



EARNINGS RELEASE AND **SUPPLEMENTAL INFORMATION**

QUARTER ENDED SEPTEMBER 30, 2021



Table of Contents

Overview

| | |
|---------------------------|---|
| Earnings Release | 3 |
| Company Profile | 7 |
| Summary of Financial Data | 8 |

Financial Statements

| | |
|--|----|
| Consolidated Balance Sheets | 9 |
| Consolidated Statements of Operations | 10 |
| Reconciliations of Net Income to FFO, AFFO, EBITDA and Adjusted EBITDA | 11 |

Operating Portfolio

| | |
|--|----|
| Operating Portfolio & 10 Largest Customers | 12 |
| Leasing Statistics | 13 |
| Geographic and Vertical Diversification | 15 |

Development

| | |
|--|----|
| Capital Expenditures and Completed Pre-Stabilized Projects | 16 |
| Development Summary | 17 |

Capital Structure

| | |
|--|----|
| Market Capitalization and Debt Summary | 18 |
| Interest Summary, Debt Covenants and Liquidity | 19 |

| | |
|-------------------------------|----|
| Components of Net Asset Value | 20 |
|-------------------------------|----|

| | |
|---------------|----|
| 2021 Guidance | 21 |
|---------------|----|

| | |
|----------|----|
| Appendix | 22 |
|----------|----|

CoreSite Reports Third Quarter 2021 Financial Results

– Delivered Strong Q3 Financial Results, Including 6.4% Revenue Growth Year Over Year –

DENVER, CO – October 28, 2021 – CoreSite Realty Corporation (NYSE:COR) (“the Company”), a premier provider of secure, reliable, high-uptime data center campuses with high-performance cloud access and interconnection solutions across the U.S., today announced financial results for the quarter ended September 30, 2021.

Q3 2021 Quarterly Highlights

○ **Key Financial Results –**

- Grew operating revenues to \$163.9 million, an increase of 6.4% year over year and 1.1% sequentially
- Delivered net income of \$0.50 per common diluted share, consistent year over year and a decrease of \$0.09 sequentially
- Grew adjusted EBITDA to \$85.7 million, an increase of 5.2% year over year and a decrease of 2.0% sequentially
- Generated FFO of \$1.39 per diluted share and unit, an increase of \$0.06, or 4.5% year over year, and a decrease of \$0.03, or 2.1% sequentially
- Paid a dividend of \$1.27 per share for the third quarter on October 15th, consistent with the prior quarter

○ **Lease Commencements –**

- Commenced 122 new and expansion leases for 29,308 net rentable square feet (“NRSF”), representing \$7.1 million of annualized GAAP rent, for an average rate of \$242 per NRSF
- LA3 Phase 1 was 93% leased and moved into the stabilized data center portfolio less than 12 months after being placed into service

○ **Leasing Activity –**

- Signed 122 new and expansion leases for \$7.2 million of annualized GAAP rent during the third quarter, and signed a large scale lease for \$1.7 million of annualized GAAP rent at SV7 on October 7th, representing total leasing activity of \$8.9 million of annualized GAAP rent
- This \$8.9 million of annualized GAAP rent reflects 62,098 NRSF for an average rate of \$143 per NRSF and includes leases signed at SV7 for \$2.9 million of annualized GAAP rent
- Renewed 296 leases for 118,887 NRSF and \$18.7 million of annualized GAAP rent, for an average rate of \$157 per NRSF
- Renewed leases reflected an increase of 2.0% in cash rent and 5.7% in GAAP rent, and we reported churn of 2.5%

“Demand trends continue to be positive for low-latency, high-performance, hybrid-cloud IT solutions across our markets,” said Paul Szurek, CoreSite’s President and Chief Executive Officer. “Our excellent team continues to build on and strengthen the diverse customer ecosystems in each of our eight markets and our connectivity products to facilitate digital transformation. Our purpose-built, power efficient and scalable data center campuses enable the interoperability required for multi and hybrid-cloud solutions the current and future needs of enterprises, networks and cloud providers.”

Quarter Ended September 30, 2021

| | | | | | | | | |
|-----------------|-----------------------------|----------------------------|--------------------|--------------------------|--------------------------|-----------------|-----------------|----------|
| Overview | Financial Statements | Operating Portfolio | Development | Capital Structure | Components of NAV | Guidance | Appendix | 3 |
|-----------------|-----------------------------|----------------------------|--------------------|--------------------------|--------------------------|-----------------|-----------------|----------|

Quarter Ended September 30, 2021

Sales Activity

CoreSite signed new and expansion leases of \$7.2 million in annualized GAAP rent during the third quarter, and signed a large scale lease for \$1.7 million of annualized GAAP rent at SV7 on October 7th, representing total leasing activity of \$8.9 million of annualized GAAP rent.

"We are encouraged by our continuing strong attraction of retail and small scale leases, which are fundamental to our go-to-market strategy," said Steve Smith, CoreSite's Chief Revenue Officer. "We are focused on continual generation of profitable organic growth, attracting high-quality new logos, and creating incremental value to our customers and shareholders through the lease-up of our available capacity within our portfolio."

Including the \$1.7 million of annualized GAAP rent for the scale lease signed on October 7th, CoreSite had annualized GAAP backlog of \$9.9 million, or \$17.2 million on a cash basis, for leases signed but not yet commenced. The difference between GAAP and cash backlog is primarily driven by a handful of scale leases with power ramps during the early portion of their lease terms.

Other Financial Results

CoreSite's \$163.9 million of operating revenues for the third quarter, included \$138.1 million of rental, power and related revenue, reflecting 6.0% year over year growth, \$23.0 million of interconnection revenue, reflecting 8.7% year over year growth, and \$2.8 million of office, light-industrial and other revenue. Net income was \$24.1 million for the quarter, or \$0.50 attributable to each common diluted share.

Development Activity

CoreSite continues to develop new capacity as needed to meet market demand.

- The LA3 Phase 2 development project, comprised of 54,000 NRSF and 6 megawatts ("MW"), was completed in October. As of September 30, 2021, LA3 Phase 2 was approximately 8% leased.
- NY2 Phase 4A, comprised of 35,000 NRSF and 4 MWs, is under construction and is on track for its estimated completion in the first quarter of 2022.

CoreSite's ongoing data center development and operational position includes –

- the ability to increase its occupied footprint of purpose-built data centers, both owned and leased, by approximately 2.0 million NRSF, or about 84.0%, including space unoccupied, under construction, pre-construction design and permitting or held for development, and
- owning (versus leasing) 93.1% of its current and developable 4.3 million data center NRSF, supporting operational control, expansion and long-term expense management.

Balance Sheet and Liquidity

The Company's balance sheet reflects a ratio of net principal debt to second quarter annualized adjusted EBITDA of 5.2 times, or 5.1 times including GAAP backlog. As of the end of the third quarter, CoreSite had approximately \$235.4 million of current liquidity, including \$3.4 million of cash and \$231.9 million of available capacity on its revolving credit facility.

Updated 2021 Guidance

CoreSite updated its 2021 guidance related to total capital expenditures to its new guidance range of \$140 million to \$150 million from its previous range of \$185 million to \$225 million. CoreSite's full 2021 guidance can be found in the Company's third quarter 2021 Supplemental Earnings Information on page 21.

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

4

Quarter Ended September 30, 2021

Conference Call Details

CoreSite will host its third quarter 2021 earnings call on Thursday, October 28, 2021, at 12:00 p.m. (Eastern Time). The call will be accessible by dialing 1-877-407-3982 (domestic) or 1-201-493-6780 (international).

A replay will be available after the call until November 4, 2021, and can be accessed dialing 1-844-512-2921 (domestic) or 1-412-317-6671 (international). The passcode for the replay is 13723625.

The quarterly conference call also will be offered as a simultaneous webcast, accessible by visiting [CoreSite.com](https://www.coresite.com) and clicking on the “Investors” link. An on-line replay will be available for a limited time immediately following the call.

Concurrently with issuing its financial results, the Company will post its third quarter 2021 Supplemental Information on its website at [CoreSite.com](https://www.coresite.com), under the “Investors” link.

Upcoming Conferences and Events

CoreSite’s management will participate in the Nareit REITworld Virtual Conference on November 9th.

About CoreSite

CoreSite Realty Corporation (NYSE:COR) delivers secure, reliable, high-uptime data center campuses with high-performance cloud access and interconnection solutions to a growing customer ecosystem across eight key North American markets. More than 1,370 of the world’s leading enterprises, network operators, cloud providers, and supporting service providers choose CoreSite to connect, protect and optimize their performance-sensitive data, applications and computing workloads. Our scalable, flexible solutions and 480+ dedicated employees consistently deliver unmatched data center options — all of which leads to a best-in-class customer experience and lasting relationships. For more information, visit [www.CoreSite.com](https://www.coresite.com).

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Quarter Ended September 30, 2021

Forward Looking Statements

This earnings release and accompanying supplemental information may contain forward-looking statements within the meaning of the federal securities laws. Forward-looking statements relate to expectations, beliefs, projections, future plans and strategies, anticipated events or trends and similar expressions concerning matters that are not historical facts. In some cases, you can identify forward-looking statements by the use of forward-looking terminology such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “pro forma,” “estimates” or “anticipates” or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends and that do not relate solely to historical matters. Forward-looking statements involve known and unknown risks, uncertainties, assumptions and contingencies, many of which are beyond CoreSite’s control that may cause actual results to differ significantly from those expressed in any forward-looking statement. These risks include, without limitation: the geographic concentration of the Company’s data centers in certain markets and any adverse developments in local economic conditions or the level of supply of or demand for data center space in these markets; fluctuations in interest rates and increased operating costs; difficulties in identifying properties to acquire and completing acquisitions; significant industry competition, including indirect competition from cloud service providers; failure to obtain necessary outside financing; the ability to service existing debt; the failure to qualify or maintain its status as a REIT; financial market fluctuations; changes in real estate and zoning laws and increases in real property tax rates; the effects on our business operations, demand for our services and general economic conditions resulting from the spread of the novel coronavirus (“COVID-19”) in our markets, as well as orders, directives and legislative action by local, state and federal governments in response to such spread of COVID-19; and other factors affecting the real estate industry generally. All forward-looking statements reflect the Company’s good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Furthermore, the Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, of new information, data or methods, future events or other changes. For a further discussion of these and other factors that could cause the Company’s future results to differ materially from any forward-looking statements, see the section entitled “Risk Factors” in its most recent annual report on Form 10-K, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission.

