyle Funds have exercised this right by requesting that Mr. Stuckey be appointed to the Nominating/Corporate Governance Committee, but have not requested that Mr. Stuckey be appointed to either the Audit Committee or the Compensation Committee.

The following table is a summary of our committee structure and members on each of our committees:

The Audit Committee, Compensation Committee and Nominating/Corporate Governance Committee each operate under written charters adopted by the Board. These charters are available on our website at www.coresite.com. The information contained on our website is not part of, or incorporated by reference in, this proxy statement.

Audit Committee

The Audit Committee assists the Board with its oversight responsibilities regarding the integrity of our financial statements, the qualifications and independence of our independent auditor and the performance of our internal audit function and independent auditors. The Audit Committee selects,

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appoints, assists and meets with the independent auditor, oversees each annual audit and quarterly review, establishes and maintains our internal audit controls and prepares an annual report for inclusion in our annual proxy statement pursuant to federal securities laws. The Audit Committee is specifically responsible for oversight and evaluation of our independent auditor. The Audit Committee also works with management regarding risk assessment and risk management (including cybersecurity and other risks relevant to our computerized information system controls and security), and discusses with management our leverage and any issues that arise with respect to our leverage. The Board has determined that each member of the Audit Committee is "financially literate" as defined under the NYSE rules, that Mr. Wilson qualifies as an "Audit Committee Financial Expert" as defined under SEC rules, and that each member of the Audit Committee is independent under applicable NYSE and SEC rules for purposes of membership on the Audit Committee. The Audit Committee met eight times in 2016.

Nominating/Corporate Governance Committee

The Nominating/Corporate Governance Committee assists the Board in identifying qualified individuals to become directors, makes recommendations to the Board concerning the size, structure and composition of the Board and its committees, monitors the process to assess the Board's effectiveness and is primarily responsible for oversight of corporate governance, including implementing our Corporate Governance Guidelines. The Nominating/Corporate Governance Committee also oversees the development of a succession plan in the event of our Chief Executive Officer's retirement or an unexpected event, which it reviews on an annual basis.

In evaluating potential nominees to the Board, the Nominating/Corporate Governance Committee considers, among other things, independence, character, ability to exercise sound judgment, demonstrated leadership, skills, including financial literacy, and experience in the context of the needs of the Board, as well as criteria for Board nominees set forth under "Proposal One: Election of Directors" above. The Nominating/Corporate Governance Committee considers candidates proposed by stockholders and evaluates them using the same criteria as for other candidates. The Nominating/Corporate Governance Committee considers all recommended director candidates submitted to it in accordance with the established procedures, though it will only recommend to the Board as potential nominees those candidates it believes are most qualified. However, the Nominating/Corporate Governance Committee will not consider any director candidate if the candidate's candidacy or, if elected, Board membership, would violate controlling state or federal law.

The Board has determined that each member of the Nominating/Corporate Governance Committee is independent under applicable NYSE rules. The Nominating/Corporate Governance Committee met five times in 2016.

At least annually, the Nominating/Corporate Governance Committee evaluates the performance of each current director and considers the results of such evaluation when determining whether to recommend the nomination of such director for an additional term. At an appropriate time prior to each annual meeting at which directors are to be elected or re-elected, the Nominating/Corporate Governance Committee recommends to the Board for nomination by the Board such candidates as the Nominating/Corporate Governance Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve.

At an appropriate time after a vacancy arises on the Board or a director advises the Board of his or her intention to resign, the Nominating/Corporate Governance Committee will recommend to the Board for election by the Board to fill such vacancy, such prospective member of the Board as the Nominating/Corporate Governance Committee, in the exercise of its judgment, has found to be well qualified and willing and available to serve. In determining whether a prospective member is qualified to serve, the Nominating/Corporate Governance Committee will consider the factors listed above.

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The foregoing notwithstanding, if we are legally required by contract or otherwise to permit a third party to designate one or more of the director nominees to be elected (for example, pursuant to rights contained in the Operating Partnership Agreement), then such legal requirements will be taken into consideration by the Nominating/Corporate Governance Committee.

Compensation Committee

The Compensation Committee reviews and approves the compensation and benefits of our executive officers, administers and makes recommendations to the Board regarding our compensation and stock incentive plans, produces an annual report on executive compensation for inclusion in our annual proxy statement and publishes an annual committee report for our stockholders. The Board has determined that each member of the Compensation Committee is independent under applicable NYSE and SEC rules for purposes of membership on the Compensation Committee. The Compensation Committee met six times in 2016. For a description of the Compensation Committee's processes and procedures, including the roles of our executive officers and independent compensation consultants in the Compensation Committee's decision-making process, see the section titled "Compensation Discussion and Analysis."

Board Oversight of Risk Management

The Board believes that overseeing how the executive team manages the various risks confronting the company is one of its most important areas of oversight. In carrying out this critical responsibility, the Board has designated the Audit Committee with primary responsibility for overseeing enterprise risk management (including cybersecurity and other risks relevant to our computerized information system controls and security). While the Audit Committee has primary responsibility for overseeing enterprise risk management, each of the other Board committees also considers risk within its area of responsibility. For example, the Nominating/Corporate Governance Committee reviews risks related to legal and regulatory compliance as they relate to corporate governance structure and processes, and the Compensation Committee reviews risks related to compensation matters. The Board is apprised by the committee chairs of significant risks and management's response to those risks via periodic reports. While the Board and its committees oversee risk management strategy, management is responsible for implementing and supervising day-to-day risk management processes and reporting to the Board and its committees on such matters.

With respect to risk related to compensation matters, the Compensation Committee considers, in establishing and reviewing our executive compensation program, whether the program encourages unnecessary or excessive risk taking and has concluded that it does not. Executives' base salaries are fixed in amount and thus do not encourage risk-taking. Bonuses are capped and are tied to overall corporate performance. Any other compensation provided to our executive officers is primarily in the form of long-term equity awards that are important to help further align executives' interests with those of our stockholders. The Compensation Committee believes that these awards do not encourage unnecessary or excessive risk-taking because the ultimate value of the awards is tied to our stock price and because awards are staggered and subject to long-term vesting schedules to help ensure that executives have significant value tied to long-term stock price performance.

The Compensation Committee also has reviewed our compensation programs for employees generally and has concluded that these programs do not create risks that are reasonably likely to have a material adverse effect on the company. The Compensation Committee believes that the design of our annual cash and long-term equity incentives provides an effective and appropriate mix of incentives to help ensure our performance is focused on long-term stockholder value creation and does not encourage the taking of short-term risks at the expense of long-term results. In general, bonus opportunities for our employees are capped, and we have discretion to reduce bonus payments (or pay

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no bonus) based on individual performance and any other factors we may determine to be appropriate in the circumstances.

Evaluation of Board Performance

The Nominating/Corporate Governance Committee coordinates an annual evaluation process by which the directors evaluate the Board's and the Board committees' performance and procedures. This self-evaluation leads to a full Board discussion of the results. Each committee of the Board also annually evaluates its performance and procedures.

Corporate Governance Guidelines

The Board has adopted a set of governance guidelines, the CoreSite Realty Corporation Corporate Governance Guidelines, which are designed to promote the continued vitality of the Board and excellence in the execution of its duties. Our Corporate Governance Guidelines establish the practices and procedures of the Board with respect to Board composition and member selection, Board independence, Board meetings and involvement of senior management, management succession planning, Board committees and the evaluation of senior management and the Board. The Board reviews our Corporate Governance Guidelines at least annually and updates them as necessary to reflect improved corporate governance practices and changes in regulatory requirements. A copy of the Corporate Governance Guidelines is available on our website at www.coresite.com.

Stockholder Power to Amend Bylaws

On March 8, 2017, the Board approved and adopted an amendment and restatement of our bylaws in order to provide our stockholders, to the same extent as the Board, the power to amend the bylaws if such amendment is approved by a majority of all the votes entitled to be cast on the matter. As is the case for Board approved amendments to our bylaws, certain amendments to the bylaws opting out of the Maryland control share acquisition act and relating to board and committee designation rights of Carlyle also require the approval of a majority of the directors who were nominated by Carlyle in accordance with our bylaws. A copy of our bylaws can be obtained from our Secretary, who can be reached at 1001 17th Street, Suite 500, Denver, Colorado 80202.

Stock Ownership Guidelines

Effective January 1, 2014, the Board adopted stock ownership and retention guidelines for all of our executive officers and non-employee directors who are also not employees of Carlyle ("Non-Employee Directors") to further align their interests with our stockholders. The stock ownership and retention guidelines do not apply to directors who are employed by Carlyle because those directors do not receive compensation for their service as directors. Under these stock ownership and retention guidelines, each of our executive officers is expected to own common stock of our company with a market value equal to the following amounts for as long as he or she remains an executive officer:

Position	Stock Ownership Requirements	Requirement Met
Chief Executive Officer	Five Times (5.0x) Base Salary	ü
Other C-Level Executives (CFO, General Counsel)	Three Times (3.0x) Base Salary	ü
Senior Vice Presidents	One and One-Half Times (1.5x) Base Salary	ü
Non-Employee Directors	Five Times (5.0x) Annual Cash Retainer	ü

Each executive officer and Non-Employee Director must hold 50% of all net settled shares received from the vesting, delivery or exercise of equity awards until such executive officer's or

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Non-Employee Director's stock ownership equals or exceeds the applicable ownership threshold. Executive officers and Non-Employee Directors have until the later to occur of (i) January 1, 2019 or (b) the fifth anniversary of her or his first appointment or election as an executive officer or Non-Employee Director, as applicable, to meet the requirements of these stock ownership guidelines. Once the stock ownership guidelines are met by an executive officer or Non-Employee Director, any subsequent decreases in the market value of our common stock will not be considered for purposes of determining compliance with these stock ownership guidelines with respect to such executive officer's or Non-Employee Director's initial ownership threshold. These stock ownership guidelines were based on analysis of peer and market practices, as prepared by our independent compensation consultant.

Code of Ethics

Our Code of Business Conduct and Ethics applies to all of our employees, including our principal executive officer, principal financial officer and principal accounting officer, and the Board. A copy of the Code of Business Conduct and Ethics is available on our website at www.coresite.com. We intend to disclose any changes in or waivers from the Code of Business Conduct and Ethics that are required to be disclosed by posting such information on our website.

Anti-Hedging and Pledging Policy Prohibition on Short Sales, Hedging and Margin Accounts

Our Insider Trading Policy prohibits our officers, directors and all other employees from (i) engaging in short sales, (ii) buying or selling put or call positions in our securities, (iii) buying financial instruments designed to hedge or offset any decrease in the market value of our securities, and (iv) frequent trading of our securities to take advantage of fluctuations in share price. In addition, all of our officers and directors are prohibited from pledging, purchasing or selling our securities in margin accounts.

2016 Director Compensation

After consultation with the Compensation Committee's independent compensation consultant, including an analysis of peer and market practices, the Board further amended our director compensation program in order to bring our Non-Employee Director compensation in line with mid-market non-employee director compensation within our peer group. Effective January 1, 2016, our director compensation program consisted of the following:

Annual Board Service	Cash Retainer(1)	\$ 75,000
	Restricted Stock Units(2)	\$ 125,000
Committee Chair Cash Retainer(1)	Audit Committee	\$ 20,000
	Compensation Committee	\$ 20,000
	Nominating & Corporate Governance Committee	\$ 20,000
Committee Member Cash Retainer(1)	Audit Committee	\$ 10,000
	Compensation Committee	\$ 10,000
	Nominating & Corporate Governance Committee	\$ 10,000

(1) All cash retainers are paid in advance in quarterly installments subject to such Non-Employee Director's continued service on the Board.

(2) Each restricted stock unit ("RSU") includes an equal number of tandem dividend equivalents. Dividend equivalents give holders the right to receive, upon payment of any ordinary cash dividend paid to holders of our common stock, an equivalent payment in the form of additional RSUs and dividend equivalents. The RSUs and corresponding dividend equivalents vest one year from the grant date, subject to such Non-Employee Director's continued service as of the vesting date. Each

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RSU entitles the director to one share of our common stock, and will be payable and settled at the time of vesting, unless a deferral election is made by a Non-Employee Director.

Directors who are employees of our company or our subsidiaries and those directors employed by Carlyle do not receive compensation for their service as directors. Mr. Szurek received compensation for his service on the Board through the end of September 2016.

