



CoreSite to Expand Northern Virginia Campus

August 11, 2016

CoreSite executed agreement to purchase Sunrise Technology Park for further expansion to meet customer demand in Reston, Virginia

DENVER--(BUSINESS WIRE)--Aug. 11, 2016-- CoreSite Realty Corporation (NYSE:COR), a provider of secure, reliable, high-performance [data center](#) and [interconnection](#) solutions across the U.S., today announced that it is under binding agreement to expand its [Reston campus](#) with the planned purchase of the Sunrise Technology Park (STP), a 21.75-acre light-industrial / flex office park 0.3 miles from CoreSite's existing VA1 and VA2 buildings.

The STP site currently hosts four buildings totaling 315,000 square feet. Based upon its expectations regarding entitlements for the campus, CoreSite estimates that it could build over 660,000 square feet of new data center capacity across multiple phases on the new parcel. CoreSite anticipates closing on the acquisition of STP in the fourth quarter of 2016. CoreSite expects to invest \$60 million plus transaction costs to acquire STP, followed by an additional \$90 million to complete Phase 1 of the master-planned development. CoreSite anticipates that Phase 1 will be comprised of a) redeveloping an existing 48,000 square-foot industrial building to data center use, b) building a ground-up 92,000 square-foot data center shell, and c) building a 92,000 square-foot structure to house centralized infrastructure intended to support needs across the planned full buildout of the campus. CoreSite expects to begin construction of Phase 1 during the third quarter of 2017, and substantially complete that Phase in the second quarter of 2018. CoreSite anticipates continuing to invest in and scale the campus by constructing additional phases to meet customer demand and, at full build out of the new site, the company estimates that it may invest \$400 - \$500 million across multiple phases.

Currently, CoreSite's [Reston campus](#) includes two facilities totaling over 390,000 square feet of turn-key data center capacity. Construction of all 660,000 square feet of new capacity envisioned by CoreSite at the STP expansion would increase CoreSite's capacity at its Reston campus to over 1 million square feet, or 2.7x its current size, extending CoreSite's position as a leading MTDC provider in Northern Virginia, the world's largest data center market. In investing in the planned expansion, CoreSite intends to leverage off of the strong position it has established at its Reston campus with over 175 customers, including 35 networks and over 50 cloud and IT service providers. CoreSite believes its Reston campus represents a leading cloud hub in [Northern Virginia](#), including hosting [AWS Direct Connect](#) in addition to other leading cloud service providers. In addition to its cloud capabilities, CoreSite's Reston colocation campus provides direct, low-latency network access to and from CoreSite's [data center in Washington, D.C.](#) and key network access points along the Eastern Seaboard, enabling networks, cloud providers, and enterprises to scale, improve performance, and reduce costs.

"CoreSite's expansion in the Reston market is an important step in the execution of our strategy to scale our business supporting performance-sensitive customer requirements across our network-dense, cloud-enabled data center platform," said Tom Ray, President and Chief Executive Officer, CoreSite. "This planned expansion to our Reston campus is designed to meaningfully scale our colocation offering in the important Northern Virginia market, leveraging off of the installed network-and-cloud capabilities already deployed at the campus. We believe that our Reston campus presents a nexus of robust, protected, low-latency network rings serving the market, while providing diversity from Ashburn. Additionally, we believe that the planned acquisition of the STP site will provide opportunities for CoreSite to continue its successful history of providing build-to-suit and wholesale data center solutions for customers with larger requirements. With the planned acquisition, we believe that CoreSite will be well-positioned for sustained growth in the important Northern Virginia market."

About CoreSite

CoreSite Realty Corporation (NYSE:COR) delivers secure, reliable, high-performance data center and interconnection solutions to a growing customer ecosystem across eight key North American markets. More than 900 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 350+ 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.

Forward-Looking Statements

This press release 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: any adverse developments in local economic conditions or the demand for data center space in these markets; operational difficulties, including difficulties relating to information systems, internal processes and information security; significant industry competition; financial market fluctuations; and other factors affecting the real estate industry generally. All forward-looking statements reflect CoreSite's good faith beliefs, assumptions and expectations, but they are not guarantees of future performance. Furthermore, CoreSite 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 CoreSite's future results to differ materially from any forward-looking statements, see the section entitled "Risk Factors" in CoreSite's most recent annual report on Form 10-K, and other risks described in documents subsequently filed by CoreSite from time to time with the Securities and Exchange Commission.

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