Company Profile

Low-latency, secure and reliable access to Amazon, Microsoft, Google, Alibaba Cloud, Oracle and IBM from eight key North American Markets.



ONE DATA CENTER PROVIDER. **EVERYTHING YOU NEED.**

CONNECTIVITY TO NETWORKS AND CLOUDS

Connecting to cloud and network providers within the same data center campus can save thousands of dollars a month in networking and data egress fees while reducing latency

- Optionality to connect to 775+ cloud, IT and network service providers as business needs evolve
- 32,000+ interconnections
- Multiple options for peering, cloud exchange, and network management including the CoreSite Open Cloud Exchange™, and the Any2 Exchange for Internet Peering, the second largest peering exchange in the U.S.
- The CoreSite Interconnect Gateway™ allows customers to rapidly optimize application performance with a 100% managed solution
- CoreSite's Inter-Site Connectivity allows SDN connectivity between its markets, enabling access to its national ecosystem

THE BEST CUSTOMER EXPERIENCE

480+ team dedicated to ensuring optimal data center performance and meeting the needs of our 1,370+ customers at all times of day

- Consistent customer satisfaction demonstrated by customer expansion and retention
- Dedicated move-in and service representatives, and in-house 24/7 data center operations personnel
- 100% uptime Service Level Agreement
- Prepared to support and respond to our customers, employees, and communities during the COVID-19 pandemic
- Direct access through our customer portal to provision new space, power, and cross-connects, and to monitor temperature, humidity, and power draw

HIGH GROWTH, HIGH-DENSITY SOLUTIONS

Cloud connectivity is important, and so is the ability for a data center campus to grow as business evolves

- The ability to cost-effectively scale from a single cabinet to a large-scale deployment
- Data center campuses that connect our buildings via short-run dark fiber to a network/cloud dense campus ecosystem
- Flexible and high-density solutions

LOW LATENCY, EDGE MARKETS, GLOBAL REACH

The closer a business is to its end users, the easier it is to provide a high quality experience

- 25 operating data centers in eight major metros that provide access to 75% of US businesses within 5 milliseconds
- National footprint with international cloud and data center partnerships for multi-market requirements
- Access to subsea cables for international reach

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

7

Summary of Financial Data

(in thousands, except per share, NRSF and MRR data)

| Summary of Results | For the period of | | | Growth % | Growth % | YTD 2021 | YTD 2020 | Growth % |
|---|-------------------|------------|------------|-----------|----------|------------|------------|----------|
| | Q3 2021 | Q2 2021 | Q3 2020 | Q/Q | Y/Y | | | Y/Y |
| GAAP Financial Measures | | | | | | | | |
| Operating revenues | \$ 163,858 | \$ 162,124 | \$ 153,981 | 1.1 % | 6.4 % | \$ 483,624 | \$ 451,886 | 7.0 % |
| Net income | 24,118 | 28,475 | 24,132 | (15.3) | (0.1) | 77,508 | 72,208 | 7.3 |
| Net income attributable to common shares | 21,779 | 25,249 | 21,132 | (13.7) | 3.1 | 68,896 | 59,651 | 15.5 |
| Net income per share attributable to common shares - diluted | \$ 0.50 | \$ 0.59 | \$ 0.50 | (15.3) | - | \$ 1.60 | \$ 1.49 | 7.4 |
| REIT Financial Measures ⁽¹⁾ | | | | | | | | |
| Funds from operations (FFO) to shares and units | \$ 67,467 | \$ 72,111 | \$ 64,268 | (6.4)% | 5.0 % | \$ 207,382 | \$ 191,921 | 8.1 % |
| Funds from operations (FFO) to shares and units, as adjusted ⁽²⁾ | 67,467 | 69,013 | 64,268 | (2.2) | 5.0 | 204,284 | 191,921 | 6.4 |
| Adjusted funds from operations (AFFO) | 64,028 | 64,624 | 62,580 | (0.9) | 2.3 | 189,141 | 187,981 | 0.6 |
| EBITDAre | 81,089 | 85,828 | 77,285 | (5.5) | 4.9 | 248,592 | 229,936 | 8.1 |
| Adjusted EBITDA | 85,652 | 87,410 | 81,441 | (2.0) | 5.2 | 259,133 | 241,746 | 7.2 |
| FFO per common share and OP unit - diluted | \$ 1.39 | \$ 1.48 | \$ 1.33 | (6.1) | 4.5 | \$ 4.27 | \$ 3.97 | 7.6 |
| FFO per common share and OP unit - diluted, as adjusted ⁽²⁾ | \$ 1.39 | \$ 1.42 | \$ 1.33 | (2.1) | 4.5 | \$ 4.20 | \$ 3.97 | 5.8 |
| Other Financial Ratios | | | | | | | | |
| EBITDAre Margin | 49.5 % | 52.9 % | 50.2 % | (340) bps | (70) bps | 51.4 % | 50.9 % | 50 bps |
| Adjusted EBITDA Margin | 52.3 % | 53.9 % | 52.9 % | (160) bps | (60) bps | 53.6 % | 53.5 % | 10 bps |

(1) See reconciliations of non-GAAP measures on page 11 and a discussion of the non-GAAP disclosures in the Appendix.

(2) FFO available to shares and units, as adjusted, excludes a one-time benefit of \$3.1 million, or \$0.06 per share and unit, as a result of the release of a tax liability during the second quarter of 2021 that is no longer expected to be incurred.

| Dividend Activity | As of | | | | |
|--|---------|---------|---------|---------|---------|
| | Q3 2021 | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 |
| Dividends declared per share and OP unit | \$ 1.27 | \$ 1.27 | \$ 1.23 | \$ 1.23 | \$ 1.22 |
| TTM FFO payout ratio | 89.7 % | 89.8 % | 91.1 % | 92.7 % | 93.1 % |
| TTM AFFO payout ratio | 97.4 % | 96.9 % | 95.5 % | 95.3 % | 94.8 % |

Operating Portfolio Statistics

| | | | | | |
|--------------------------------------|-----------|-----------|-----------|-----------|-----------|
| Operating data center properties | 25 | 25 | 25 | 25 | 24 |
| Stabilized data center NRSF | 2,673,639 | 2,623,263 | 2,502,591 | 2,502,591 | 2,516,411 |
| Stabilized data center NRSF occupied | 2,304,677 | 2,290,109 | 2,189,595 | 2,174,897 | 2,207,215 |
| Stabilized data center % occupied | 86.2 % | 87.3 % | 87.5 % | 86.9 % | 87.7 % |

Turn-Key Data Center ("TKD") Same-Store Statistics

| | | | | | |
|----------------------------|----------|----------|----------|----------|----------|
| MRR per cabinet equivalent | \$ 1,548 | \$ 1,526 | \$ 1,508 | \$ 1,478 | \$ 1,474 |
| TKD NRSF % occupied | 82.5 % | 83.9 % | 82.5 % | 81.8 % | 82.4 % |

Market Capitalization & Net Principal Debt

| | | | | | |
|--------------------------------------|--------------|--------------|--------------|--------------|--------------|
| Total enterprise value | \$ 8,560,488 | \$ 8,339,401 | \$ 7,600,880 | \$ 7,817,206 | \$ 7,479,878 |
| Total net principal debt outstanding | \$ 1,783,594 | \$ 1,754,634 | \$ 1,740,209 | \$ 1,717,957 | \$ 1,692,106 |

Net Principal Debt to:

| | | | | | |
|--|--------|--------|--------|--------|--------|
| Annualized adjusted EBITDA | 5.2 x | 5.0 x | 5.1 x | 5.2 x | 5.2 x |
| Annualized adjusted EBITDA, including backlog ⁽¹⁾ | 5.1 x | 4.9 x | 4.9 x | 5.1 x | 4.9 x |
| Enterprise value | 20.8 x | 21.0 x | 22.9 x | 22.0 x | 22.6 x |

(1) Backlog is the annualized rent for data center leases that were signed, but have not yet commenced during the quarter. Backlog for the quarter ended September 30, 2021, was \$9.9 million on a GAAP basis and \$17.2 million on a cash basis, inclusive of a large scale lease signed at SV7 on October 7, 2021.

Quarter Ended September 30, 2021

| | | | | | | | | |
|----------|----------------------|---------------------|-------------|-------------------|-------------------|----------|----------|---|
| Overview | Financial Statements | Operating Portfolio | Development | Capital Structure | Components of NAV | Guidance | Appendix | 8 |
|----------|----------------------|---------------------|-------------|-------------------|-------------------|----------|----------|---|

Consolidated Balance Sheets

(in thousands, except per share data)

| | September 30, 2021 | December 31, 2020 |
|--|-----------------------|----------------------|
| Assets: | | |
| Investments in real estate: | | |
| Land | \$ 109,400 | \$ 104,734 |
| Buildings and improvements | 2,315,125 | 2,273,536 |
| | 2,424,525 | 2,378,270 |
| Less: Accumulated depreciation and amortization | (986,095) | (867,975) |
| Net investment in operating properties | 1,438,430 | 1,510,295 |
| Construction in progress | 375,168 | 319,411 |
| Net investments in real estate | 1,813,598 | 1,829,706 |
| Operating lease right-of-use assets, net | 172,439 | 173,928 |
| Cash and cash equivalents | 3,406 | 5,543 |
| Accounts and other receivables, net | 26,825 | 20,849 |
| Lease intangibles, net | 1,159 | 2,507 |
| Goodwill | 40,646 | 40,646 |
| Other assets, net | 108,922 | 103,094 |
| Total assets | \$ 2,166,995 | \$ 2,176,273 |
| Liabilities and equity: | | |
| Liabilities | | |
| Debt, net | \$ 1,781,039 | \$ 1,715,911 |
| Operating lease liabilities | 189,581 | 189,404 |
| Accounts payable and accrued expenses | 89,902 | 79,140 |
| Accrued dividends and distributions | 65,772 | 63,878 |
| Acquired below-market lease contracts, net | 2,164 | 2,313 |
| Unearned revenue, prepaid rent and other liabilities | 48,342 | 53,149 |
| Total liabilities | 2,176,800 | 2,103,795 |
| Stockholders' equity (deficit) | | |
| Common stock, par value \$0.01 | 436 | 422 |
| Additional paid-in capital | 570,746 | 555,595 |
| Accumulated other comprehensive loss | (12,261) | (20,526) |
| Distributions in excess of net income | (567,771) | (471,910) |
| Total stockholders' equity (deficit) | (8,850) | 63,581 |
| Noncontrolling interests | (955) | 8,897 |
| Total equity (deficit) | (9,805) | 72,478 |
| Total liabilities and equity | \$ 2,166,995 | \$ 2,176,273 |