The following table presents information regarding the compensation paid during 2016 to Non-Employee Directors who served on the Board during the year. The director compensation earned by Mr. Szurek in 2016 is disclosed in the 2016 Summary Compensation Table below.

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$)(1)	Total (\$)
Kelly C. Chambliss(2)	25,920	86,482	112,402
Michael R. Koehler	105,000	125,000	230,000
J. David Thompson	103,571	125,000	228,571
David A. Wilson	107,088	125,000	232,088

(1) The amounts included under the "Stock Awards" column reflect the aggregate grant date fair value of the RSU awards granted to each Non-Employee Director, computed in accordance with FASB ASC Topic 718, excluding the effect of any estimated forfeitures. Assumptions used to calculate these amounts are described in Note 12, "Equity Incentive Plan" to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2016.

(2) Ms. Chambliss was appointed to the Board in September 2016 and her compensation was prorated based on her appointment date.

The following table presents the number of outstanding and unexercised option awards and the number of outstanding RSUs held by each of the Non-Employee Directors as of December 31, 2016.

Director	Number of Shares Subject to Outstanding Options as of December 31, 2016(1)	Number of Shares Subject to Outstanding RSUs as of December 31, 2016(2)
Kelly C. Chambliss		1,091
Michael R. Koehler	2,500	15,086
J. David Thompson	2,500	10,217
David A. Wilson	2,500	15,086

(1) The stock options are fully vested.

(2) The RSUs for each of Messrs. Koehler, Thompson and Wilson are fully vested except for 1,715 RSUs, which in each case will vest on May 19, 2017. All of the RSUs for Ms. Chambliss will vest on May 19, 2017.

Communications with the Board

Any stockholder or other interested party may contact the Board, including any non-employee director or the non-employee directors as a group, or any individual director or directors, by writing to our Secretary at 1001 17th Street, Suite 500, Denver, Colorado 80202, with a request to forward the communication to the intended recipient or recipients. In general, any stockholder communication delivered to our Secretary for forwarding to the Board or specified Board member or members will be forwarded in accordance with the stockholder's instructions. However, our Secretary reserves the right not to forward to Board members any abusive, threatening or otherwise inappropriate materials.

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Information regarding the submission of comments or complaints relating to our accounting, internal accounting controls or auditing matters can be found on our website at www.coresite.com.

Attendance of Directors at 2016 Annual Meeting of Stockholders

While we do not have a formal policy requiring our directors to attend stockholder meetings, directors are invited and encouraged to attend all meetings of stockholders. All of our directors attended the 2016 Annual Meeting of Stockholders.

Compensation Committee Interlocks and Insider Participation

No member of the Compensation Committee is or has ever been an executive officer of our company, and no member of the Compensation Committee had any relationships requiring disclosure by us under the SEC's rules requiring disclosure of certain relationships and related-party transactions. None of our executive officers who have served as a director of our company or a member of the Compensation Committee have served on any compensation committee (or its equivalent) of any other entity.

Table of Contents**EXECUTIVE OFFICERS**

The following table sets forth certain information as of April 5, 2017, regarding our executive officers.

Name	Position With the Company	Age
Paul E. Szurek	President and Chief Executive Officer	56
Jeffrey S. Finnin	Chief Financial Officer	53
Derek S. McCandless	Senior Vice President, Legal, General Counsel and Secretary	46
Steven J. Smith	Senior Vice President, Sales and Marketing	52
Dominic M. Tobin	Senior Vice President, Field Operations and Network Engineering	63
Brian P. Warren	Senior Vice President, Engineering and Product	47

Please see "Proposal One: Election of Directors Directors" starting on page 6 for information regarding Mr. Szurek. There are no family relationships among our executive officers and directors.

Jeffrey S. Finnin has served as our Chief Financial Officer since January 2011. Before joining us in January 2011, Mr. Finnin served as Managing Director and Chief Accounting Officer of Prologis, a publicly held REIT, for over five years. Prior to his tenure at Prologis, Mr. Finnin spent 18 years in public accounting, most recently as a partner with KPMG and Arthur Andersen LLP, where he served as the Industry Lead Partner in charge of Real Estate and Financial Services Practices in Denver, Colorado. Mr. Finnin received his B.S. in Business Administration from Colorado State University and is a Certified Public Accountant (inactive status).

Derek S. McCandless has served as our Senior Vice President, Legal, General Counsel and Secretary since March 2011. Prior to joining us in March 2011, Mr. McCandless served as Senior Vice President and Assistant General Counsel at Apartment Investment and Management Company, a REIT focused on apartment properties, which he joined in 2003. Prior to his tenure with Apartment Investment and Management Company, Mr. McCandless was in private practice with the law firms of Holme Roberts & Owen LLP (since combined with Bryan Cave LLP) and Cooley LLP. Mr. McCandless received a J.D. from The University of Chicago and a B.S., cum laude, from Brigham Young University.

Steven J. Smith has served as our Senior Vice President, Sales and Marketing since January 2014. Mr. Smith is responsible for the success of our customer engagement, market expansion and overall revenue growth. Prior to joining us in January 2014, Mr. Smith was a Regional Vice President for SAP AG, a business software company, from March 2008 to January 2014, where he led large enterprise sales across application portfolios, including enterprise resource planning, big data, customer relationship management (CRM), cloud and mobile. From December 2002 to March 2008, he held various roles with Avaya, Inc., a global provider of business communications and collaboration systems, software and services, most recently as Vice President and General Manager of U.S. Channel Sales. Mr. Smith received a B.A. in Marketing and Economics from the University of New Mexico.

Dominic M. Tobin, who currently serves as Senior Vice President, Field Operations and Network Engineering, joined us in January 2007. Mr. Tobin is responsible for our company's field operations activities associated with our customer service and the maintenance, staffing, reliability and network engineering of our data centers. Mr. Tobin served as our Field Operations Director from 2007 to 2009 and Vice President of Operations from 2009 to 2010. Prior to joining us in January 2007, Mr. Tobin spent 22 combined years at First Level Technology and AT&T, where he held roles of increasing responsibility, including Field Operations Director and District Manager. Mr. Tobin obtained his B.S. in Telecommunications Management, magna cum laude, from Golden Gate University. He also received a Network Management Certificate from U.C. Santa Cruz Extension and was a First Class Electronics Technician in the U.S. Coast Guard.

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Brian P. Warren has served as our Senior Vice President, Engineering and Product since March 2014. Mr. Warren is responsible for our Company's product, facilities and sales engineering activities, including the design, construction, utilization and efficiency of our data centers. Mr. Warren joined us in October 2011 as our Vice President of Product Management and Market Development. Prior to joining us, he served as Senior Director of Internet Services Product Management at Level 3 Communications, a communications services company, where he held roles of increasing responsibility from June 2003 to October 2011. Prior to Level 3 Communications, Mr. Warren held various roles with Qwest Communications, @Link Networks, and Ernst & Young LLP. Mr. Warren began his career as a United States Air Force officer working with the North American Aerospace Defense Command (NORAD). Mr. Warren received an M.B.A. from Kellogg Graduate School of Management at Northwestern University and a B.S. in Engineering from the United States Air Force Academy.

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis is designed to provide our stockholders with a clear understanding of our compensation philosophy and objectives, compensation-setting process, and the 2016 compensation of our named executive officers. For 2016, our named executive officers were:

Paul E. Szurek	President and Chief Executive Officer (beginning September 10, 2016)
Jeffrey S. Finnin	Chief Financial Officer
Derek S. McCandless	Senior Vice President, Legal, General Counsel and Secretary
Steven J. Smith	Senior Vice President, Sales and Marketing
Brian P. Warren	Senior Vice President, Engineering and Product
Thomas M. Ray	Former President and Chief Executive Officer (through September 10, 2016)

On July 28, 2016, we announced that Thomas M. Ray was retiring from the Company and that the Board had appointed Paul E. Szurek as President and Chief Executive Officer, effective September 2016. Mr. Szurek, who had been the chair of our Nominating/Corporate Governance Committee and our lead independent director since September 2010, assumed the role of President and Chief Executive Officer on September 10, 2016. Mr. Ray served as a consultant to the Company to assist in a transitional capacity until March 16, 2017.

Executive Summary

Our compensation program for our named executive officers and other executive officers is designed to meet the following primary objectives:

Management Development and Continuity. Attract, retain and motivate individuals of superior ability and managerial talent to develop, grow and manage our business by offering competitive compensation opportunities with a significant long-term component;

Pay-for-Performance. Align executive officer compensation with the achievement of our short- and long-term corporate strategies and business objectives and with the long-term interests of our stockholders through the use of performance-based and variable compensation elements; and

Long-Term Focus on Stockholder Value. Align executives with stockholder value creation by delivering a significant portion of our executive officers' compensation in the form of equity-based awards that vest over multiple years.

We believe compensation should be structured to ensure that a significant portion of the total compensation opportunity for our named executive officers is directly related to our performance and other factors that directly and indirectly influence stockholder value. The Compensation Committee focused on demonstrating its pay-for-performance philosophy and alignment of executive and shareholder interests during the transition of our President and Chief Executive Officer by continuing to weight the new Chief Executive Officer employment arrangements toward performance-based pay.

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For 2016, our fixed compensation versus targeted variable compensation was structured as follows for Mr. Szurek and other named executive officers:

Our 2016 named executive officer compensation reflects the performance of our company in 2016. Our 2016 annual cash incentive program payouts were based on our above target performance in 2016 revenue, EBITDA and funds from operations (FFO). In addition, to further our commitment to a pay-for-performance compensation program, in March 2016, the Compensation Committee granted performance-based restricted stock to our senior leadership team, which vests based on the achievement of relative total shareholder return over a three-year period.

We also believe our executive compensation should be structured to appropriately balance annual cash compensation with long-term equity-based compensation. For 2016, our target annual cash versus long-term equity-based compensation was structured as follows for Mr. Szurek and other named executive officers:

In order to further align the long-term interests of management with those of our stockholders and align our compensation program with best practices, we (through our Board and Compensation Committee) establish and monitor specific policies, practices and processes.

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Highlights of Compensation Practices

THINGS WE DO:	THINGS WE DON'T DO:
<p>ii Independent Compensation Committee. The Compensation Committee, comprised solely of independent directors, approves all compensation for our named executive officers.</p>	<p>× No excise tax gross-ups. We do not provide our management with "excise tax gross-ups" in the event of a change in control.</p>
<p>ii Independent compensation consultant. The Compensation Committee retains an independent compensation consultant.</p>	<p>× Ban on hedging and pledging. We do not allow our management or directors to engage in hedging transactions in our stock or to pledge our stock to secure loans or other obligations.</p>
<p>ii Assessment of compensation risk. The Compensation Committee assessed our compensation policies and programs and determined that we have no compensation policies and programs that give rise to risks reasonably likely to have a material adverse effect on the Company.</p>	<p>× No excessive executive benefit programs. We do not provide our management with pensions or any other enhanced benefit programs.</p>
<p>ii Performance-based pay. The Compensation Committee focuses on paying our executives for their performance.</p>	<p>× No repricings. Our equity plans do not allow repricing of stock option or stock appreciation rights without stockholder approval.</p>
<p>ii Annual say-on-pay vote. We hold annual advisory say-on-pay votes to approve executive compensation and in 2016 received support of 97.7% on such proposal.</p>	<p>× No excessive perquisites. Our management receives minimal perquisites.</p>
<p>ii Weight of financial metrics. The Compensation Committee continued to weight 2016 performance measures towards those impacting profitability</p>	
<p>ii Use of multiple performance metrics. The Compensation Committee used three weighted performance measures for the 2016 annual incentive bonus in an attempt to better connect executive compensation to overall company performance</p>	
<p>ii Stock ownership guidelines. We have adopted robust stock ownership guidelines that our executive officers and non-employee directors are expected to meet.</p>	

Selected 2016 Company Performance Highlights

Performance for our company was strong in 2016, highlighted by the following:

Total shareholder return (assuming dividend reinvestment) in 2016 was 44.3%;

Revenue in 2016 grew by 20.1% over 2015;

Net income in 2016 grew by 44.1% compared to 2015;

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EBITDA (as defined below) in 2016 grew by 27.2% versus 2015;

FFO (as defined below) attributable to common shares and units in 2016 grew by 30.2% versus 2015;

Strong interconnection revenue growth in 2016, increasing 20.0% over 2015; and

Increased the quarterly common stock dividend by 50.9% to \$0.80 per share, reflecting an annual rate of \$3.20 per share. This represents the sixth consecutive year of double-digit growth in the quarterly dividend rate and 35.4% compound annual growth since our initial public offering.