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

9

Consolidated Statements of Operations

(in thousands, except per share data)

| | Three Months Ended | | | Nine Months Ended | |
|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2021 | June 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Operating revenues: | | | | | |
| Data center revenue: ⁽¹⁾ | | | | | |
| Rental, power, and related revenue | \$ 138,095 | \$ 136,793 | \$ 130,300 | \$ 407,864 | \$ 381,913 |
| Interconnection revenue | 22,994 | 22,606 | 21,144 | 67,760 | 62,126 |
| Total data center revenue | 161,089 | 159,399 | 151,444 | 475,624 | 444,039 |
| Office, light-industrial and other revenue | 2,769 | 2,725 | 2,537 | 8,000 | 7,847 |
| Total operating revenues | 163,858 | 162,124 | 153,981 | 483,624 | 451,886 |
| Operating expenses: | | | | | |
| Property operating and maintenance | 49,940 | 45,964 | 44,986 | 138,536 | 126,206 |
| Real estate taxes and insurance | 5,184 | 7,006 | 5,989 | 18,925 | 17,778 |
| Depreciation and amortization | 45,072 | 45,367 | 41,759 | 135,067 | 124,529 |
| Sales and marketing | 6,186 | 5,804 | 5,901 | 17,852 | 17,882 |
| General and administrative | 12,167 | 11,781 | 10,854 | 35,465 | 33,724 |
| Rent | 9,292 | 8,839 | 8,966 | 27,352 | 26,360 |
| Total operating expenses | 127,841 | 124,761 | 118,455 | 373,197 | 346,479 |
| Operating income | 36,017 | 37,363 | 35,526 | 110,427 | 105,407 |
| Other income | — | 3,098 | — | 3,098 | — |
| Interest expense | (11,894) | (11,982) | (11,384) | (35,999) | (33,153) |
| Income before income taxes | 24,123 | 28,479 | 24,142 | 77,526 | 72,254 |
| Income tax expense | (5) | (4) | (10) | (18) | (46) |
| Net income | 24,118 | 28,475 | 24,132 | 77,508 | 72,208 |
| Net income attributable to noncontrolling interests | 2,339 | 3,226 | 3,000 | 8,612 | 12,557 |
| Net income attributable to common shares | \$ 21,779 | \$ 25,249 | \$ 21,132 | \$ 68,896 | \$ 59,651 |
| Net income per share attributable to common shares: | | | | | |
| Basic | \$ 0.50 | \$ 0.59 | \$ 0.50 | \$ 1.60 | \$ 1.50 |
| Diluted | \$ 0.50 | \$ 0.59 | \$ 0.50 | \$ 1.60 | \$ 1.49 |
| Weighted average common shares outstanding: | | | | | |
| Basic | 43,712 | 42,786 | 42,235 | 42,963 | 39,823 |
| Diluted | 43,907 | 42,939 | 42,404 | 43,166 | 39,996 |

(1) Below is a breakout of our contractual data center rental, power, and tenant reimbursements and other revenue:

| | Three Months Ended | | | Nine Months Ended | |
|------------------------------------|-----------------------|------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2021 | June 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Rental revenue | \$ 87,596 | \$ 86,960 | \$ 82,943 | \$ 259,763 | \$ 245,441 |
| Power revenue | 48,678 | 47,014 | 43,112 | 140,052 | 126,292 |
| Tenant reimbursement and other | 1,821 | 2,819 | 4,245 | 8,049 | 10,180 |
| Rental, power, and related revenue | \$ 138,095 | \$ 136,793 | \$ 130,300 | \$ 407,864 | \$ 381,913 |

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

10

Reconciliations of Net Income to FFO, AFFO, EBITDAre and Adjusted EBITDA

(in thousands, except per share data)

Reconciliation of Net Income to FFO

| | Three Months Ended | | | Nine Months Ended | |
|--|--------------------|------------------|--------------------|--------------------|--------------------|
| | September 30, 2021 | June 30 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Net income | \$ 24,118 | \$ 28,475 | \$ 24,132 | \$ 77,508 | \$ 72,208 |
| Real estate depreciation and amortization | 43,349 | 43,636 | 40,136 | 129,874 | 119,713 |
| FFO available to common shareholders and OP unit holders | \$ 67,467 | \$ 72,111 | \$ 64,268 | \$ 207,382 | \$ 191,921 |
| Other income adjustment ⁽¹⁾ | — | (3,098) | — | (3,098) | — |
| FFO available to common shareholders and OP unit holders, as adjusted⁽¹⁾ | \$ 67,467 | \$ 69,013 | \$ 64,268 | \$ 204,284 | \$ 191,921 |
| Weighted average common shares outstanding - diluted | 43,907 | 42,939 | 42,404 | 43,166 | 39,996 |
| Weighted average OP units outstanding - diluted | 4,740 | 5,664 | 6,030 | 5,444 | 8,392 |
| Total weighted average shares and units outstanding - diluted | 48,647 | 48,603 | 48,434 | 48,610 | 48,388 |
| FFO per common share and OP unit - diluted | \$ 1.39 | \$ 1.48 | \$ 1.33 | \$ 4.27 | \$ 3.97 |
| FFO per common share and OP unit - diluted, as adjusted⁽¹⁾ | \$ 1.39 | \$ 1.42 | \$ 1.33 | \$ 4.20 | \$ 3.97 |

(1) FFO available to shares and units, as adjusted, excludes a one-time benefit of \$3.1 million, or \$0.06 per share and unit, as a result of the release of a tax liability during the second quarter of 2021 that is no longer expected to be incurred.

Reconciliation of FFO to AFFO

| | Three Months Ended | | | Nine Months Ended | |
|--|--------------------|------------------|--------------------|--------------------|--------------------|
| | September 30, 2021 | June 30 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| FFO available to common shareholders and unit holders | \$ 67,467 | \$ 72,111 | \$ 64,268 | \$ 207,382 | \$ 191,921 |
| <i>Adjustments:</i> | | | | | |
| Amortization of deferred financing costs and hedge amortization | 960 | 960 | 1,028 | 2,907 | 3,100 |
| Non-cash compensation | 4,563 | 4,680 | 4,156 | 13,636 | 11,810 |
| Non-real estate depreciation | 1,723 | 1,731 | 1,623 | 5,193 | 4,816 |
| Straight-line rent adjustment | 176 | (479) | (496) | (2,095) | (1,080) |
| Amortization of above and below market leases | (37) | (37) | (34) | (111) | (102) |
| Other income adjustment | — | (3,098) | — | (3,098) | — |
| Recurring capital expenditures - Data Center | (4,789) | (4,244) | (2,911) | (13,202) | (5,879) |
| Recurring capital expenditures - Office and Light-industrial | (57) | (1,296) | — | (3,574) | — |
| Tenant improvements | (2,504) | (1,963) | (1,275) | (7,237) | (4,413) |
| Capitalized leasing costs | (3,474) | (3,741) | (3,779) | (10,660) | (12,192) |
| AFFO available to common shareholders and OP unit holders | \$ 64,028 | \$ 64,624 | \$ 62,580 | \$ 189,141 | \$ 187,981 |

Reconciliation of Net Income to EBITDAre and Adjusted EBITDA

| | Three Months Ended | | | Nine Months Ended | |
|--------------------------------|--------------------|------------------|--------------------|--------------------|--------------------|
| | September 30, 2021 | June 30 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Net income | \$ 24,118 | \$ 28,475 | \$ 24,132 | \$ 77,508 | \$ 72,208 |
| <i>Adjustments:</i> | | | | | |
| Interest expense | 11,894 | 11,982 | 11,384 | 35,999 | 33,153 |
| Income taxes | 5 | 4 | 10 | 18 | 46 |
| Depreciation and amortization | 45,072 | 45,367 | 41,759 | 135,067 | 124,529 |
| EBITDAre | \$ 81,089 | \$ 85,828 | \$ 77,285 | \$ 248,592 | \$ 229,936 |
| Non-cash compensation | 4,563 | 4,680 | 4,156 | 13,636 | 11,810 |
| Transaction costs / litigation | — | — | — | 3 | — |
| Other income adjustment | — | (3,098) | — | (3,098) | — |
| Adjusted EBITDA | \$ 85,652 | \$ 87,410 | \$ 81,441 | \$ 259,133 | \$ 241,746 |

For additional discussion of these non-GAAP measures, see the Appendix starting on page 22.

Quarter Ended September 30, 2021

Operating Portfolio & Top Customers

| Market | Data Center Operating Portfolio | | | | | | | | NRSF Under Construction | Held for Development | | |
|--|---|------------------|---------------------------------|----------------|---------------------------------|------------------|---------------------------------|---------------|-------------------------|---------------------------------|------|------------|
| | Annualized Rent (\$'000) ⁽¹⁾ | Stabilized | | Pre-Stabilized | | Total | | NRSF | | Percent Occupied ⁽²⁾ | NRSF | Total NRSF |
| | | Total NRSF | Percent Occupied ⁽²⁾ | Total NRSF | Percent Occupied ⁽²⁾ | Total NRSF | Percent Occupied ⁽²⁾ | | | | | |
| San Francisco Bay | \$ 103,035 | 940,309 | 83.4 % | — | — % | 940,309 | 83.4 % | — | 240,000 | 1,180,309 | | |
| Los Angeles ⁽³⁾ | 96,168 | 631,557 | 90.7 | — | — | 631,557 | 90.7 | 54,388 | 64,740 | 750,685 | | |
| Northern Virginia | 63,003 | 567,269 | 85.6 | — | — | 567,269 | 85.6 | — | 809,742 | 1,377,011 | | |
| New York | 25,037 | 168,267 | 89.0 | 34,589 | 35.8 | 202,856 | 79.9 | 34,587 | 47,212 | 284,655 | | |
| Chicago | 17,396 | 178,407 | 83.9 | 54,798 | 3.9 | 233,205 | 65.1 | — | 112,368 | 345,573 | | |
| Boston | 15,288 | 122,730 | 85.8 | 19,961 | 9.3 | 142,691 | 75.1 | — | 110,985 | 253,676 | | |
| Denver | 6,519 | 34,924 | 86.7 | — | — | 34,924 | 86.7 | — | — | 34,924 | | |
| Miami | 1,870 | 30,176 | 86.3 | — | — | 30,176 | 86.3 | — | 13,154 | 43,330 | | |
| Total Data Center Facilities | \$ 328,316 | 2,673,639 | 86.2 % | 109,348 | 15.0 % | 2,782,987 | 83.4 % | 88,975 | 1,398,201 | 4,270,163 | | |
| Office & Light-Industrial ⁽⁴⁾ | 9,154 | 418,110 | 83.0 | — | — | 418,110 | 83.0 | — | (49,799) | 368,311 | | |
| Total Portfolio | \$ 337,470 | 3,091,749 | 85.7 % | 109,348 | 15.0 % | 3,201,097 | 83.3 % | 88,975 | 1,348,402 | 4,638,474 | | |

(1) On a gross basis, our total portfolio annualized rent was approximately \$344.3 million as of September 30, 2021, which includes \$6.8 million in operating expense reimbursements under modified gross and triple-net leases.

(2) Includes customer leases that have commenced as of September 30, 2021. If all leases signed during the current and prior periods had commenced, inclusive of a large scale lease signed at SV7 on October 7, 2021, the percent occupied would have been as follows:

| Percent Leased | Stabilized | Pre-Stabilized | Total |
|------------------------------|------------|----------------|--------|
| Total Data Center Facilities | 88.4 % | 15.9 % | 85.6 % |
| Total Portfolio | 87.4 % | 15.9 % | 85.3 % |

(3) Due to our decision to exit and vacate our leased data center space at LA4 and two computer rooms at LA1 by the end of 2021, we have excluded these leased spaces and the associated annualized rent from the reported Los Angeles market operating property portfolio.

(4) Included within our Northern Virginia market held for development space is our Reston Campus Expansion project comprised of 49,799 NRSF, which is currently operating as office and light-industrial space.

10 Largest Customers (total portfolio, including data center and office and light-industrial "OLI")

| CoreSite Vertical | Customer Industry | Number of Locations | Total Occupied NRSF | Percentage of Total Operating NRSF ⁽¹⁾ | Annualized Rent (\$'000) | Percentage of Total Annualized Rent ⁽²⁾ | Weighted Average Remaining Lease Term in Months ⁽³⁾ |
|---------------------------------|------------------------------|---------------------|---------------------|---|--------------------------|--|--|
| 1 Cloud | Public Cloud | 10 | 210,031 | 6.6 % | \$ 42,135 | 12.5 % | 73 |
| 2 Enterprise | Digital Content | 9 | 157,547 | 4.9 | 24,995 | 7.4 | 31 |
| 3 Cloud | Public Cloud | 11 | 330,298 | 10.3 | 20,473 | 6.1 | 32 |
| 4 Cloud | Public Cloud | 3 | 118,684 | 3.7 | 14,015 | 4.1 | 26 |
| 5 Network | Global Service Provider | 9 | 45,297 | 1.4 | 9,880 | 2.9 | 13 |
| 6 Cloud | Software as a Service | 1 | 36,304 | 1.1 | 6,479 | 1.9 | 50 |
| 7 Network | US National Service Provider | 14 | 39,778 | 1.3 | 5,142 | 1.5 | 25 |
| 8 Network | Cable Service Provider | 16 | 22,503 | 0.7 | 4,659 | 1.4 | 35 |
| 9 Network | Network Service Provider | 6 | 46,306 | 1.5 | 4,591 | 1.4 | 13 |
| 10 Enterprise | SI & MSP | 1 | 35,402 | 1.1 | 4,416 | 1.3 | 15 |
| Total / Weighted Average | | | 1,042,150 | 32.6 % | \$ 136,785 | 40.5 % | 42 |

(1) Represents the customer's total occupied square feet divided by the total operating NRSF in the portfolio as of September 30, 2021.

(2) Represents the customer's total annualized rent divided by the total annualized rent in the portfolio as of September 30, 2021.

(3) Weighted average based on percentage of total annualized rent expiring calculated as of September 30, 2021.

See the Appendix starting on page 22 for definitions

Quarter Ended September 30, 2021

Overview

Financial Statements

Operating Portfolio

Development

Capital Structure

Components of NAV

Guidance

Appendix

12

Leasing Statistics

Data Center Leasing Activity

| | Leasing Activity Period | Number of Leases ⁽¹⁾ | GAAP Annualized Rent (\$'000) | Total Leased NRSF | GAAP Annualized Rent per Leased NRSF | Cash Rental Churn Rate | Cash Rent Growth | GAAP Rent Growth |
|---|-------------------------|---------------------------------|-------------------------------|-------------------|--------------------------------------|------------------------|------------------|------------------|
| New / expansion leases commenced | | | | | | | | |
| | YTD 2021 | 385 | \$ 21,415 | 117,258 | \$ 183 | | | |
| | Q3 2021 | 122 | 7,094 | 29,308 | 242 | | | |
| | Q2 2021 | 133 | 8,395 | 59,174 | 142 | | | |
| | Q1 2021 | 130 | 5,926 | 28,776 | 206 | | | |
| | Q4 2020 | 147 | 20,397 | 109,154 | 187 | | | |
| | Q3 2020 | 130 | 7,188 | 33,233 | 216 | | | |
| New / expansion leases signed | | | | | | | | |
| | YTD 2021 | 368 | \$ 21,998 | 116,782 | \$ 188 | | | |
| | Q3 2021 | 122 | 7,225 | 50,341 | 144 | | | |
| | Q2 2021 | 112 | 7,798 | 33,135 | 235 | | | |
| | Q1 2021 | 134 | 6,975 | 33,306 | 209 | | | |
| | Q4 2020 | 151 | 9,685 | 53,953 | 180 | | | |
| | Q3 2020 | 129 | 12,485 | 72,207 | 173 | | | |
| Inclusive of the subsequent lease at SV7⁽²⁾ | | | | | | | | |
| | YTD 2021 + Oct 7 lease | 369 | \$ 23,675 | 128,539 | \$ 184 | | | |
| | Q3 2021 + Oct 7 lease | 123 | 8,902 | 62,098 | 143 | | | |
| Renewal leases signed | | | | | | | | |
| | YTD 2021 | 902 | \$ 54,927 | 347,056 | \$ 158 | 4.6 % | 2.9 % | 6.3 % |
| | Q3 2021 | 296 | 18,660 | 118,887 | 157 | 2.5 | 2.0 | 5.7 |
| | Q2 2021 | 330 | 20,397 | 136,564 | 149 | 1.3 | 4.2 | 7.1 |
| | Q1 2021 | 276 | 15,870 | 91,605 | 173 | 0.8 | 2.3 | 6.1 |
| | Q4 2020 | 260 | 15,844 | 121,420 | 130 | 5.4 | 1.0 | 4.4 |
| | Q3 2020 | 309 | 20,662 | 135,959 | 152 | 1.9 | 2.9 | 5.1 |

(1) Number of leases represents each agreement with a customer. A lease agreement could include multiple spaces and a customer could have multiple leases.

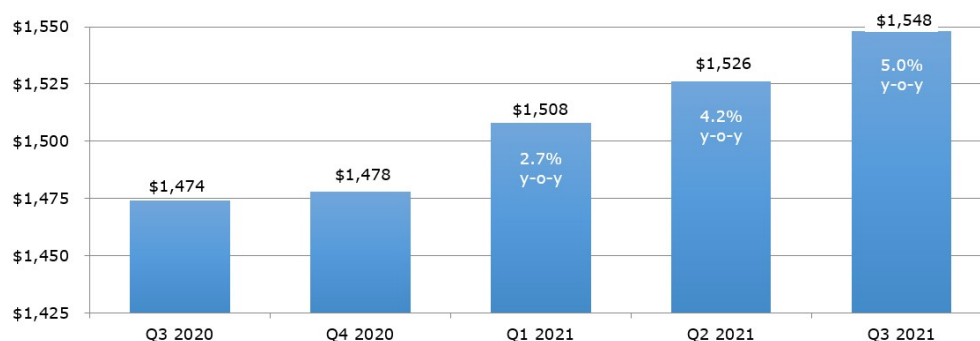
(2) The new and expansion leases signed activity presented herein is inclusive of a large scale lease signed at SV7 for \$1.7 million annualized GAAP rent on October 7, 2021.

New / Expansion Leases Signed by Deployment Size by Period⁽¹⁾

| | Q3 2021 | Q2 2021 | Q1 2021 | Q4 2020 | Q3 2020 |
|--------------------------------------|-----------------|-----------------|-----------------|-----------------|------------------|
| GAAP Annualized Rent (\$'000) | | | | | |
| Retail Colocation (< 130 CkW) | \$ 2,896 | \$ 3,355 | \$ 3,558 | \$ 4,448 | \$ 3,589 |
| Small Scale (130 - 500 CkW) | 3,480 | 3,598 | 2,639 | 3,721 | 1,634 |
| Large Scale & Hyperscale (> 500 CkW) | 849 | 845 | 778 | 1,516 | 7,262 |
| Total GAAP Annualized Rent | \$ 7,225 | \$ 7,798 | \$ 6,975 | \$ 9,685 | \$ 12,485 |

(1) Our new and expansion leases signed are presented based on the critical kilowatt ("CkW") size, which represents the maximum amount of power that customers can draw per their contractual lease agreement.