In addition to the financial highlights above, we achieved the following in 2016:

Executed 579 new and expansion data center leases comprising 245,853 net rentable square feet (NRSF), representing \$48.8 million of annualized GAAP rent at an average rate of \$198 per square foot;

Commenced a record 443,112 NRSF of new and expansion leases representing \$58.6 million of annualized GAAP rent at an average rate of \$132 per square foot, which includes commenced leases at our recently opened SV7 data center in Santa Clara, California;

Completed the development of 226,911 NRSF at SV7, our largest ground-up development of a multi-tenant data center, which has leased up more quickly than any of our previous multi-tenant buildings;

Closed on our acquisition of a 21.75-acre light-industrial/flex office park to expand its Reston, Virginia data center campus. We estimate we can build approximately 611,000 NRSF of incremental data center capacity across multiple phases; 178,712 NRSF and 48,928 NRSF is currently operating office and light-industrial space and powered shell data center space, respectively;

Announced expansions in both Denver and Washington, D.C. of 23,906 NRSF and 25,000 NRSF, respectively, to enhance our leading position in both markets and meet strong customer demand for performance-sensitive data center capacity;

Successfully obtained Health Insurance Portability and Accountability Act (HIPAA) validation for our platform of operating multi-tenant data centers; and

Completed the successful transition of our President and Chief Executive Officer and retained our other experienced and seasoned executive management team.

See Appendix A to this proxy statement for a reconciliation of EBITDA and FFO to the nearest GAAP financial measure.

At our annual meeting of stockholders in May 2016, we held our annual advisory vote to approve the compensation of our named executive officers ("say-on-pay"). The compensation of our named executive officers reported in our 2016 proxy statement was approved by 97.7% of the votes cast at the 2016 annual meeting. Our Compensation Committee believes this affirms our stockholders' support of our approach to executive compensation. The Compensation Committee will continue to consider the outcome of our say-on-pay votes when making future compensation decisions for our named executive officers.

Role of the Board of Directors, the Compensation Committee, Management and Consultant

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Our Compensation Committee is charged with, among other things, the responsibility of reviewing executive officer compensation policies and practices to ensure adherence to our compensation philosophy and objectives and that the total compensation paid to our executive officers is consistent

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with our performance, fair, reasonable and competitive with companies within our industry. The Compensation Committee's primary responsibilities with respect to determining executive compensation are (i) setting performance targets under all annual bonus and long-term and management incentive compensation plans, including our equity compensation plans; (ii) verifying that performance targets used for any performance-based equity compensation plans have been met before payment of any executive bonus or compensation; (iii) approving all amendments to, and terminations of, all compensation plans and any awards under such plans; (iv) granting any awards under any performance-based annual bonus, long-term incentive compensation and equity compensation plans to executive officers; (v) approving which executive officers and other employees receive awards under our equity and incentive compensation plan(s), including our equity compensation plans; and (vi) conducting an annual review of all compensation plans. In some cases, the Compensation Committee makes recommendations that our Board approve these items or grant equity awards. All plan reviews include reviewing the plan's administrative costs, reviewing current plan features relative to any proposed new features, and assessing the performance of the plan's internal and external administrators if any duties have been delegated.

The Compensation Committee reviews and considers our Chief Executive Officer's recommendations with respect to compensation decisions for our named executive officers other than himself. The Compensation Committee believes it is valuable to consider the recommendations of our Chief Executive Officer with respect to these matters because, given his knowledge of our operations, the data center industry and the day-to-day responsibilities of our executive officers, he is in a unique position to provide the Compensation Committee perspective into the performance of our executive officers in light of our business at a given point in time. The Board (without the participation of our Chief Executive Officer) and Compensation Committee makes all compensation decisions with regard to our Chief Executive Officer. In 2016, the Board also negotiated and completed the employment arrangements of our new Chief Executive Officer.

As part of the 2016 compensation process, the Compensation Committee retained W.T. Haigh & Company, Inc. ("W.T. Haigh") as its independent compensation consultant. W.T. Haigh provides us advisory services only with respect to executive compensation, and works with management only with the approval and under the direction of the Compensation Committee. W.T. Haigh reviewed the compensation components of our 2016 program for our named executive officers and advised the Compensation Committee regarding the components and levels of the executive compensation program, including our incentive and equity-based compensation plans. W.T. Haigh also assists the Board in its annual Board and committee evaluation process. In 2016, W.T. Haigh also provided analysis of the compensation arrangements with our new Chief Executive Officer. A representative of W.T. Haigh attended all of the Compensation Committee meetings in 2016 and to date, all of the Compensation Committee meetings in 2017. W.T. Haigh continues to make itself available on an ongoing basis to provide guidance to the Compensation Committee on compensation issues as they arise. The Compensation Committee has reviewed its and our company's relationships with W.T. Haigh and has not identified any conflicts of interest.

Peer Companies

The Compensation Committee uses peer company data to guide its review of the total compensation of our executive officers and generally reviews the compensation data of our peer companies and industry to understand market competitive compensation. The Compensation Committee focuses on ensuring that the elements of our executive compensation program are consistent with peer and industry trends. However, the Compensation Committee does not benchmark compensation to a specific percentile target or range of the compensation of peer companies.

For purposes of the 2016 compensation decisions, the Compensation Committee approved a peer group based on analysis and recommendations by W.T. Haigh. This peer group is comprised of 13

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companies in the data center, special purpose real estate, hosting and colocation industries. The peer group was selected based primarily on similarity to our core business as well as a number of other criteria, including each company's revenue, market capitalization, number of employees and other key financial metrics. We believe these companies are broadly comparable to us, and appropriately reflect our size, complexity, growth prospects, operations, and the labor market for key leadership positions. The 2016 peer companies are listed below:

Akamai Technologies, Inc.	Alexandria Real Estate Equities, Inc.	Cogent Communications Group, Inc.
CyrusOne Inc.	Digital Realty Trust, Inc.	DuPont Fabros Technology, Inc.
Equinix, Inc.	Healthcare Realty Trust Incorporated	Healthcare Trust of America, Inc.
InterXion Holding N.V.	Iron Mountain Incorporated	QTS Realty Trust, Inc.
Rackspace Hosting, Inc.		

For 2016, the Compensation Committee removed BioMed Realty Trust, Inc. and TelecityGroup plc from our peer group as they were acquired during 2016, and removed Internap Network Services Corp. because it was at a 52-week low in market capitalization (\$135 million at time of review) and was actively seeking strategic alternatives. Healthcare Realty Trust Incorporated and Healthcare Trust of America, Inc. were added to our 2016 peer group due to their comparability to our company in terms of revenue and market capitalization, and Iron Mountain Incorporated was added due to increased focus on data center operations. In addition to the select peer companies above, compensation data was used that covers substantially all of the companies in the MSCI US REIT Index and the NASDAQ Internet Index.

The Compensation Committee reviews our peer group annually to determine whether changes are necessary to ensure that the peer companies continue to be comparable to us based on changing scope and growth characteristics.

Elements of 2016 Compensation

Our compensation program is made up of the following direct compensation elements:

Element	Fixed or Variable	Purpose
Base Salary	Fixed	To attract and retain executives by offering fixed compensation that is competitive with market opportunities and that recognizes each executive's position, role, responsibility and experience.
Annual Incentive	Variable	To motivate and reward the achievement of our annual performance, including objectives related to revenue, EBITDA and FFO.
Equity Awards	Variable	To align executives' interests with the interests of stockholders through equity-based compensation with performance-based and time-based vesting periods, and to promote the long-term retention of our executives and key management personnel.

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For 2016, the following was the targeted mix of compensation:

2016 Compensation Decisions

Base Salaries. In early 2016, the Compensation Committee reviewed base salaries to ensure that they generally were competitive with market levels and generally reflected our level of financial performance during the previous year. No formulaic base salary increases are provided to our named executive officers; however, annual merit increases are provided when the Compensation Committee determines that such increases are warranted in light of national salary increase levels, salary levels within our peer companies, individual performance and/or overall company performance.

The base salaries of our named executive officers in 2016 were as follows:

Named Executive Officer	2016 Base Salary	Increase Over 2015 Base Salary
Paul E. Szurek(1)	\$ 580,000	
Jeffrey S. Finnin	\$ 395,000	2.6%
Derek S. McCandless	\$ 315,000	6.8%
Steven J. Smith	\$ 335,000	6.3%
Brian P. Warren	\$ 250,000	8.7%
Thomas M. Ray(2)	\$ 580,000	5.5%

(1) The pro-rated base salary for Mr. Szurek in 2016 was \$179,800, based on his appointment as our President and Chief Executive Officer effective on September 10, 2016.

(2) The pro-rated base salary for Mr. Ray in 2016 was \$402,027, based on his resignation as our President and Chief Executive Officer on September 10, 2016.

The base salaries for each of our named executive officers set forth above were effective as of April 1, 2016, except for that of Mr. Szurek which was effective as of September 10, 2016, upon his commencement of service as our President and Chief Executive Officer. For each of our named executive officers (except Mr. Szurek), 2016 salary increases were driven in large part by each named executive officer's relative position to mid-market salary levels when compared to the peer companies and broader market comparisons, along with individual performance evaluations. The annual base salary for Mr. Szurek was set in connection with the negotiation of his employment agreement and was influenced by a peer company comparative review from W.T. Haigh and efforts to induce Mr. Szurek to join us as our President and Chief Executive Officer.

Annual Cash Incentive Awards. An important component of our total compensation program is the annual cash incentive based on the achievement of preset, annual company performance objectives and individual executive performance, which is determined in the Compensation Committee's discretion.

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The Compensation Committee established the following 2016 target annual incentive amounts for each of our named executive officers under our 2016 annual cash incentive program (the "2016 Bonus Plan"):

Named Executive Officer	2016 Base Salary	Target Bonus as a Percentage of Salary	Target Bonus
Paul E. Szurek	\$ 179,800(1)	100%	\$ 179,800
Jeffrey S. Finnin	\$ 395,000	65%	\$ 256,750
Derek S. McCandless	\$ 315,000	65%	\$ 204,750
Steven J. Smith	\$ 335,000	120%	\$ 402,000
Brian P. Warren	\$ 250,000	60%	\$ 150,000
Thomas M. Ray	\$ 402,027(1)	100%	\$ 402,027

(1) Pro-rated based on time of service in 2016.

In setting the 2016 target bonus amounts for each of our named executive officers, the Compensation Committee considered the following factors: (i) organizational level and expected impact on our annual operating results; (ii) the scope, level of expertise and experience required for the named executive officer's position; and (iii) competitive levels of target annual incentive opportunity. The 2016 target bonus percentages for Messrs. Finnin, McCandless, Warren and Ray were not adjusted from 2015, and the 2016 target bonus percentage for Mr. Smith was decreased slightly to maintain an approximate target bonus value of \$400,000. The 2016 target bonus percentage for Mr. Szurek was determined in connection with the negotiation of his employment agreement, and such target bonus percentage is consistent with the target bonus percentage previously set for Mr. Ray as our former Chief Executive Officer and a peer company comparative review performed by W.T. Haigh. Participants under the 2016 Bonus Plan were eligible to receive between 0% and 175% of each participant's respective target bonus based on actual performance as discussed below, subject to proration for Mr. Szurek and the consulting and transition services agreement with Mr. Ray.