MRR per Cabinet Equivalent Billed (TKD Occupied Same-Store)



Quarter Ended September 30, 2021

Overview

Financial Statements

Operating Portfolio

Development

Capital Structure

Components of NAV

Guidance

Appendix

13

Leasing Statistics

Lease Distribution (total portfolio, including total data center and office and light-industrial "OLI")

| Lease Distribution | Number of Leases | Percentage of All Leases | Total Operating NRSF of Leases | Percentage of Total Operating NRSF | Annualized Rent (\$000) | Percentage of Total Annualized Rent |
|--------------------------------|------------------|--------------------------|--------------------------------|------------------------------------|-------------------------|-------------------------------------|
| Unoccupied data center | | | | | | |
| Leased but not commenced | — | — % | 49,194 | 1.5 % | \$ — | — % |
| Available capacity | — | — | 414,017 | 12.9 | — | — |
| Unoccupied OLI | | | | | | |
| Leased but not commenced | — | — | 1,124 | 0.1 | — | — |
| Available capacity | — | — | 69,905 | 2.2 | — | — |
| Data center deployment by CkW: | | | | | | |
| Retail Colocation (< 130 CkW) | 2,195 | 85.9 | 538,316 | 16.8 | 82,998 | 24.6 |
| Small Scale (130 - 500 CkW) | 154 | 6.0 | 435,024 | 13.6 | 70,192 | 20.8 |
| Large Scale (501 - 2,000 CkW) | 50 | 2.0 | 433,770 | 13.6 | 70,236 | 20.8 |
| Hyperscale (> 2,000 CkW) | 11 | 0.4 | 489,815 | 15.3 | 87,754 | 26.0 |
| Powered shell | 18 | 0.7 | 422,851 | 13.2 | 17,136 | 5.1 |
| OLI | 129 | 5.0 | 347,081 | 10.8 | 9,154 | 2.7 |
| Portfolio Total | 2,557 | 100.0 % | 3,201,097 | 100.0 % | \$ 337,470 | 100.0 % |

Lease Expirations (total portfolio, including total data center and office and light-industrial "OLI")

| Year of Lease Expiration | Number of Leases Expiring ⁽¹⁾ | Total Operating NRSF of Expiring Leases | Percentage of Total Operating NRSF | Annualized Rent (\$000) | Percentage of Total Annualized Rent | Annualized Rent Per Leased NRSF | Annualized Rent at Expiration (\$000) ⁽²⁾ | Annualized Rent Per Leased NRSF at Expiration |
|---|--|---|------------------------------------|-------------------------|-------------------------------------|---------------------------------|--|---|
| Unoccupied data center | — | 463,211 | 14.4 % | \$ — | — % | \$ — | \$ — | \$ — |
| Unoccupied OLI | — | 71,029 | 2.3 | — | — | — | — | — |
| 2021 | 279 | 228,751 | 7.2 | 30,839 | 9.2 | 135 | 30,938 | 135 |
| 2022 | 1,236 | 567,727 | 17.8 | 88,143 | 26.1 | 155 | 89,242 | 157 |
| 2023 | 432 | 406,365 | 12.7 | 61,360 | 18.2 | 151 | 64,321 | 158 |
| 2024 | 318 | 257,363 | 8.0 | 42,867 | 12.7 | 167 | 47,321 | 184 |
| 2025 | 96 | 237,740 | 7.4 | 35,528 | 10.5 | 149 | 41,877 | 176 |
| 2026-Thereafter | 67 | 621,830 | 19.4 | 69,579 | 20.6 | 112 | 80,960 | 130 |
| OLI ⁽³⁾ | 129 | 347,081 | 10.8 | 9,154 | 2.7 | 26 | 10,899 | 31 |
| Portfolio Total / Weighted Average | 2,557 | 3,201,097 | 100.0 % | \$ 337,470 | 100.0 % | \$ 127 | \$ 365,558 | \$ 137 |

(1) Includes leases that upon expiration will automatically be renewed, primarily on a year-to-year basis. Number of leases represents each agreement with a customer; a lease agreement could include multiple spaces and a customer could have multiple leases.

(2) Represents the final monthly contractual rent under existing customer leases as of September 30, 2021, multiplied by 12. This amount reflects total annualized base rent before any one-time or non-recurring rent abatements and excludes power revenue, interconnection revenue and operating expense reimbursement. Leases expiring during 2021 include annualized rent of \$8.3 million associated with lease terms currently on a month-to-month basis.

(3) The office and light-industrial leases are scheduled to expire as follows:

| Year | NRSF of Expiring Leases | Annualized Rent (\$000) |
|------------------|-------------------------|-------------------------|
| 2021 | 12,342 | \$ 287 |
| 2022 | 77,440 | 1,896 |
| 2023 | 143,283 | 3,166 |
| 2024 | 13,711 | 455 |
| 2025 | 25,796 | 870 |
| Thereafter | 74,509 | 2,480 |
| Total OLI | 347,081 | \$ 9,154 |

Quarter Ended September 30, 2021

Overview

Financial Statements

Operating Portfolio

Development

Capital Structure

Components of NAV

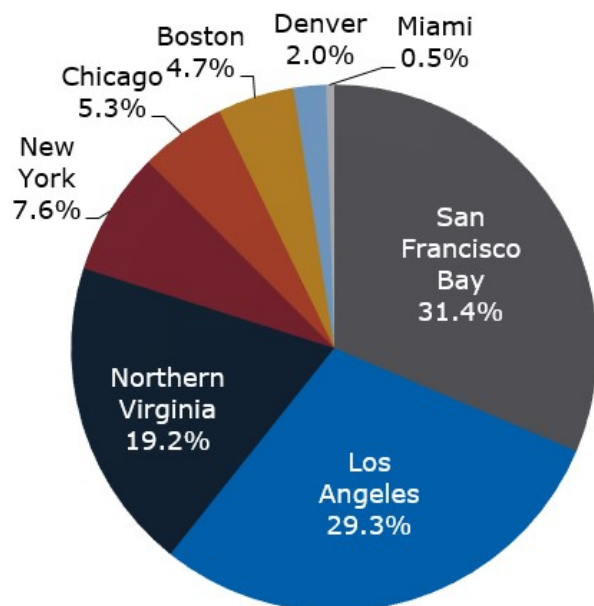
Guidance

Appendix

14

Geographic and Vertical Diversification

Geographical Diversification



Metropolitan Market

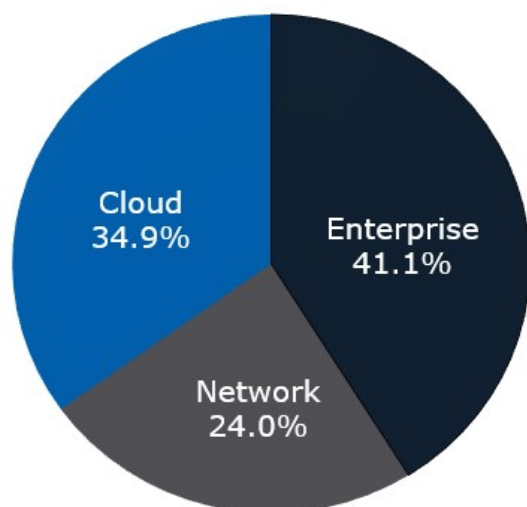
San Francisco Bay
Los Angeles
Northern Virginia
New York
Chicago
Boston
Denver
Miami

Total

Percentage of Total Data Center Annualized Rent

| | September 30, 2021 | December 31, 2020 |
|-------------------|--------------------|-------------------|
| San Francisco Bay | 31.4% | 32.7% |
| Los Angeles | 29.3 | 29.2 |
| Northern Virginia | 19.2 | 18.5 |
| New York | 7.6 | 7.2 |
| Chicago | 5.3 | 5.3 |
| Boston | 4.7 | 4.8 |
| Denver | 2.0 | 1.8 |
| Miami | 0.5 | 0.5 |
| Total | 100.0% | 100.0% |

Vertical Diversification



Vertical

Enterprise
Cloud
Network

Total

Percentage of Total Data Center Annualized Rent

| | September 30, 2021 | December 31, 2020 |
|--------------|--------------------|-------------------|
| Enterprise | 41.1% | 42.2% |
| Cloud | 34.9 | 33.8 |
| Network | 24.0 | 24.0 |
| Total | 100.0% | 100.0% |

Quarter Ended September 30, 2021

Overview

Financial Statements

Operating Portfolio

Development

Capital Structure

Components of NAV

Guidance

Appendix

15

Capital Expenditures and Completed Pre-Stabilized Projects

(in thousands, except NRSF, cost per NRSF, MW, and cost per MW data)

Capital Expenditures and Repairs and Maintenance

| | Three Months Ended | | | |
|---|-----------------------|------------------|-------------------|----------------------|
| | September 30, 2021 | June 30, 2021 | March 31, 2021 | December 31, 2020 |
| Data center expansion ⁽¹⁾ | \$ 28,741 | \$ 28,707 | \$ 19,951 | \$ 29,110 |
| Non-recurring investments ⁽²⁾ | 568 | 744 | 551 | 1,078 |
| Tenant improvements | 2,504 | 1,963 | 2,770 | 1,506 |
| Recurring capital expenditures - Data Center ⁽³⁾ | 4,789 | 4,244 | 4,169 | 2,457 |
| Recurring capital expenditures - Office and Light-industrial ⁽³⁾ | 57 | 1,296 | 2,221 | — |
| Total capital expenditures | \$ 36,659 | \$ 36,954 | \$ 29,662 | \$ 34,151 |
| Repairs and maintenance expense⁽⁴⁾ | \$ 4,387 | \$ 3,936 | \$ 3,688 | \$ 4,214 |

- (1) Data center expansion capital expenditures include new data center construction, development projects adding capacity to existing data centers and other revenue generating investments. Data center expansion also includes investment of Deferred Expansion Capital.
- (2) Non-recurring investments include upgrades to existing data center or office space and company-wide improvements that are ancillary to revenue generation, such as internal system development for on-premises IT infrastructure and system-wide security upgrades, which have a future economic benefit.
- (3) Recurring capital expenditures within our data center space include required equipment upgrades with future economic benefit within our operating portfolio. Recurring capital incurred within our office and light-industrial space includes upgrades to convert vacant unrefined space into useable office space in preparation for a specific customer deployment.
- (4) Repairs and maintenance expense is classified within property operating and maintenance expense in the consolidated statements of operations. These expenditures represent recurring maintenance contracts and repairs to operating equipment necessary to maintain current operations.