Actual bonus amounts earned for 2016 were based on the level of company-wide achievement of revenue, EBITDA and FFO in 2016 versus targets established by the Compensation Committee at the beginning of the year. The total incentive bonus actually paid to each named executive officer is determined based on the extent to which specified weighted objective company performance goals are achieved, multiplied by a weighting and bonus factor. The bonus factors for each performance factor

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used to calculate the total incentive bonuses as approved by the Compensation Committee were as follows and the actual results within the range are highlighted:

Results as a Percentage of Target			
Revenue	EBITDA	FFO	Multiplier
0% - 89.99%	0% - 87.99%	0% - 84.99%	0%
90.00% - 90.99%	88.00% - 88.99%	85.00% - 85.99%	25%
91.00% - 91.99%	89.00% - 89.99%	86.00% - 87.99%	30%
92.00% - 92.99%	90.00% - 90.99%	88.00% - 88.99%	35%
93.00% - 93.99%	91.00% - 92.99%	89.00% - 90.99%	40%
94.00% - 94.99%	93.00% - 93.99%	91.00% - 91.99%	45%
95.00% - 95.99%	94.00% - 94.99%	92.00% - 93.99%	50%
96.00% - 96.99%	95.00% - 95.99%	94.00% - 94.99%	60%
97.00% - 97.99%	96.00% - 97.99%	95.00% - 96.99%	70%
98.00% - 98.99%	98.00% - 98.99%	97.00% - 97.99%	80%
99.00% - 99.99%	99.00% - 99.99%	98.00% - 99.99%	90%
100.00% - 100.99%	100.00% - 100.99%	100.00% - 101.99%	100%
101.00% - 101.99%	101.00% - 101.99%	102.00% - 102.99%	110%
102.00% - 102.99%	102.00% - 103.99%	103.00% - 104.99%	120%
103.00% - 103.99%	104.00% - 104.99%	105.00% - 105.99%	130%
104.00% - 104.99%	105.00% - 105.99%	106.00% - 107.99%	140%
105.00% - 105.99%	106.00% - 106.99%	108.00% - 108.99%	150%
106.00% - 106.99%	107.00% - 108.99%	109.00% - 110.99%	155%
107.00% - 107.99%	109.00% - 109.99%	111.00% - 111.99%	160%
108.00% - 108.99%	110.00% - 110.99%	112.00% - 113.99%	165%
109.00% - 109.99%	111.00% - 111.99%	114.00% - 114.99%	170%
110.00% or more	112.00% or more	115.00% or more	175%

The Compensation Committee or the Board has the discretion to adjust the target or actual results based on extraordinary events and/or conditions that either positively or negatively impact our performance. For purposes of the 2016 Bonus Plan, target FFO for 2016 was increased from the number set at the beginning of the year to account for the issuance of our 4.19% Senior Notes, which are due in 2023, in the second quarter of 2016. In addition, the Compensation Committee or the Board may further adjust the bonus payments in its discretion based on each named executive officer's achievements and overall job performance during 2016. The table below sets forth the calculation of the 2016 bonus payouts with respect to the objective company performance goals:

Performance Factor	2016 Target	2016 Actual	2016		Weighting	Multiplier	Bonus Payout
			Actual as a Percentage of Target	of Target			
Revenue	\$396.0 million	\$400.4 million	101.11%	33.3%	110%	36.7%	
EBITDA	\$189.9 million	\$203.3 million	107.06%	33.3%	155%	51.7%	
FFO	\$164.1 million	\$176.7 million	107.68%	33.3%	140%	46.7%	

TOTAL

135%

Funds from operations ("FFO") represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property and impairment write-downs of depreciable real estate, plus real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures. EBITDA is

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defined as earnings before interest, taxes, depreciation and amortization ("EBITDA"). FFO and EBITDA are non-GAAP measures. See Appendix A for a reconciliation of these measures to GAAP.

In light of our performance in 2016 and the Board's discretionary evaluation of each named executive officer's job performance, with input from our Chief Executive Officer (except with respect to his own compensation) and upon recommendation from the Compensation Committee, we paid the following annual bonus amounts under the 2016 Bonus Plan:

Named Executive Officer	Target Bonus as a Percentage of Salary	Target Bonus	Actual Bonus Award	Actual Bonus Award as a Percentage of Target
Paul E. Szurek	100%	\$ 179,800(1)	\$ 242,730	135%
Jeffrey S. Finnin	65%	\$ 256,750	\$ 367,409	143%
Derek S. McCandless	65%	\$ 204,750	\$ 320,639	157%
Steven J. Smith	120%	\$ 402,000	\$ 629,532	157%
Brian P. Warren	60%	\$ 150,000	\$ 214,650	143%
Thomas M. Ray	100%	\$ 402,027(1)	\$ 514,595	128%

(1)

Pro-rated based on time of service in 2016.

In determining the increased bonus amounts for Messrs. Finnin, McCandless, Smith and Warren, the Board considered the individual performance evaluations for each person and the overall Company performance in 2016. The bonus amount for Mr. Szurek is based on the Board's individual performance evaluation of Mr. Szurek and is also pro-rated from the effective date of his appointment as our President and Chief Executive Officer in September 2016. The target bonus amount for Mr. Ray is pro-rated based on his resignation as our President and Chief Executive Officer on September 10, 2016. The actual bonus amount for Mr. Ray was set based on a consulting and separation agreement entered into with Mr. Ray in July 2016 in connection with his resignation as our President and Chief Executive Officer. Under the consulting and separation agreement, we agreed to pay Mr. Ray a pro-rated performance bonus in an amount equal to (i) \$321,622 multiplied by the bonus performance multiplier as determined under the 2016 Bonus Plan, plus (ii) \$80,405, which represents 80% of his pro-rated target bonus based on company performance and 20% of his pro-rated target bonus based on his individual performance, respectively. See "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table Ray Consulting and Separation Agreement" below for additional details regarding the consulting and separation agreement.

Equity Compensation. Generally in the first quarter of each year, the Board or Compensation Committee grants equity-based awards to our named executive officers, other executives, key management personnel and other employees in order to align their interests with those of the stockholders and to provide a compensation element intended to retain our named executive officers and other executives over the long term. For 2016, the value of the long-term equity awards granted to each named executive officer was based on the Compensation Committee's assessment of each named executive officer's expected future contributions to our company, ability to impact our long-term results that drive stockholder value, each named executive officer's overall long-term performance and competitive levels of long-term equity compensation for similarly situated executives at our peer companies.

In 2016, the Compensation Committee approved equity awards to our senior leadership team, including our named executive officers, with 60% of the value of the equity award in the form of time-based restricted stock and 40% of the value of the equity award in the form of performance-based restricted stock ("PSAs"). The Compensation Committee believes that time-based restricted stock awards offer a strong retention incentive to employees and are less dilutive to our current stockholders

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than stock options. The time-based restricted stock awards vest in three equal annual installments beginning on the first anniversary of the grant date, subject to continued employment with us.

The Compensation Committee began granting PSAs in 2014 and continued its practice of granting PSAs in 2016 (and continuing in 2017) to further our objective of a pay-for-performance compensation program to tie executive compensation to the achievement of our longer-term corporate strategies and business objectives and to the long-term interests of our stockholders. The Compensation Committee determined to grant the PSAs in the form of restricted stock to place greater emphasis on our performance relative to other REITs. In 2016, PSAs were granted only to our senior leadership team, including our named executive officers, while other employees of our company received equity awards solely in the form of time-based restricted stock. The PSAs granted in 2016 (the "2016 PSAs") vest in full on the third anniversary of the grant based on our achievement of relative total shareholder return ("TSR") measured versus the MSCI US REIT Index over a three-year performance period. The number of shares that may be earned under the 2016 PSA grants ranges from 25% to 175% of target, as described further below.

The 2016 PSAs are earned as follows: (i) 20% of the PSAs are earned based on relative TSR achievement for each annual performance period during the three-year performance period (60% in total), and (ii) 40% of the PSAs are earned based upon a cumulative TSR achievement over the three-year performance period. Earned PSAs are released at the end of the three-year performance period provided that the executive officer continues to be employed by us at the end of the performance period. Holders of earned PSAs are also entitled to accrued cash dividends that will be paid at the end of the performance period. The table below sets forth the performance multipliers for each level of TSR achievement relative to the MSCI US REIT Index to be used for each vesting period of the 2016 PSAs:

Relative TSR Ranking Relative to the MSCI US REIT Index For the Performance Period	Performance Multiplier
Above the 75 th Percentile	175%
At the 75 th Percentile	150%
Between the 75 th Percentile and 50 th Percentile	Determined by linear interpolation
At the 50 th Percentile	100%
Between the 50 th Percentile and 30 th Percentile	Determined by linear interpolation
At the 30 th Percentile	50%
Below the 30 th Percentile	25%

The PSA grants developed and implemented for 2016 were based on analysis of peer company and broader market performance-based equity practices, as prepared by W.T. Haigh, and are consistent with our performance-based compensation philosophy.

The equity awards granted to our named executive officers in 2016 were as follows:

Name	Time-Based Restricted Stock Awards: Number of Shares of Restricted Stock(#)	Performance-Based Restricted Stock Awards: Number of Shares of Restricted Stock at Maximum(#)(1)
Paul E. Szurek	24,479	22,082
Jeffrey S. Finnin	5,590	6,522
Derek S. McCandless	4,658	5,436
Steven J. Smith	6,988	8,152
Brian P. Warren	3,727	4,347
Thomas M. Ray	20,497	23,914

(1) PSAs were issued at the maximum level of 175% of target, subject to forfeiture based on achievement of relative levels of TSR during the performance periods.

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PSA Performance to Date

In March 2017, the Board and the Compensation Committee certified TSR achievement for 2016 of 175% for the 2016 and 2015 PSAs and 150% for the 2014 PSAs, which resulted in earning the maximum payout for the 2016 performance period based on our relative performance versus the MSCI US REIT Index at over the 90th percentile. For the 2014 PSAs, this also resulted in an overall payout of 137.44% of the target shares for the three-year period.

Performance under the performance cycles to date for the 2014 PSAs, the 2015 PSAs and the 2016 PSAs are as follows:

2014 PSA Performance Cycle

	2014	2015	2016	Cumulative 3-Year Period
Weighting	20%	20%	20%	40%
TSR Achievement	26.65%	50.46%	44.29%	174.94%
Percentile Rank	44th	> 90th	> 90th	> 90th
Earned Award as % of Target	87.20%	150.00%	150.00%	150.00%
Weighted Earned PSAs	17.44%	30.00%	30.00%	60.00%

2015 PSA Performance Cycle

	2015	2016
Weighting	20%	20%
TSR Achievement	50.46%	44.29%
Percentile Rank	> 90th	> 90th
Earned Award as % of Target	175.00%	175.00%
Weighted Earned PSAs	35.00%	35.00%

2016 PSA Performance Cycle

	2016
Weighting	20%
TSR Achievement	44.29%
Percentile Rank	> 90th
Earned Award as % of Target	175.00%
Weighted Earned PSAs	35.00%

Defined Contribution Plans. We have maintained a Section 401(k) Savings/Retirement Plan (the "401(k) Plan") for eligible employees of our company and any designated affiliate, including our named executive officers. The 401(k) Plan provides our named executive officers and other employees with the opportunity to save for their future retirement by deferring compensation up to IRS imposed limits. We currently make safe harbor contributions to the 401(k) Plan in an amount equal to three percent (3%) of the participant's annual salary and subject to certain other limits. Plan participants vest immediately in the amounts contributed by us. Our employees are eligible to participate in the 401(k) Plan following their first month of full employment, with safe harbor contributions beginning after six months of credited service.

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Other Elements of Compensation and Perquisites. In addition to other elements of compensation, as described above, we provide the following other compensation and benefits to our named executive officers:

Medical Insurance. We offer to each named executive officer, the named executive officer's spouse and the named executive officer's children such health, dental and vision insurance programs as we make available to other eligible employees of our company.

Life and Disability Insurance. We provide each named executive officer such short-term and long-term disability and/or life insurance as we make available to other eligible employees of our company. Our company offers life insurance coverage equal to the annual salary of each employee, up to a designated maximum amount per employee.

Parking Allowance. We provide each named executive officer with the choice of paid parking at each company location or reimbursement of public transportation expenses, such as our company makes available to every other employee of our company.

Relocation. In 2016, we provided relocation assistance to Mr. Szurek to Denver, Colorado in connection with his appointment as our President and Chief Executive Officer.

Other Compensation Components

We believe that it is important to maintain flexibility to adapt our compensation structure to properly attract, motivate, and retain the top executive talent for which we compete. We may provide compensation components that are different from or in addition to the components described above to our named executive officers, to ensure that we provide a balanced, comprehensive and competitive compensation structure, as deemed appropriate by the Compensation Committee.

Accounting Considerations

ASC Topic 718, *Compensation - Stock Compensation* (referred to as ASC Topic 718), requires us to recognize an expense for the fair value of equity-based compensation awards. Grants of stock options, restricted stock, restricted stock units and performance units under our equity incentive award plans will be accounted for under ASC Topic 718. We will consider the accounting implications of significant compensation decisions, especially in connection with decisions that relate to our equity incentive award plans and programs. As accounting standards change, we may revise certain programs to appropriately align accounting expenses of our equity awards with our overall executive compensation philosophy and objectives.