Completed Pre-Stabilized Projects

| Projects / Facilities | Metropolitan Market | Completion | NRSF | Power (MW) | Cost ⁽¹⁾ | Cost Per NRSF | Cost Per MW | Percent Leased ⁽²⁾ | Percent Occupied |
|---------------------------------------|---------------------|------------|----------------|-------------|---------------------|-----------------|------------------|-------------------------------|------------------|
| BO1 | Boston | Q4 2019 | 19,961 | 1.5 | \$ 7,124 | \$ 357 | \$ 4,749 | 9.3 % | 9.3 % |
| NY2 Phase 3 | New York | Q1 2020 | 34,589 | 4.0 | 50,144 | 1,450 | 12,536 | 35.8 | 35.8 |
| CH2 Phase 1 | Chicago | Q2 2020 | 54,798 | 6.0 | 62,988 | 1,149 | 10,498 | 5.7 | 3.9 |
| Total completed pre-stabilized | | | 109,348 | 11.5 | \$ 120,256 | \$ 1,100 | \$ 10,457 | 15.9 % | 15.0 % |

- (1) "Cost" includes capital expenditures related to the specific project / phase and, for CH2 Phase 1, and NY2 Phase 3, also includes allocations of capital expenditures related to land, building shell, and infrastructure that were incurred at the beginning or during the first phase of the overall project.
- (2) "Percent Leased" includes customer leases that have been signed as of September 30, 2021, regardless of the date of commencement. The percent leased is determined based on leased NRSF as a proportion of total pre-stabilized NRSF.

Quarter Ended September 30, 2021

Overview

Financial Statements

Operating Portfolio

Development

Capital Structure

Components of NAV

Guidance

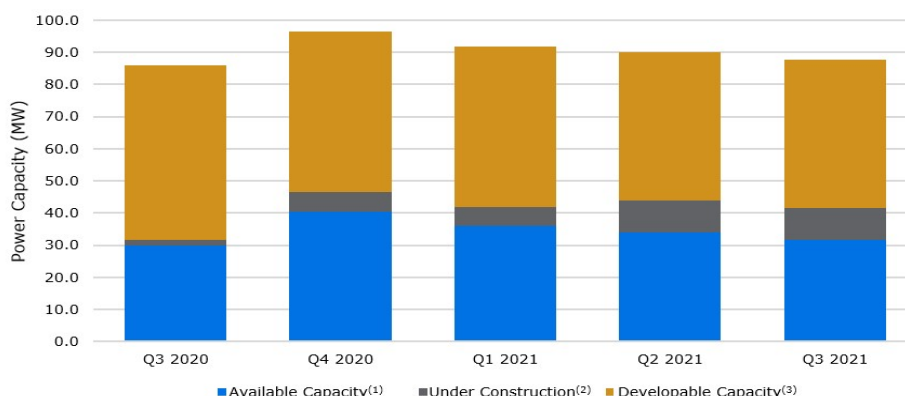
Appendix

16

Development Summary

Data Center Leasing Capacity

The following chart sets forth the total data center power capacity in megawatts ("MW"), net of backlog, available in our portfolio as of the end of each reporting period presented:



- (1) The available capacity represents total MW's within unoccupied operating data center space, net of backlog.
 (2) The MWs under construction represents sellable capacity that will be available for lease according to the estimated timeline disclosed in the development table below.
 (3) The developable MW's represents the sellable capacity that is currently held for development within existing core and shell buildings.

Development Detail

(in thousands, except NRSF and power data)

| Projects/Facilities | Under Construction | | | | | | Held for Development | | | Total | | |
|-------------------------------------|----------------------|--------|-------------------|-----------------|----------------|------------|----------------------|------------|--------------|-------|-----------|--------------|
| | Estimated Completion | NRSF | Costs | | Percent Leased | Power (MW) | Estimated | | Estimated | | | |
| | | | Incurred To- Date | Estimated Total | | | NRSF | Total Cost | Power (MW) | NRSF | Cost | |
| Data center expansion | | | | | | | | | | | | |
| BO1 | — | — | \$ — | \$ — | — | % — | — | 110,985 | \$ 71,200 | 9.0 | 110,985 | \$ 71,200 |
| CH2 | — | — | — | — | — | — | — | 56,184 | 40,000 | 6.0 | 56,184 | 40,000 |
| Phase 2 | — | — | — | — | — | — | — | 56,184 | 40,000 | 6.0 | 56,184 | 40,000 |
| Phase 3 | — | — | — | — | — | — | — | 10,352 | 1,250 | 0.5 | 10,352 | 1,250 |
| LA1 | — | — | — | — | — | — | — | — | — | — | — | — |
| LA3 | — | — | — | — | — | — | — | 54,388 | 36,000 | 6.0 | 54,388 | 36,000 |
| Phase 2 | Q4 2021 | 54,388 | 24,136 | 30,100 | 7.6 | 6.0 | — | — | — | — | 54,388 | 30,100 |
| Phase 3 | — | — | — | — | — | — | — | 54,388 | 36,000 | 6.0 | 54,388 | 36,000 |
| MI1 | — | — | — | — | — | — | — | 13,154 | 7,500 | 1.0 | 13,154 | 7,500 |
| NY2 | — | — | — | — | — | — | — | — | — | — | — | — |
| Phase 4A | Q1 2022 | 34,587 | 4,593 | 19,400 | — | 4.0 | — | — | — | — | 34,587 | 19,400 |
| Phase 4B | — | — | — | — | — | — | — | 12,112 | 3,000 | 1.0 | 12,112 | 3,000 |
| Phase 5 | — | — | — | — | — | — | — | 35,100 | 40,000 | 4.5 | 35,100 | 40,000 |
| VA3 | — | — | — | — | — | — | — | 49,316 | 35,000 | 6.0 | 49,316 | 35,000 |
| Phase 1C | — | — | — | — | — | — | — | 34,143 | 22,000 | 3.0 | 34,143 | 22,000 |
| Phase 1D | — | — | — | — | — | — | — | 23,365 | 22,000 | 3.0 | 23,365 | 22,000 |
| Phase 1E | — | — | — | — | — | — | — | — | — | — | — | — |
| Total data center expansion | | 88,975 | \$ 28,729 | \$ 49,500 | 4.6 | % 10.0 | | 455,283 | \$ 317,950 | 46.0 | 544,258 | \$ 367,450 |
| New development | | | | | | | | | | | | |
| Ground-up construction | | | | | | | | | | | | |
| VA3 | — | — | — | — | — | — | — | 289,173 | 200,000 | 27.0 | 289,173 | 200,000 |
| Phase 2 | — | — | — | — | — | — | — | 413,745 | 550,000 | 54.0 | 413,745 | 550,000 |
| Reston Campus Expansion | — | — | — | — | — | — | — | — | — | — | — | — |
| Future Phases | — | — | — | — | — | — | — | — | — | — | — | — |
| Pre-construction | | | | | | | | | | | | |
| SV9 | — | — | — | — | — | — | — | 240,000 | 325,000 | 30.0 | 240,000 | 325,000 |
| Total new development | | — | \$ — | \$ — | — | — | % — | 942,918 | \$ 1,075,000 | 111.0 | 942,918 | \$ 1,075,000 |
| Total development ⁽¹⁾⁽²⁾ | | 88,975 | \$ 28,729 | \$ 49,500 | 4.6 | % 10.0 | | 1,398,201 | \$ 1,392,950 | 157.0 | 1,487,176 | \$ 1,442,450 |

- (1) In addition to new development and incremental capacity in existing core and shell buildings, we have land adjacent to our NY2 facility, in the form of an existing parking lot. By utilizing this land, we believe we can build approximately 100,000 NRSF of data center capacity in Secaucus, New Jersey, upon receipt of necessary entitlements.
 (2) We have an estimated \$11.1 million in deferred expansion capital under construction at multiple properties as of September 30, 2021, of which \$4.0 million has been incurred to-date. We estimate approximately \$51 million of additional deferred expansion capital may be required in the future to support existing or anticipated future customer utilization.

Quarter Ended September 30, 2021

Overview

Financial Statements

Operating Portfolio

Development

Capital Structure

Components of NAV

Guidance

Appendix

17

Market Capitalization and Debt Summary

(in thousands, except per share data)

Market Capitalization

| | Shares or Equivalents Outstanding | Market Price as of September 30, 2021 | Market Value Equivalents |
|---|---|--|-----------------------------|
| Common shares | 44,201 | \$ 138.54 | \$ 6,123,611 |
| Operating partnership units | 4,715 | 138.54 | 653,283 |
| Total equity | | | 6,776,894 |
| Total net principal debt outstanding ⁽¹⁾ | | | 1,783,594 |
| Total enterprise value | | | \$ 8,560,488 |

Net principal debt to enterprise value 20.8 %

(1) Net principal debt outstanding includes total principal debt outstanding net of \$3.4 million of cash and cash equivalents.

Debt Summary⁽¹⁾

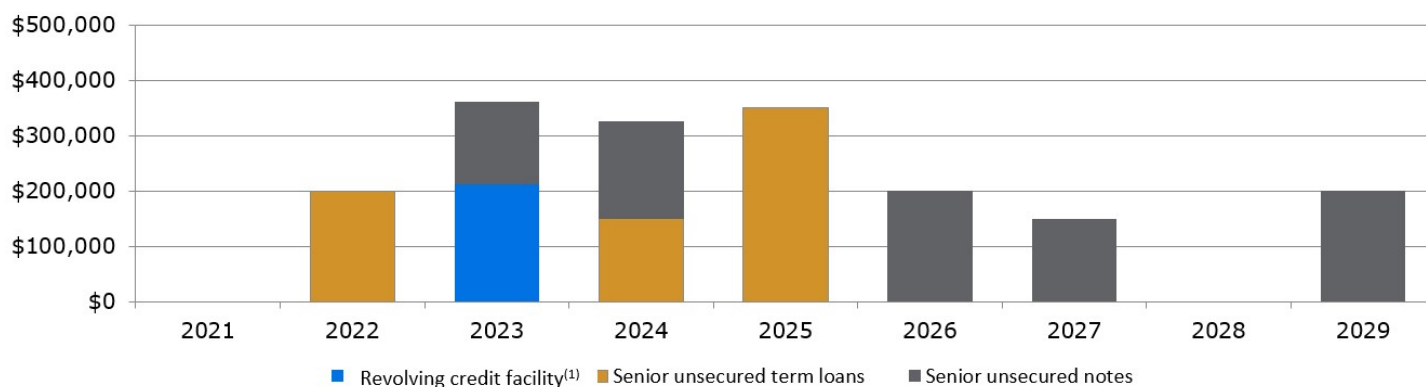
| Instrument | Weighted Average Rate ⁽²⁾ | Outstanding as of: | |
|---------------------------------------|--|-----------------------|----------------------|
| | | September 30, 2021 | December 31, 2020 |
| Revolving credit facility | 1.33 % | \$ 212,000 | \$ 148,500 |
| Senior unsecured term loans | 2.27 | 700,000 | 700,000 |
| Senior unsecured notes | 4.16 | 875,000 | 875,000 |
| Total principal debt outstanding | | 1,787,000 | 1,723,500 |
| Unamortized deferred financing costs | | (5,961) | (7,589) |
| Total debt | | \$ 1,781,039 | \$ 1,715,911 |
| Weighted average interest rate | 3.09 % | | |

Floating rate vs. fixed rate debt 12% / 88% 9% / 91%

(1) See the filed Form 10-K and 10-Q for information on specific debt instruments.

(2) The interest rates above reflect the impacts of interest rate swap agreements.

Debt Maturities



(1) The revolving credit facility contains a one-time extension option, which, if exercised, would extend the maturity date to November 2024.

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

18

Interest Summary, Debt Covenants and Liquidity

(in thousands)

Interest Expense Components

| | Three Months Ended | | | Nine Months Ended | |
|--|-----------------------|------------------|-----------------------|-----------------------|-----------------------|
| | September 30, 2021 | June 30, 2021 | September 30, 2020 | September 30, 2021 | September 30, 2020 |
| Interest expense and fees | \$ 13,852 | \$ 13,761 | \$ 13,555 | \$ 41,313 | \$ 39,985 |
| Amortization of deferred financing costs and hedge amortization | 960 | 960 | 1,028 | 2,907 | 3,100 |
| Capitalized interest | (2,918) | (2,739) | (3,199) | (8,221) | (9,932) |
| Total interest expense | \$ 11,894 | \$ 11,982 | \$ 11,384 | \$ 35,999 | \$ 33,153 |
| Percent capitalized | 19.7 % | 18.6 % | 21.9 % | 18.6 % | 23.1 % |

Debt Covenants and Liquidity

| | | Revolving Credit Facility and Senior Unsecured Term Loans and Notes | | | | |
|--|--------------------|---|-------------------|-------------------|----------------------|-----------------------|
| | | September 30, 2021 | June 30, 2021 | March 31, 2021 | December 31, 2020 | September 30, 2020 |
| Required Compliance | | | | | | |
| Fixed charge coverage ratio | Greater than 1.50x | 6.2 x | 6.4 x | 6.2 x | 6.0 x | 6.1 x |
| Total indebtedness to gross asset value | Less than 60% | 34.0 % | 33.0 % | 33.8 % | 33.6 % | 32.3 % |
| Secured debt to gross asset value | Less than 40% | — % | — % | — % | — % | — % |
| Revolving credit facility availability | | \$ 450,000 | \$ 450,000 | \$ 450,000 | \$ 450,000 | \$ 450,000 |
| Borrowings outstanding | | (212,000) | (182,500) | (169,000) | (148,500) | (120,000) |
| Outstanding letters of credit | | (6,053) | (6,053) | (6,053) | (6,053) | (6,053) |
| Current availability | | \$ 231,947 | \$ 261,447 | \$ 274,947 | \$ 295,447 | \$ 323,947 |
| Cash | | 3,406 | 2,866 | 3,791 | 5,543 | 2,894 |
| Current liquidity | | \$ 235,353 | \$ 264,313 | \$ 278,738 | \$ 300,990 | \$ 326,841 |

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

19

Components of Net Asset Value (NAV)

(in thousands)

Cash Net Operating Income

Reconciliation of Net Operating Income (NOI)

| | Q3 2021 | Annualized |
|-------------------------------|------------------|-------------------|
| Operating Income | \$ 36,017 | \$ 144,068 |
| Adjustments: | | |
| Depreciation and amortization | 45,072 | 180,288 |
| General and administrative | 12,167 | 48,668 |
| Net Operating Income | \$ 93,256 | \$ 373,024 |

Cash Net Operating Income (Cash NOI)

| | | |
|---|------------------|-------------------|
| Net Operating Income | \$ 93,256 | \$ 373,024 |
| Adjustments: | | |
| Straight-line rent | 176 | 704 |
| Amortization of above and below-market leases | (37) | (148) |
| Cash NOI | \$ 93,395 | \$ 373,580 |
| Cash NOI with backlog (85.3% leased) ⁽¹⁾ | \$ 97,008 | \$ 388,032 |
| Cash stabilized NOI (93% leased) | \$ 105,765 | \$ 423,060 |

(1) Cash NOI with backlog includes cash backlog as of September 30, 2021, less any leasing of currently occupied NRSF and data center projects under development, inclusive of a large scale lease signed at SV7 on October 7, 2021.

Development Projects

Data Center Projects Under Construction

| | Q3 2021 |
|---|------------------|
| TKD construction in progress ⁽¹⁾ | \$ 28,729 |
| Remaining spend ⁽¹⁾ | 20,771 |
| Total | \$ 49,500 |
| Targeted stabilized annual yields | 12 - 16 % |
| Annualized pro forma NOI range | \$ 5,900 - 8,000 |

(1) Does not include spend associated with leasing commissions. See page 17 for further breakdown of data center projects under construction.

Other Assets and Liabilities

Other Assets

| | Q3 2021 |
|---|-------------------|
| Remaining construction in progress ⁽¹⁾ | \$ 346,439 |
| Cash and cash equivalents | 3,406 |
| Accounts and other receivables | 26,825 |
| Other tangible assets | 32,034 |
| Total other assets | \$ 408,704 |

Liabilities

| | |
|--|---------------------|
| Principal debt | \$ 1,787,000 |
| Accounts payable, accrued expenses and other liabilities | 138,244 |
| Accrued dividends and distributions | 65,772 |
| Total liabilities | \$ 1,991,016 |

Weighted average common shares and units - diluted

48,647

(1) Represents the book value of in-progress capital projects, including land and shell building, of future data center expansion, non-recurring investments, tenant improvements and recurring capital expenditures.

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

20

2021 Guidance

(in thousands, except per share data)

The annual guidance provided below represents forward-looking projections, which are based on current economic conditions, internal assumptions about our existing customer base and the supply and demand dynamics of the markets in which we operate. Please refer to the press release for additional information on forward-looking statements.

| | 2021 | | | 2020 | Implied Growth ⁽¹⁾ |
|---|-------------------|-------------------|-------------------|-------------------|-------------------------------|
| | Low | High | Mid | | |
| Net income attributable to common diluted shares | \$ 1.99 | \$ 2.07 | \$ 2.03 | \$ 1.95 | 4.1 % |
| Real estate depreciation and amortization | 3.59 | 3.59 | 3.59 | 3.36 | |
| Other income adjustment ⁽²⁾ | (0.06) | (0.06) | (0.06) | — | |
| FFO per common share and OP unit - diluted, as adjusted | \$ 5.52 | \$ 5.60 | \$ 5.56 | \$ 5.31 | 4.7 % |
| Projected operating results: | | | | | |
| Total operating revenues | \$ 645,000 | \$ 653,000 | \$ 649,000 | \$ 606,824 | 7.0 % |
| Interconnection revenues | 88,500 | 93,500 | 91,000 | 84,073 | 8.2 |
| General and administrative expenses | 46,500 | 50,500 | 48,500 | 44,026 | 10.2 |
| Property taxes and insurance | 27,500 | 29,500 | 28,500 | 23,996 | 18.8 |
| Net Income | \$ 97,000 | \$ 101,000 | \$ 99,000 | \$ 94,617 | 4.6 % |
| Depreciation and amortization | 181,500 | 181,500 | 181,500 | 168,915 | 7.5 |
| Other adjustments ⁽³⁾ | 61,500 | 65,500 | 63,500 | 60,985 | 4.1 |
| Adjusted EBITDA | \$ 340,000 | \$ 348,000 | \$ 344,000 | \$ 324,517 | 6.0 % |
| Guidance drivers: | | | | | |
| Annual rental churn rate | 6.5 % | 8.5 % | 7.5 % | 11.6 % | |
| Cash rent growth on data center renewals | 2.0 % | 4.0 % | 3.0 % | 0.8 % | |
| Capitalized interest | 16.0 % | 20.0 % | 18.0 % | 22.1 % | |
| Sales and marketing expense as a percentage of revenue | 3.7 % | 3.9 % | 3.8 % | 3.9 % | |
| Capital expenditures⁽⁴⁾: | | | | | |
| Data center expansion | \$ 111,000 | \$ 117,000 | \$ 114,000 | \$ 202,992 | |
| Non-recurring investments | 2,500 | 4,500 | 3,500 | 3,963 | |
| Tenant improvements | 8,500 | 9,500 | 9,000 | 5,919 | |
| Recurring capital expenditures - Data Center | 14,500 | 15,500 | 15,000 | 8,336 | |
| Recurring capital expenditures - Office & Light-industrial ⁽⁵⁾ | 3,500 | 3,500 | 3,500 | — | |
| Total capital expenditures | \$ 140,000 | \$ 150,000 | \$ 145,000 | \$ 221,210 | |

(1) Implied growth is based on the midpoint of 2021 guidance.