Compensation Risk Assessment

As discussed in more detail above, the Compensation Committee has reviewed our compensation programs for all employees, including our named executive officers, and other executives and has concluded that these programs do not create risks that are reasonably likely to have a material adverse effect on our company.

COMPENSATION COMMITTEE REPORT

The Compensation Committee (the "Compensation Committee") of the Board of Directors (the "Board") of CoreSite Realty Corporation reviewed and discussed the Compensation Discussion and Analysis included in this proxy statement with management. Based on such review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this proxy statement for filing with the Securities and Exchange Commission.

The Compensation Committee:

Michael R. Koehler
J. David Thompson

David A. Wilson

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The following table sets forth certain information with respect to the compensation paid to our named executive officers during the fiscal years ended December 31, 2016, 2015 and 2014, as applicable. Unless otherwise specified, positions listed below are those currently held by the named executive officers.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Non-Equity Incentive			Total (\$)
				Stock Awards (\$)(1)	Plan Compensation (\$)(2)	All Other Compensation (\$)(3)	
Paul E. Szurek(4) <i>President and Chief Executive Officer</i>	2016	246,058	250,000	3,323,612	242,730	56,449	4,118,849
Jeffrey S. Finnin <i>Chief Financial Officer</i>	2016	392,308		656,989	367,409	11,880	1,428,586
	2015	382,308		662,073	250,000	11,880	1,306,261
	2014	372,500		555,841	250,000	11,680	1,190,021
Derek S. McCandless <i>Senior Vice President, Legal, General Counsel and Secretary</i>	2016	309,615		547,515	320,639	10,584	1,118,353
	2015	291,635		551,729	250,000	10,440	1,103,804
	2014	278,825		463,192	190,000	10,370	942,387
Steven J. Smith <i>Senior Vice President, Sales and Marketing</i>	2016	329,615		821,246	629,532	10,594	1,790,987
	2015	310,961		551,729	685,000	10,468	1,558,158
	2014	276,923	150,000	577,927	568,572	5,963	1,579,385
Brian P. Warren(5) <i>Senior Vice President, Engineering and Product</i>	2016	244,615		437,969	214,650	10,029	907,263
	2015	225,961		331,091	220,000	9,331	786,383
Thomas M. Ray(6) <i>Former President and Chief Executive Officer</i>	2016	402,385		2,408,982	514,595	143,687	3,469,649
	2015	543,269		2,427,714	877,250	11,880	3,860,113
	2014	510,000		2,038,033	693,000	11,680	3,252,713

- (1) The amounts included under the "Stock Awards" column reflects the aggregate grant date fair value of the restricted stock awards granted in each respective fiscal year, computed in accordance with FASB ASC Topic 718, excluding the effect of any estimated forfeitures. Assumptions used to calculate these amounts are described in Note 12, "Equity Incentive Plan" to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2016. The aggregate grant date fair value of stock awards, which are comprised of time-vested restricted stock and PSAs, includes the grant date fair value for the PSAs calculated based on the target number of shares. For 2016, the total aggregate grant date fair value of stock awards, including the time-vested restricted stock units and the PSAs assuming the achievement of highest level of performance, would be as follows: \$4,257,870 for Mr. Szurek, \$879,734 for Mr. Finnin, \$733,170 for Mr. McCandless, \$1,099,660 for Mr. Smith, \$586,431 for Mr. Warren and \$3,225,713 for Mr. Ray.
- (2) Represents the actual 2016 cash incentive awards earned by each named executive officer under the 2016 Bonus Plan.
- (3) Represents company contributions to 401(k) plans, life insurance premiums and parking fees for each named executive officer for 2016. For Mr. Szurek, includes \$55,744 related to relocation assistance. For Mr. Ray, includes \$132,527 paid to Mr. Ray for consulting services provided in 2016 under his consulting and separation agreement.
- (4) Mr. Szurek was appointed as our President and Chief Executive Officer, effective September 2016. Mr. Szurek received a signing bonus of \$250,000 in connection with his appointment. Prior to September 2016, Mr. Szurek received cash compensation of \$78,750 and stock awards of \$125,000 as director compensation, which are included in "Salary" and "Stock Awards," respectively, in the table above.
- (5) Mr. Warren was promoted to Senior Vice President, Engineering and Product in March 2014. Mr. Warren was not a named executive officer of our company in 2014.
- (6) Mr. Ray resigned as our President and Chief Executive Officer, effective September 2016. In connection with his resignation, Mr. Ray entered into a consulting and separation agreement pursuant to which he was entitled to certain payments from us. See "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table Ray Consulting and Separation Agreement" below for additional details regarding the consulting and separation agreement.

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2016 Grants of Plan-Based Awards

The following table presents information regarding plan-based awards granted to our named executive officers for the fiscal year ended December 31, 2016.

Name	Award Description	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards		Estimated Future Payouts Under Equity Incentive Plan Awards(1)			All Other Stock Awards: Number of Shares or Units(#)	Grant Date Fair Value of Stock Awards(\$)(2)
			Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
Paul E. Szurek	Annual Cash Incentive		179,800(3)	314,650					
	Director RSUs	5/19/2016					1,692	125,000	
	Restricted Stock	9/12/2016					24,479	1,952,935	
	Performance Shares	9/12/2016			3,155	12,618	22,082	1,245,677	
Jeffrey S. Finnin	Annual Cash Incentive		256,750	449,313					
	Restricted Stock	3/2/2016					5,590	359,996	
	Performance Shares	3/2/2016			932	3,727	6,522	296,993	
Derek S. McCandless	Annual Cash Incentive		204,750	358,313					
	Restricted Stock	3/2/2016					4,658	299,975	
	Performance Shares	3/2/2016			777	3,106	5,436	247,540	
Steven J. Smith	Annual Cash Incentive		402,000	703,500					
	Restricted Stock	3/2/2016					6,988	450,027	
	Performance Shares	3/2/2016			1,165	4,658	8,152	371,219	
Brian P. Warren	Annual Cash Incentive		150,000	262,500					
	Restricted Stock	3/2/2016					3,727	240,019	
	Performance Shares	3/2/2016			621	2,484	4,347	197,950	
Thomas M. Ray	Annual Cash Incentive		402,027(3)	703,547					
	Restricted Stock	3/2/2016					20,497	1,320,007	
	Performance Shares	3/2/2016			3,416	13,665	23,914	1,088,975	

(1) Represents the 2016 PSAs granted by the Compensation Committee in 2016. See "Equity Compensation" above. The 2016 PSAs were issued at the maximum level of 175% of target, subject to forfeiture based on achievement of certain levels of TSR during the performance periods. As discussed above, in March 2017, the Board and the Compensation Committee certified TSR achievement for 2016 of 175%, which resulted in earning and banking the maximum payout for the 2016 performance period based on our relative performance versus the MSCI US REIT Index at over the 90th percentile.

(2) The amounts included under this column reflect the grant date fair value of the restricted stock awards granted during 2016, computed in accordance with FASB ASC Topic 718, excluding the effect of any estimated forfeitures. Assumptions used to calculate these amounts are described in Note 12, "Equity Incentive Plan" to our consolidated financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2016.

(3)

Pro-rated based on time of service in 2016.

Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

Amounts in the "Non-Equity Incentive Plan Compensation" column of the 2016 Summary Compensation Table represent the actual 2016 cash incentive award earned by each named executive officer under the 2016 Bonus Plan. Amounts in the "Estimated Future Payouts Under Non-Equity Incentive Plan Awards" columns of the 2016 Grants of Plan-Based Awards Table represent the target cash incentive award opportunity for each named executive officer under the 2016 Bonus Plan. Amounts in the "Estimated Future Payouts Under Equity Incentive Plan Awards" columns of the 2016 Grants of Plan-Based Awards Table represent the threshold, target and maximum equity award opportunity for each named executive officer with respect to the 2016 PSAs. See "Annual Cash Incentive Awards" and "Equity Compensation" above for a more detailed description of the 2016 Bonus Plan and the 2016 PSAs.

Employment Agreements

Paul E. Szurek In July 2016, we entered into an employment agreement with Mr. Szurek, our President and Chief Executive Officer, effective September 2016. The agreement has an initial one-year term, subject to automatic annual renewal, unless either party elects to terminate the agreement by providing written notice to the other party at least 90 days' prior to the applicable anniversary date. The agreement provides for an initial annual base salary of \$580,000 and contains other customary employment terms including eligibility for bonuses and other incentive compensation and other benefits. The agreement also provides for a signing bonus of \$250,000 and an initial target annual performance bonus amount of \$580,000.

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Under Mr. Szurek's employment agreement, Mr. Szurek is entitled to receive one or more equity awards having an aggregate value (as of the date of grant of the award) equal to \$2,940,000, of which \$1,940,000 will be in the form of restricted stock and \$1,000,000 in the form of performance-based restricted stock. These awards were granted to Mr. Szurek in September 2016. We also agreed to provide Mr. Szurek with corporate housing in the Denver, Colorado metropolitan area for a period of up to six months and, upon Mr. Szurek's permanent relocation to the Denver, Colorado metropolitan area, reimbursement of customary relocation expenses. Mr. Szurek terminated the use of corporate housing after two months upon his relocation to Denver, Colorado.

Mr. Szurek's employment agreement also provides for, among other things, severance payments and the continuation of certain benefits following certain terminations of employment by us under specified circumstances or the termination of employment for good reason (as defined in the employment agreement) by Mr. Szurek. Under these provisions, if Mr. Szurek's employment is terminated by us without cause (as defined in the employment agreement), or in connection with our non-renewal of the employment agreement, or Mr. Szurek resigns for good reason, Mr. Szurek will have the right to receive continued payment of his base salary and the continuation of health benefits at our expense for a period of 18 months following termination. In addition, Mr. Szurek will receive a pro-rated lump sum payment upon termination based on his performance bonus amount for the year of termination, which will be equal to his target performance bonus (as pro-rated for the time served during the year of termination). Mr. Szurek also will be entitled to accelerated vesting of any outstanding unvested equity awards that would have vested based on the passage of time had he remained employed for 18 months after termination, and his stock options and other equity awards would remain exercisable for at least a year following termination. Mr. Szurek's employment agreement provides that if he is terminated by us without cause, or in connection with our non-renewal of the employment agreement, or he resigns for good reason, in each case within 12 months following a change in control of our company, then in addition to the pro-rated performance bonus and the health benefits described above, he would also receive an additional payment equal to his target performance bonus amount for the year of termination. In addition, Mr. Szurek would receive accelerated vesting of all of his outstanding unvested equity awards, as well as a cash payment equal to one and one-half (1.5) times his annual base salary in effect on the date of termination. In addition, the salary continuation amount described above will be paid in a lump sum. Mr. Szurek's employment agreement also provides that if his employment is terminated by us due to his death or disability, he will receive an amount equal to his target performance bonus amount for the year of termination and accelerated vesting of all of his outstanding unvested equity awards that would have vested based on the passage of time if he had remained employed with us for 12 months following his termination.

Mr. Szurek's employment agreement also contains a mutual non-disparagement covenant and confidentiality covenants prohibiting Mr. Szurek from, among other things, disclosing confidential information relating to us. The employment agreement also contains non-competition and non-solicitation restrictions, pursuant to which Mr. Szurek will not be permitted to compete with us in certain circumstances for a period of 12 months following his termination of employment for any reason.

Jeffrey S. Finnin In January 2011, Mr. Finnin became our Chief Financial Officer and he entered into an executive employment agreement with us, with an initial one-year term, subject to automatic annual renewal, unless either party provides 90 days' notice of non-renewal. Mr. Finnin's employment agreement provided for an initial annual base salary and target annual bonus amount, subject to adjustment by the Board, and contains other customary employment terms and benefits.

Mr. Finnin's employment agreement also provides for severance payments and certain benefits following certain terminations of employment. If Mr. Finnin is terminated by us without cause, or in connection with our non-renewal of his employment agreement, or if he resigns for good reason, he will have the right to receive continued payment of base salary and health benefits at our expense for

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12 months after termination. In addition, Mr. Finnin will receive a pro-rated lump sum payment based on his performance bonus amount for the year of termination and accelerated vesting of his unvested equity awards that would have vested in the 12 months after such termination, and his stock options would remain exercisable for at least one year following termination. If such a termination occurs within 60 days prior to, or 12 months following, a change in control of our company, Mr. Finnin will receive a cash payment equal to 125% of his annual base salary on the termination date (subject to certain conditions), a payment equal to his target performance bonus amount for the year, a pro-rated lump sum payment based on his performance bonus amount for the year of termination, continued payment of health benefits at our expense for 12 months after termination and acceleration of all of outstanding unvested equity awards. In addition, Mr. Finnin's employment agreement provides that if his employment is terminated due to his death or disability, he will receive a pro-rated lump sum payment with respect to his target bonus amount for the year of termination and accelerated vesting of any of his outstanding unvested equity awards that would have vested based on the passage of time if he had remained employed with us for 12 months following his termination. In addition, Mr. Finnin's employment agreement contains confidentiality, non-competition and non-solicitation covenants similar to those described above for Mr. Szurek.