(2) FFO available to shares and units, as adjusted, excludes a one-time benefit of \$3.1 million, or \$0.06 per share and unit, as a result of the release of a tax liability during the second quarter of 2021 that is no longer expected to be incurred.

(3) Refer to the appendix for the adjustments made to net income to calculate adjusted EBITDA.

(4) Guidance for 2021 capital expenditures has been updated since Q2 2021 as a result of our anticipated timing of the SV9 development.

(5) Included in our recurring capital expenditures is an estimated \$3.5 million of expenditures related to an office lease that commenced in Q2 2021.

Quarter Ended September 30, 2021

Overview

Financial
Statements

Operating
Portfolio

Development

Capital
Structure

Components
of NAV

Guidance

Appendix

21

Appendix

Definitions

This document includes certain non-GAAP financial measures that management believes are helpful in understanding our business, as further described below. Our definition and calculation of non-GAAP financial measures may differ from those of other Real Estate Investment Trusts (“REITs”) and therefore may not be comparable. The non-GAAP measures should not be considered an alternative to net income as an indicator of our performance and should be considered only a supplement to net income, cash flows from operating, investing or financing activities as measures of profitability and/or liquidity, computed in accordance with GAAP.

Adjusted Funds From Operations “AFFO” is a non-GAAP measure that is used as a supplemental operating measure specifically for comparing year over year ability to fund dividend distribution from operating activities. We use AFFO as a basis to address our ability to fund our dividend payments. AFFO is calculated by adding to or subtracting from FFO:

1. Plus: Amortization of deferred financing costs and hedge amortization
2. Plus: Non-cash compensation
3. Plus: Non-real estate depreciation
4. Plus: Impairment charges
5. Plus: Below market debt amortization
6. Plus / Less: Net straight line rent adjustments (lessor revenue and lessee expense)
7. Plus / Less: Net amortization of above and below market leases
8. Less: Recurring capital expenditures
9. Less: Tenant improvements
10. Less: Capitalized leasing costs

Capitalized leasing costs consist of commissions payable to third parties, including brokers, leasing agents, referral agents, and internal sales commissions payable to employees. Capitalized leasing costs are accrued and deducted from AFFO generally in the period the lease is executed. Leasing costs are generally paid a) to third party brokers and internal sales employees 50% at customer lease signing and 50% at lease commencement and b) to referral and leasing agents monthly over the lease term as and to the extent we receive payment from the end customer.

We excluded from AFFO a one-time, non-cash benefit of \$3.1 million as a result of the release of a tax liability during the second quarter of 2021 that is no longer expected to be incurred.

AFFO is not intended to represent cash flow from operations for the period, and is only intended to provide an additional measure of performance by adjusting for the effect of certain items noted above included in FFO. Other REITs widely report AFFO, however, other REITs may use different methodologies for calculating AFFO and, accordingly, our AFFO may not be comparable to other REITs.

Annualized Rent

Monthly contractual rent under existing commenced customer leases as of quarter-end, multiplied by 12. This amount reflects total annualized base rent before any one-time or non-recurring rent abatements and excludes power revenue, interconnection revenue and operating expense reimbursement.

Quarter Ended September 30, 2021

Appendix

Data Center Leasing Metrics

- **Cash Rental Churn Rate** – represents data center leases which are not renewed, fully terminated, or partially terminated during the period. Rental churn is calculated based on the annualized cash rent of data center expired leases terminated in the period, compared with total data center annualized rent at the beginning of the period.
- **Cash and GAAP Rent Growth** – represents the change in rental rates on renewed data center leases signed during the period, as compared with the previous rental rates for the same space. Cash and GAAP rent growth are calculated based on annualized rent from the renewed data center lease compared to annualized rent from the expired data center lease.

Data Center Net Rentable Square Feet (“NRSF”)

Both occupied and available data center NRSF includes a factor based on management’s estimate of space to account for a customer’s proportionate share of the required data center support space (such as the mechanical, telecommunications and utility rooms) and building common areas, which may be updated on a periodic basis to reflect the most current build-out of our properties.

Deferred Expansion Capital

As we construct data center capacity, we work to optimize both the amount of the capital we deploy on power and cooling infrastructure and the timing of that capital deployment; as such, we generally construct our power and cooling infrastructure supporting our data center NRSF based on our estimate of customer utilization. This practice can result in our investment at a later time in Deferred Expansion Capital. We define Deferred Expansion Capital as our estimate of the incremental capital we may invest in the future to add power or cooling infrastructure to support existing or anticipated future customer utilization of NRSF within our operating data centers. From time to time, we may revise our estimate of Deferred Expansion Capital as well as the potential time period during which we may invest it. See the Development Summary for more detail.

Earnings before Interest, Taxes, Depreciation and Amortization for Real Estate (EBITDAre) and Adjusted EBITDA

EBITDAre is calculated in accordance with the standards established by the National Association of Real Estate Investment Trusts (“Nareit”). EBITDAre is defined as earnings before interest, taxes, depreciation and amortization, gains or losses from the sale of depreciated property, and impairment of depreciated property. We calculate adjusted EBITDA by adding our non-cash compensation expense, transaction costs from unsuccessful deals and business combinations and litigation expense to EBITDAre as well as adjusting for the impact of other impairment charges, gains or losses from sales of undepreciated land and gains or losses on early extinguishment of debt. We excluded from adjusted EBITDA a one-time, non-cash benefit of \$3.1 million as a result of the release of a tax liability during the second quarter of 2021 that is no longer expected to be incurred.

Management uses EBITDAre and adjusted EBITDA as indicators of our ability to incur and service debt. In addition, we consider EBITDAre and adjusted EBITDA to be appropriate supplemental measures of our performance because they eliminate depreciation and interest, which permits investors to view income from operations without the impact of

Quarter Ended September 30, 2021

non-cash depreciation or the cost of debt. However, because EBITDA and adjusted EBITDA are calculated before recurring cash charges including interest expense and taxes, and are not adjusted for capital expenditures or other recurring cash requirements of our business, their utilization as a cash flow measurement is limited.

Funds From Operations (“FFO”) is 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. We calculate FFO in accordance with the standards established by Nareit. FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of property and undepriciated 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.

Our management uses FFO as a supplemental performance measure because, by 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 investors use FFO as a basis to compare our operating performance with that of other REITs. However, the utility of FFO as a measure of our performance is limited because FFO excludes 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. 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.

GAAP Annualized Rent

Represents the monthly average contractual rent as stated on customer contracts, multiplied by 12. This amount is inclusive of any one-time or non-recurring rent abatements and excludes power revenue, interconnection revenue and operating expense reimbursement.

Monthly Recurring Revenue per Cabinet Equivalent Billed

Represents the turn-key monthly recurring colocation revenue (“MRR”) per cabinet equivalent billed. We define MRR as recurring contractual revenue, including rental, power, and interconnection revenue and operating expense reimbursement, under existing commenced customer leases. MRR per cabinet equivalent is calculated as (current quarter MRR/3) divided by ((quarter-end cabinet equivalents billed plus prior quarter-end cabinet equivalents billed)/2). Cabinet equivalents are calculated as cage-usable square feet (turn-key leased NRSF/NRSF factor) divided by 25.

Quarter Ended September 30, 2021

Overview

**Financial
Statements**

**Operating
Portfolio**

Development

**Capital
Structure**

**Components
of NAV**

Guidance

Appendix

24

Appendix

Net Operating Income (“NOI”) and Cash NOI – NOI, and cash NOI are supplemental measures for the operating performance of the Company’s portfolio. NOI is operating revenues less operating expenses adjusted for items such as depreciation and amortization, general and administrative expenses, transaction costs from unsuccessful deals and business combinations and litigation expenses. Cash NOI is NOI less straight-line rents and above and below market rent amortization.

NRSF Held for Development

Represents incremental data center capacity that may be constructed in existing facilities that requires significant capital investment in order to develop new data center facilities. The estimates are based on current construction plans and expectations regarding entitlements, and they are subject to change based on current economic conditions, final zoning approvals, and the supply and demand of the market. The estimated NRSF for new development projects is based on the entire building size. NRSF placed into service may change depending on the final construction and utilization of the built space.

NRSF Under Construction

Represents NRSF for which substantial activities are ongoing to prepare the property for its intended use following development. The NRSF reflects management’s estimate of engineering drawings and required support space and is subject to change based on final demising of space. TKD estimated development costs include two components: 1) general construction to ready the NRSF as data center space and 2) power, cooling and other infrastructure to provide the designed amount of power capacity for the project. Following development completion, incremental capital, referred to as Deferred Expansion Capital, may be invested to support existing or anticipated future customer utilization of NRSF within our operating data centers.

NRSF Pre-Construction

Represents NRSF for which the projects are in the design and permitting stage. Construction will commence upon receipt of the applicable permits. The estimated completion dates are subject to change based on the timing of final design and permitting approvals.

Turn-Key Same-Store

Includes turn-key data center space that was leased or available to be leased to our colocation customers as of December 31, 2019, at each of our properties, and excludes powered shell data center space, office and light-industrial space and space for which development was completed and became available to be leased after December 31, 2019. The turn-key same-store space as of December 31, 2019, is 2,168,173 NRSF. We track same-store on a computer room basis within each data center facility.

Stabilized and Pre-Stabilized NRSF

Data center projects and facilities that recently have been developed and are in the initial lease-up phase are classified as pre-stabilized NRSF until they reach 85% occupancy or have been in service for 24 months. Pre-stabilized projects and facilities become stabilized operating properties at the earlier of achievement of 85% occupancy or 24 months after development completion and are included in the stabilized operating NRSF.

Quarter Ended September 30, 2021

[Overview](#)[Financial
Statements](#)[Operating
Portfolio](#)[Development](#)[Capital
Structure](#)[Components
of NAV](#)[Guidance](#)[Appendix](#)

25