Derek S. McCandless In March 2011, Mr. McCandless became our Senior Vice President, Legal, General Counsel and Secretary, and he entered into an executive employment agreement with us, with an initial one-year term, subject to automatic annual renewal, unless either party provides 90 days' notice of non-renewal. Mr. McCandless's employment agreement provided for an initial annual base salary and target annual bonus amount, subject to adjustment by the Board, and contains other customary employment terms and benefits. Mr. McCandless's employment agreement also includes provisions for severance payments, the continuation of benefits, the accelerated vesting of equity awards and extended stock option exercise periods following certain terminations of employment that are substantially identical to those provided in Mr. Finnin's employment agreement. In addition, Mr. McCandless's employment agreement contains confidentiality, non-competition and non-solicitation covenants similar to those described above for Mr. Szurek.

Steven J. Smith In January 2014, Mr. Smith became our Senior Vice President, Sales and Sales Operations, and he executed an employment offer letter in connection with his hiring, which provided for an initial annual base salary of \$300,000, subject to annual adjustment, and contains other customary employment terms and benefits. Pursuant to his employment offer letter, Mr. Smith received a signing bonus of \$150,000 and guaranteed cash compensation of at least \$650,000 in 2014. Mr. Smith also is entitled to participate in our Senior Management Severance and Change in Control Program. See "Potential Payments upon Termination or Change in Control" for a discussion of the benefits under the Senior Management Severance and Change in Control Program.

Brian P. Warren In September 2011, we entered into an employment offer letter in connection with Mr. Warren's hiring, which provided for an initial annual base salary, subject to annual adjustment, and contains other customary employment terms and benefits. Pursuant to the employment offer letter, Mr. Warren also is entitled to participate in our company's Senior Management Severance and Change in Control Program. See "Potential Payments upon Termination or Change in Control" for a discussion of the benefits under the Senior Management Severance and Change in Control Program.

Thomas M. Ray In August 2010, we entered into an employment agreement with Mr. Ray, our former President and Chief Executive Officer. The agreement had an initial one-year term, subject to automatic annual renewal, unless either party elects to terminate the agreement by providing at least 90 days' notice prior to the applicable anniversary date. The agreement provided for an initial annual base salary and target annual bonus amount, subject to adjustment by the Board, and contained other customary employment terms and benefits. Mr. Ray's employment agreement also provided for, among other things, severance payments and the continuation of certain benefits following certain terminations of employment by us or the termination of employment for "Good Reason" by Mr. Ray, which benefits were terminated in accordance with the consulting and separation agreement described below.

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Ray Consulting and Separation Agreement

In connection with his resignation, in July 2016, we entered into a consulting and separation agreement with Mr. Ray, with a term ending on June 30, 2017, unless terminated prior to that date by either party. Under the consulting and separation agreement, Mr. Ray's employment with us ended as of September 10, 2016 (the "Transition Date") and his employment agreement terminated and, in lieu of any severance or other benefits provided for therein, Mr. Ray is entitled to the compensation, payments and other benefits set forth in the consulting and separation agreement.

For his service prior to the Transition Date, the consulting and separation agreement provides that Mr. Ray will receive (i) his accrued and unpaid base salary through the Transition Date, if any, (ii) reimbursement for reasonable business travel and other reasonable business expenses which have accrued but have not been paid (if any), (iii) certain other accrued benefits, including, without limitation, accrued but unused vacation, (iv) any equity interests or awards that vested on or before the Transition Date, and (v), subject to his timely execution and non-revocation of a release of claims and his continued compliance with the consulting and separation agreement, a pro-rated performance bonus in an amount equal to (a) \$321,622 multiplied by the bonus performance multiplier as determined under the 2016 Bonus Plan, plus (b) \$80,405, which represents 80% of his pro-rated target bonus based on company performance and 20% of his pro-rated target bonus based on his individual performance, respectively.

Pursuant to the consulting and separation agreement, Mr. Ray agreed to provide (i) services that are reasonably necessary in order to support a smooth and orderly transition in the transfer of Mr. Ray's prior employment responsibilities to the new President and Chief Executive Officer, (ii) introductions to key investors, analysts and customers, as requested by the new President and Chief Executive Officer, and (iii) other services as reasonably agreed to between Mr. Ray and the new President and Chief Executive Officer. For these services, Mr. Ray is entitled to receive the following payments and benefits: (i) a consulting fee of \$349,192, payable in substantially equal installments, (ii) continued vesting of performance-based restricted stock awards, time-based restricted stock awards and stock options previously granted to Mr. Ray prior to the Transition Date that remain outstanding as of the Transition Date (each, an "Employment Award") in accordance with their terms (other than any continued employment required), and (iii) reimbursement of reasonable business travel expenses and other reasonable documented business expenses incurred by Mr. Ray in connection with performing his services under the consulting and separation agreement. Any and all equity awards (other than options) granted to Mr. Ray that have not vested as of June 30, 2017 (or prior to that date if the agreement is terminated earlier), will be terminated and forfeited, and any options granted to Mr. Ray that have vested and are exercisable as of June 30, 2017 may be exercised by Mr. Ray on or prior to June 30, 2018 (subject to certain limitations). During the term of the Consulting and Separation Agreement, Mr. Ray is required to own vested common stock in an amount not less than the lesser of (i) 34,000 shares of common stock of CoreSite and (ii) the number of shares of common stock of CoreSite correlating to a market value of not less than \$2,900,000.

In the event that the consulting and separation agreement is terminated by us without cause or by Mr. Ray for good reason, Mr. Ray will receive, subject to his timely execution and non-revocation of a release of claims: (i) continued payment of any remaining portion of the consulting fee, (ii) accelerated vesting of each Employment Award in full and (iii) his pro-rated performance bonus. If the consulting and separation agreement is terminated by us for non-performance by Mr. Ray or by reason of Mr. Ray's death or disability, Mr. Ray will receive, subject to his timely execution and non-revocation of a release of claims: (i) the consulting fee earned through the date of termination, (ii) accelerated vesting of each Employment Award in full and (iii) his pro-rated performance bonus. If the consulting and separation agreement is terminated by us for cause (other than for non-performance), or by Mr. Ray without good reason, Mr. Ray will receive: (i) the consulting fee earned through the date of termination, (ii) his pro-rated performance bonus and (iii) any Employment Award that vested prior to

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such termination. Mr. Ray terminated his consulting arrangements under the agreement on March 16, 2017, and forfeited the pro-rated portion of his consulting fee that otherwise would have been due through June 30, 2017.

The consulting and separation agreement also contains a mutual non-disparagement covenant and certain confidentiality covenants prohibiting Mr. Ray from, among other things, disclosing confidential information relating to us. The consulting and separation agreement also contains non-competition and non-solicitation restrictions, pursuant to which Mr. Ray will not be permitted to compete with us in certain circumstances for a period of 12 months following the termination or conclusion of Mr. Ray's services under the consulting and separation agreement.

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2016 Outstanding Equity Awards at Fiscal Year-End Table

The following table presents information regarding the outstanding equity awards held by each of our named executive officers at December 31, 2016.

Name	Grant Date	Option Awards				Stock Awards			Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)(1)
		Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested (\$)(1)	Unearned Shares, Units or Other Rights That Have Not Vested (#)	
Paul E. Szurek	9/28/2010	2,500		15.98	9/28/2020				
	9/12/2016					24,479(3)	1,942,898		
	9/12/2016							22,082	1,752,648
	Various					15,086(7)	1,197,376		
Jeffrey S. Finnin	4/5/2012	23,795		23.99	4/5/2022				
	2/28/2013	16,550	5,516(2)	32.40	2/28/2023				
	2/28/2013					2,546(2)	202,076		
	3/4/2014					3,782(3)	300,177		
	3/4/2014							10,396(4)	825,131
	3/3/2015					4,987(3)	395,818		
	3/3/2015							8,727(5)	692,662
	3/2/2016					5,590(3)	443,678		
3/2/2016							6,522(6)	517,651	
Derek S. McCandless	4/5/2012	4,126		23.99	4/5/2022				
	2/28/2013	4,814	4,814(2)	32.40	2/28/2023				
	2/28/2013					2,222(2)	176,360		
	3/4/2014					3,151(3)	250,095		
	3/4/2014							8,663(4)	687,582
	3/3/2015					4,156(3)	329,862		
	3/3/2015							7,273(5)	577,258
	3/2/2016					4,658(3)	369,705		
3/2/2016							5,436(6)	431,455	
Steven J. Smith	3/4/2014					1,891(3)	150,089		
	3/4/2014					3,151(8)	250,095		
	3/4/2014							5,198(4)	412,565
	3/3/2015					4,156(3)	329,862		
	3/3/2015							7,273(5)	577,258
	3/2/2016					6,988(3)	554,638		
3/2/2016							8,152(6)	647,024	
Brian P. Warren	11/17/2011	3,839		16.41	11/17/2021				
	4/5/2012	7,692		23.99	4/5/2022				
	2/28/2013	3,611	1,203(2)	32.40	2/28/2023				
	2/28/2013					555(2)	44,050		
	5/2/2013	803	267(2)	35.62	5/2/2023				
	5/2/2013					126(2)	10,001		
	3/4/2014					1,260(3)	100,006		
	3/4/2014							3,465(4)	275,017
	3/3/2015					2,494(3)	197,949		
	3/3/2015							4,365(5)	346,450
	3/2/2016					3,727(3)	295,812		
3/2/2016							4,347(6)	345,021	
4/5/2012	18,750(2)		23.99	4/5/2022					

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**Thomas M.
Ray(9)**

2/28/2013	15,045(2)	15,045(2)	32.40	2/28/2023				
2/28/2013					6,944(2)	551,145		
3/4/2014					13,867(3)	1,100,624		
3/4/2014							38,118(4)	3,025,426
3/3/2015					18,287(3)	1,451,439		
3/3/2015							32,002(5)	2,539,999
3/2/2016					20,497(3)	1,626,847		
3/2/2016							23,914(6)	1,898,054

- (1) Based on a price of \$79.37 per share, which was the closing price of our common stock on the New York Stock Exchange on December 30, 2016, the last day of trading in 2016.
- (2) The award vests in four equal annual installments beginning on the first anniversary of the grant date, provided that the award recipient remains in continuous service with us as of each vesting date.
- (3) The award vests in three equal annual installments beginning on the first anniversary of the grant date, provided that the award recipient remains in continuous service with us as of each vesting date.

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- (4) Represents the 2014 PSAs granted by the Compensation Committee in March 2014. The amount of 2014 PSAs represents the amount of shares earned to date. See "Equity Compensation PSA Performance to Date" above for additional details on the amounts of the 2014 PSAs that have been earned to date.
- (5) Represents the 2015 PSAs granted by the Compensation Committee in March 2015. The amount of 2015 PSAs represents the amount of shares earned to date, with the remaining shares also based on the achievement of maximum performance in future performance periods. See "Equity Compensation PSA Performance to Date" above for additional details on the amounts of the 2015 PSAs that have been earned to date.
- (6) Represents the 2016 PSAs granted by the Compensation Committee in March 2016 and September 2016. The amount of 2016 PSAs represents the amount of shares earned to date, with the remaining shares also based on the achievement of maximum performance in future performance periods. See "Equity Compensation PSA Performance to Date" above for additional details on the amounts of the 2016 PSAs that have been earned to date.
- (7) Represents RSUs granted to Mr. Szurek as director compensation prior to his appointment as our President and Chief Executive Officer, effective September 2016. The RSUs included an equal number of tandem dividend equivalents. Dividend equivalents give holders the right to receive, upon payment of any ordinary cash dividend paid to holders of our common stock, an equivalent payment in the form of additional RSUs and dividend equivalents. Pursuant to a deferral election made by Mr. Szurek, vested RSUs are payable upon the earliest of (a) his separation from service with our company, (b) his death or (c) the date of a change in control of our company. All of the RSUs are vested except for 1,715 RSUs, which will vest on May 19, 2017.
- (8) The award vests in three equal annual installments beginning on the January 27, 2015, provided that the award recipient remains in continuous service with us as of each vesting date.
- (9) Any and all equity awards (other than options) granted to Mr. Ray that have not vested as of the termination of the consulting and separation agreement, will be terminated and forfeited, and any vested options held by Mr. Ray may be exercised on or prior to June 30, 2018 (subject to certain limitations).

2016 Option Exercises and Stock Vested Table

The following table presents information regarding the vesting of stock awards for each of our named executive officers during 2016. None of our named executive officers exercised any stock options in 2016.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)
Paul E. Szurek				
Jeffrey S. Finnin			11,721	775,847
Derek S. McCandless			9,463	625,150
Steven J. Smith			7,121	450,199
Brian P. Warren			4,127	272,207
Thomas M. Ray			39,098	2,582,275

Potential Payments upon Termination or Change in Control

In September 2010, we adopted the Senior Management Severance and Change in Control Program (the "Severance Plan"), in which members of our senior membership team participate, other than Messrs. Szurek, Finnin and McCandless. The Severance Plan provides that if a participant is terminated by us at any time without "Cause" or resigns for "Good Reason" (each as defined in the Severance Plan), the participant will be entitled to receive the following severance payments and benefits: (i) continued payment of his or her base salary for a period of time equal to three months, plus one additional month for each year of service with us (subject to a maximum of 12 months); (ii) continued payment of health insurance premiums for a similar period of time; and (iii) accelerated vesting of any unvested equity awards that would have vested solely based on the passage of time had the participant remained employed with us for 12 months following termination. If such a termination or resignation occurs within 60 days prior to or nine months following a change in control of our company, participants will receive (i) a lump sum payment on termination of one year of the participant's base salary, (ii) a lump sum payment on termination of the participant's target bonus amount for the year of termination, (iii) an additional lump sum payment amount equal to the participant's pro-rated bonus for the year of termination, (iv) continued payment of health insurance premiums for up to 12 months, subject to certain conditions, and (v) accelerated vesting of all

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outstanding and unvested equity awards held by the participant. Each of the foregoing benefits is conditioned on the participant executing a release of claims in favor of us following termination. The Severance Plan also contains certain confidentiality, non-solicitation and non-competition covenants. The non-competition and non-solicitation covenants take effect following termination for the period in which the participant would have received severance payments, based on an assumed termination (not in connection with a change in control) of the participant's employment by us without Cause on the date the participant's actual termination of employment occurs, and applies regardless of whether severance payments are actually received under the plan.

Messrs. Szurek, Finnin and McCandless are entitled to severance payments pursuant to the terms of their employment agreements, as set forth under "Employment Agreements" above. The definitions of "Cause" and "Good Reason" in the Severance Plan, as applicable, are substantially similar to the definitions of those terms in Messrs. Szurek's, Finnin's and McCandless's employment agreements, other than changes related to differences in reporting relationships.

In addition, notwithstanding the terms set forth in the Severance Plan or the employment agreements for Messrs. Szurek, Finnin and McCandless, pursuant to the restricted stock award agreements for the PSAs granted to our senior leadership team, upon termination of employment with us at any time without "Cause" or resignation for "Good Reason" (each as defined in the PSA restricted stock award agreement), any PSAs that have been earned prior to and during the year of the employment termination date will be accelerated. If such a termination or resignation occurs within 60 days prior to or twelve months following a change in control of our company, vesting of the PSAs will be accelerated with respect to the number of shares equal to the greater of (i) the target amount of shares set forth in the applicable restricted stock award agreement or (ii) the target amount of shares multiplied by a performance multiplier, as determined by the Compensation Committee.

As discussed above, Mr. Ray resigned from the Company effective in September 2016, and was not eligible for any payments upon termination or change of control as of December 31, 2016. See "Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table Ray Consulting and Separation Agreement" above for details regarding the payments to be made to Mr. Ray in connection with his resignation or termination of the consulting and separation agreement.

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The following table sets forth an estimate of the payments to be made to our named executive officers (except for Mr. Ray) in the event any of the terminations described above or a change in control occurs, assuming that the triggering event took place on December 31, 2016, and based on the closing market price of our common stock on December 30, 2016, the last trading day of the fiscal year.

	Death or Disability (\$)	Termination Without Cause or for Good Reason (without Change in Control) (\$)	Termination Without Cause or for Good Reason (with Change in Control) (\$)
Paul E. Szurek			
Salary		870,000	870,000
Bonus	179,800	179,800	359,600
Acceleration of Stock and Option Awards	1,849,451	1,849,451	4,141,787
Health Insurance		21,034	21,034
Total	2,029,251	2,920,285	5,392,421
Jeffrey S. Finnin			
Salary		395,000	493,750
Bonus	256,750	256,750	513,500
Acceleration of Stock and Option Awards	2,312,877	2,312,877	3,117,571
Health Insurance		14,023	14,023
Total	2,569,627	2,978,650	4,138,844
Derek S. McCandless			
Salary		315,000	393,750
Bonus	204,750	204,750	409,500
Acceleration of Stock and Option Awards	1,945,525	1,945,525	2,616,113
Health Insurance		5,319	5,319
Total	2,150,275	2,470,594	3,424,682
Steven J. Smith			
Salary		139,583	335,000
Bonus			804,000
Acceleration of Stock and Option Awards		1,522,839	2,555,576
Health Insurance		2,216	5,319
Total		1,664,639	3,699,895
Brian P. Warren			
Salary		166,667	250,000
Bonus			300,000
Acceleration of Stock and Option Awards		834,236	1,243,063
Health Insurance		9,349	14,023
Total		1,010,251	1,807,086

Pension Benefits

The named executive officers do not participate in any pension plans and received no pension benefits during the year ended December 31, 2016, other than with respect to our defined contribution 401(k) plan.

Nonqualified Deferred Compensation

The named executive officers do not participate in any nonqualified deferred compensation plans and received no nonqualified deferred compensation during the year ended December 31, 2016.

Table of Contents**Equity Compensation Plan Information**

The following table sets forth certain information, as of December 31, 2016, concerning shares of our common stock authorized for issuance under our equity compensation plans, which consists only of our 2010 Equity Incentive Award Plan (as Amended and Restated).

	Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))(1) (c)
Equity compensation plans approved by stockholders	265,550	\$ 22.96	3,109,189
Equity compensation plans not approved by stockholders			
Total equity compensation plans	265,550	\$ 22.96	3,109,189

(1)

Awards issuable under our 2010 Equity Incentive Award Plan include common stock, stock options, restricted stock, restricted stock units, stock appreciation rights, dividend equivalents, Operating Partnership units and other incentive awards.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information as of March 24, 2017 with respect to the beneficial ownership of our common stock by (i) each person who beneficially holds more than 5% of the outstanding shares of our common stock based solely on our review of SEC filings; (ii) each director or director nominee; (iii) each named executive officer listed in the table titled "2016 Summary Compensation Table" above; and (iv) all directors and executive officers as a group.

The number of shares beneficially owned by each stockholder is determined under SEC rules and generally includes shares for which the holder has voting or investment power. The information does not necessarily indicate beneficial ownership for any other purpose. The percentage of beneficial ownership shown in the following table is based on 34,191,768 outstanding shares of common stock as of March 24, 2017. For purposes of calculating each person's or group's percentage ownership, shares of common stock issuable pursuant to the terms of stock options and Operating Partnership units exercisable within 60 days after March 24, 2017 are included as outstanding and beneficially owned for that person or group, but are not treated as outstanding for the purpose of computing the percentage ownership of any other person or group. All unvested time-based and performance-based restricted stock awards are included in each holder's beneficial ownership as holders are entitled to voting rights upon issuance of the restricted stock awards.

Unless otherwise indicated, the address for all persons named below is c/o CoreSite Realty Corporation, 1001 17th Street, Suite 500, Denver, Colorado 80202.

Name of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Outstanding Common Stock
<i>Beneficial holders of 5% or more of our common stock:</i>		
The Carlyle Group L.P.	13,775,390(1)	28.7%
The Vanguard Group Inc.	5,312,115(2)	15.5%
BlackRock, Inc.	4,163,673(3)	12.2%
FMR LLC	3,848,350(4)	11.3%
<i>Named Executive Officers, Directors and Director Nominees:</i>		
James A. Attwood, Jr.		
Kelly C. Chambliss	1,101(5)	*
Michael R. Koehler	23,980(6)	*
Robert G. Stuckey		
J. David Thompson	18,026(7)	*
David A. Wilson	22,730(6)	*
Paul E. Szurek	113,705(6)	*
Jeffrey S. Fynn	119,093	*
Brian P. Warren	56,684(8)	*
Derek S. McCandless	59,713	*
Steven J. Smith	57,040	*
Thomas M. Ray	247,822(9)	*
All current executive officers and directors as a group (12 persons)	516,212(10)	1.5%

*

Less than one percent (1%).

(1)

Based solely on a Schedule 13G/A filed with the SEC on February 10, 2017. Amounts shown represent 13,775,390 Operating Partnership units beneficially owned by The Carlyle Group L.P. Pursuant to the limited partnership agreement of Coresite, L.P., the Operating Partnership units are redeemable for cash, or at our discretion, into shares of our common stock on a one-for-one basis. The table above assumes the conversion of all Operating Partnership units into shares of our

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common stock on a one-for-one basis. The shares are beneficially owned by The Carlyle Group L.P. and its subsidiaries and affiliates, including Carlyle Group Management L.L.C., Carlyle Holdings I GP Inc., Carlyle Holdings I GP Sub L.L.C., Carlyle Holdings I L.P., TC Group, L.L.C., TC Group Sub L.P., Carlyle Realty V GP, L.L.C., Carlyle Realty V, L.P., CoreSite CRP V Holdings, LLC, Carlyle Realty III, GP, L.L.C., Carlyle Realty III, L.P., CoreSite CRP III Holdings, LLC, Carlyle Realty IV GP, L.L.C., Carlyle Realty IV, L.P., CoreSite CRP IV Holdings, LLC, CRP IV AIV GP, L.L.C., CRP IV AIV GP, L.P., CRQP IV AIV, L.P., CRP IV-A AIV, L.P., CoreSite CRP IV Holdings (VCOC II), LLC, CoreSite CRP IV Holdings (VCOC I), LLC, CRP III AIV GP, L.L.C., CRP III AIV GP, L.P., CRQP III AIV, L.P. and CoreSite CRP III Holdings (VCOC), LLC. The address of The Carlyle Group L.P. and each of the other entities listed above is c/o The Carlyle Group, 1001 Pennsylvania Ave NW, Suite 220 South, Washington, D.C. 20004.

- (2) Based solely on a Schedule 13G/A filed with the SEC on February 10, 2017. The address of The Vanguard Group Inc. is 100 Vanguard Blvd., Malvern, PA 19355. Includes 2,575,029 shares reported as beneficially owned by the Vanguard Specialized Funds Vanguard REIT Index Fund as set forth on a Schedule 13G/A filed with the SEC on February 13, 2017.
- (3) Based solely on a Schedule 13G/A filed with the SEC on January 12, 2017. The shares are beneficially owned by BlackRock, Inc. and its subsidiaries and affiliates, including BlackRock (Netherlands) B.V., BlackRock Advisors, LLC, BlackRock Asset Management Canada Limited, BlackRock Asset Management Ireland Limited, BlackRock Asset Management Schweiz AG, BlackRock Financial Management, Inc., BlackRock Fund Advisors, BlackRock Institutional Trust Company, N.A., BlackRock International Limited, BlackRock Investment Management (Australia) Limited, BlackRock Investment Management (UK) Ltd, BlackRock Investment Management, LLC, BlackRock Japan Co Ltd and FutureAdvisor, Inc.. The address of BlackRock, Inc. and each of the other entities listed above is 55 East 52nd Street, New York, NY 10055.
- (4) Based solely on a Schedule 13G/A filed with the SEC on February 14, 2017. The address of FMR LLC is 245 Summer Street, Boston, MA 02210. The shares are beneficially owned by FMR LLC and its subsidiaries and affiliates, including FIAM LLC, Fidelity Institutional Asset Management Trust Company, FMR Co., Inc. and Strategic Advisers, Inc.
- (5) Consists of restricted stock units representing the right to receive 1,101 shares that are vested or vest within 60 days of March 24, 2017.
- (6) Includes (i) 2,500 shares issuable upon the exercise of options that are currently exercisable and (ii) restricted stock units representing the right to receive 15,230 shares that are vested or vest within 60 days of March 24, 2017.
- (7) Includes (i) 2,500 shares issuable upon the exercise of options that are currently exercisable and (ii) restricted stock units representing the right to receive 10,314 shares that are vested or vest within 60 days of March 24, 2017.
- (8) Includes 17,415 shares issuable upon the exercise of options that may be exercised within 60 days of March 24, 2017.
- (9) The beneficial ownership shown in this table is based on information provided by Mr. Ray.
- (10) Includes (i) 27,415 shares issuable upon the exercise of options that may be exercised within 60 days of March 24, 2017, (ii) restricted stock units representing the right to receive 57,105 shares and (iii) 6,591 Operating Partnership units redeemable for cash, or at our discretion, into shares of our common stock on a one-for-one basis. The table above assumes the conversion of all Operating Partnership units into shares of our common stock on a one-for-one basis.

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Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our executive officers and directors, and persons who own more than ten percent of a registered class of our equity securities, to file reports of securities ownership and changes in such ownership with the SEC. Executive officers, directors and greater than ten percent stockholders also are required by rules promulgated by the SEC to furnish us with copies of all Section 16(a) forms they file.

Based solely upon a review of Forms 3 and 4 and amendments thereto and written representations furnished to us during the most recent fiscal year, no person who at any time during the fiscal year was a director, officer, or beneficial owner of more than 10% of any class of our equity securities failed to file on a timely basis any reports required by Section 16(a) of the Exchange Act during the most recent fiscal year.

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CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

The Restructuring Transactions

Immediately prior to the completion of our initial public offering ("IPO"), we entered into a series of transactions with the Carlyle Funds to create our current organizational structure (the "Restructuring Transactions"). In connection with this restructuring, all of the property and non-cash assets that were then used in the operation of our company's business were contributed by the Carlyle Funds to our Operating Partnership. In the Restructuring Transactions, the Carlyle Funds contributed 100% of their ownership interests in the entities that, directly or indirectly, owned or leased all of the properties that comprised our portfolio and all the other non-cash assets used in our business at that time. The aggregate undepreciated book value plus construction in progress of the contributed properties was \$586.2 million as of June 30, 2010. In exchange for this contribution, our Operating Partnership issued to the Carlyle Funds 34,600,000 Operating Partnership units in the aggregate having a total value of \$553.6 million, based upon a price of \$16.00 per unit. Of these Operating Partnership units, approximately 19.5%, or \$108.1 million in value, 11.4%, or \$63.2 million in value, and 15.6%, or \$86.2 million in value, respectively, were issued to the Carlyle Funds contributing One Wilshire Holdings, LLC, 900 N. Alameda Holdings, LLC and 12100 Sunrise Valley Drive Holdings, LLC, each of which now holds Operating Partnership units exchangeable into five percent or more of our common stock. All of the Operating Partnership units held by each of these three entities are beneficially held by a Carlyle affiliate. See "Security Ownership of Certain Beneficial Owners and Management."

In connection with the Restructuring Transactions, we entered into an agreement with certain of the Carlyle Funds granting them certain rights to receive information about us and to consult with and advise us on significant matters so long as they continue to own any Operating Partnership units or shares of our common stock and the number of Operating Partnership units and shares of common stock held collectively by the Carlyle Funds is equal to or greater than 5% of the total number of shares of outstanding common stock (assuming all Operating Partnership units are exchanged for common stock). This agreement also provides that for so long as the Carlyle Funds have the right to nominate directors for election to our Board, such rights will be assigned to two of these Carlyle Funds. The Carlyle Funds have agreed to maintain the confidentiality of any material non-public information they receive in connection with the foregoing and the Carlyle Funds will not receive any compensation or expense reimbursement pursuant to this agreement.

Registration Rights Agreement

In connection with our IPO, we granted the Carlyle Funds, which received Operating Partnership units in the Restructuring Transactions, certain registration rights with respect to any shares of our common stock that may be acquired by them in connection with the exchange of units tendered for redemption. An aggregate of 13,775,390 shares of our common stock issuable upon exchange of units issued in the Restructuring Transactions remain subject to a registration rights agreement. The holders of such units are entitled to require us to seek to register all such shares of common stock underlying the units for public sale, subject to certain exceptions, limitations and conditions precedent. We will bear expenses incident to our registration requirements under the registration rights agreement, except that such expenses shall not include any underwriting fees, discounts or commissions, brokerage or sales commissions, or out-of-pocket expenses of the persons exercising the redemption rights or transfer taxes, if any, relating to the sale of such shares. In 2016, we incurred approximately \$211,532 in connection with the registration and sale of our common stock by the Carlyle Funds under the registration rights agreement.

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Tax Protection Agreement

We have agreed with each of the Carlyle Funds that have directly or indirectly contributed their interests in properties in our portfolio to our Operating Partnership that if we directly or indirectly sell, convey, transfer or otherwise dispose of all or any portion of these interests in a taxable transaction, we will make an interest-free loan to the contributors in an amount equal to the contributor's tax liabilities, based on an assumed tax rate. Any such loan would be repayable out of the after-tax proceeds (based on an assumed tax rate) of any distribution from the Operating Partnership to, or any sale of Operating Partnership units (or common stock issued by us in exchange for such units) by, the recipient of such loan, and would be non-recourse to the borrower other than with respect to such proceeds. These tax protection provisions apply for a period expiring on the earlier of (i) September 28, 2017 and (ii) the date on which these contributors (or certain transferees) dispose in certain taxable transactions of 90% of the Operating Partnership units that were issued to them in connection with the contribution of these properties.

Carlyle Affiliates and Portfolio Companies

From time to time, and in the ordinary course of business, we have entered into lease agreements or other arrangements with Carlyle affiliates and portfolio companies for the lease of data center space and the provision of other services at our properties. The term of each lease agreement is typically two to three years. We currently have arrangements with the following Carlyle affiliates and portfolio companies: Aicent, Inc., Syniverse Technologies, LLC, GREE International, Inc., The Nature's Bounty Co. and Vubiquity, Inc. Total aggregate contract value with these Carlyle affiliates and portfolio companies is approximately \$1.0 million, and total aggregate revenue under these arrangements for the year ended December 31, 2016, was approximately \$1.0 million. The Board and our management believe that the arrangements with the Carlyle affiliates and portfolio companies were entered into upon market terms.

Statement of Policy Regarding Transactions with Related Parties

Our Code of Business Conduct and Ethics, which applies to all our directors, officers, employees and agents, includes a process for identifying and resolving potential conflicts of interest, including conflicts arising from transactions with related parties. Specifically, our Code of Business Conduct and Ethics requires that any conflict of interest of our directors, executive officers or other principal officer may only be waived by our Board. All transactions disclosed above were reviewed and approved in accordance with our Code of Business Conduct and Ethics and applicable law.

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MISCELLANEOUS

Stockholder Proposals and Nominations

Any proposal of a stockholder intended to be included in our proxy statement for the 2018 Annual Meeting of Stockholders pursuant to SEC Rule 14a-8 must be received by us no later than December 6, 2017, unless the date of our 2018 Annual Meeting of Stockholders is more than 30 days before or after May 24, 2018, in which case the proposal must be received a reasonable time before we begin to print and mail our proxy materials. All proposals should be directed to our Secretary, at 1001 17th Street, Suite 500, Denver, Colorado 80202.

A stockholder nomination of a person for election to our Board or a proposal for consideration at our 2018 Annual Meeting of Stockholders not intended to be included in our proxy statement pursuant to SEC Rule 14a-8 must be submitted in accordance with the advance notice procedures and other requirements set forth in Section 11 of Article II of our current bylaws. Pursuant to Section 11 of Article II of our current bylaws, we must receive timely notice of the nomination or other proposal in writing by not later than 5:00 p.m., Eastern Time, on December 6, 2017, nor earlier than November 6, 2017. However, in the event that the 2018 Annual Meeting of Stockholders is advanced or delayed by more than 30 days from the first anniversary of the date of the 2016 Annual Meeting of Stockholders, notice by the stockholder to be timely must be received no earlier than the 150th day prior to the date of the meeting and not later than 5:00 p.m., Eastern Time, on the later of the 120th day prior to the date of the meeting or the 10th day following the date of the first public announcement of the meeting. A copy of our bylaws can be obtained from our Secretary, who can be reached at 1001 17th Street, Suite 500, Denver, Colorado 80202.

Householding

Any stockholder, including both stockholders of record and beneficial holders who own their shares through a broker, bank or other nominee, who share an address with another holder of our common stock are only being sent one Notice of Internet Availability of Proxy Materials or set of proxy materials, unless such holders have provided contrary instructions. We will deliver promptly upon written or oral request a separate copy of these materials to any holder at a shared address to which a single copy of the proxy materials was delivered. If you wish to receive a separate copy of these materials in the future or if you are receiving multiple copies and would like to receive a single copy, please contact our Secretary in writing, at 1001 17th Street, Suite 500, Denver, Colorado 80202, or by telephone at (866) 777-2673.

Other Matters

We do not intend to bring before the Annual Meeting any matters other than the proposals specifically described above, and we know of no matters other than those to come before the Annual Meeting. If any other matters properly come before the Annual Meeting or any postponement or adjournment thereof, it is the intention of the persons named in the accompanying proxy to vote such proxy in accordance with the recommendation of our management on such matters, including any matters dealing with the conduct of the Annual Meeting.

By Order of the Board of Directors

DEREK S. MCCANDLESS
Vice President, Legal, General Counsel and Secretary

Denver, Colorado
April 5, 2017

Table of Contents**APPENDIX A****Reconciliations of Net Income to FFO**

(in thousands)	Year Ended	
	December 31, 2016	December 31, 2015
Net income	\$ 81,921	\$ 56,859
Real estate depreciation and amortization	103,136	87,287
Gain on real estate disposal		(36)
FFO	\$ 185,057	\$ 144,110
Preferred stock dividends	(8,338)	(8,338)
FFO available to common shareholders and OP unit holders	\$ 176,719	\$ 135,772

We consider funds from operations ("FFO"), a non-generally accepted accounting principles ("GAAP") measure, to be a supplemental measure of our performance which should be considered along with, but not as an alternative to, net income and cash provided by operating activities as a measure of operating performance and liquidity. We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property and undepreciated land and impairment write-downs of depreciable real estate, plus real estate related depreciation and amortization (excluding amortization of deferred financing costs) and after adjustments for unconsolidated partnerships and joint ventures. FFO attributable to common shares and units represents FFO less preferred stock dividends declared during the period.

Our management uses FFO as a supplemental performance measure because, in excluding real estate related depreciation and amortization and gains and losses from property dispositions, it provides a performance measure that, when compared year over year, captures trends in occupancy rates, rental rates and operating costs.

We offer this measure because we recognize that FFO will be used by investors as a basis to compare our operating performance with that of other REITs. However, because FFO excludes real estate related depreciation and amortization and captures neither the changes in the value of our properties that result from use or market conditions, nor the level of capital expenditures and capitalized leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effect and could materially impact our financial condition and results from operations, the utility of FFO as a measure of our performance is limited. FFO is a non-GAAP measure and should not be considered a measure of liquidity, an alternative to net income, cash provided by operating activities or any other performance measure determined in accordance with GAAP, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends or make distributions. In addition, our calculations of FFO are not necessarily comparable to FFO as calculated by other REITs that do not use the same definition or implementation guidelines or interpret the standards differently from us. Investors in our securities should not rely on these measures as a substitute for any GAAP measure, including net income.

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(in thousands)	Year Ended	
	December 31, 2016	December 31, 2015
Net income	\$ 81,921	\$ 56,859
Adjustments:		
Interest expense, net of interest income	12,577	7,098
Income taxes	119	163
Depreciation and amortization	108,652	95,702
EBITDA	\$ 203,269	\$ 159,822

EBITDA is defined as earnings before interest, taxes, depreciation and amortization. Management uses EBITDA as an indicator of our ability to incur and service debt. In addition, we consider EBITDA to be an appropriate supplemental measure of our performance because it eliminates depreciation and interest, which permits investors to view income from operations without the impact of non-cash depreciation or the cost of debt. However, because EBITDA is calculated before recurring cash charges including interest expense and taxes, and is not adjusted for capital expenditures or other recurring cash requirements of our business, its utilization as a cash flow measurement is limited.
