

Digital Realty Trust, Inc.
Form 424B3
December 13, 2010
Table of Contents

**Filed Pursuant to Rule 424(b)(3)
Registration Nos. 333-169752 and
333-169752-01**

PROSPECTUS

DIGITAL REALTY TRUST, L.P.

OFFER TO EXCHANGE

Up to \$375,000,000 aggregate principal amount of its

4.50% Notes due 2015,

which have been registered under the Securities Act,

for any and all of its outstanding 4.50% Notes due 2015

Guaranteed by Digital Realty Trust, Inc.

The exchange offer expires at 5:00 p.m., New York City time, on January 12, 2011, unless extended.

We will exchange all outstanding notes that are validly tendered and not validly withdrawn for an equal principal amount of a new series of notes which are registered under the Securities Act.

The exchange offer is not subject to any conditions other than that it not violate applicable law or any applicable interpretation of the staff of the SEC.

You may withdraw tenders of outstanding notes at any time before the exchange offer expires.

The exchange of notes will not be a taxable event for U.S. federal income tax purposes.

We will not receive any proceeds from the exchange offer.

The terms of the new series of notes are substantially identical to the outstanding notes, except for transfer restrictions and registration rights relating to the outstanding notes.

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The outstanding notes are, and the new series of notes will be, fully and unconditionally guaranteed by Digital Realty Trust, Inc., a Maryland corporation, our sole general partner, which has no material assets other than its investment in us.

You may tender outstanding notes only in denominations of \$1,000 and integral multiples thereof.

Our affiliates may not participate in the exchange offer.

No public market exists for the outstanding notes. We do not intend to list the new notes on any securities exchange and, therefore, no active public market is anticipated for the new notes.

Each broker-dealer that receives new notes for its own account pursuant to the exchange offer must acknowledge that it will deliver a prospectus in connection with any resale of such new notes. The letter of transmittal delivered with this prospectus states that by so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933, as amended. This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of new notes received in exchange for outstanding notes where such outstanding notes were acquired by such broker-dealer as a result of market-making activities or other trading activities.

Please refer to Risk Factors beginning on page 11 of this prospectus for a description of the risks you should consider when evaluating this investment.

We are not making this exchange offer in any state where it is not permitted.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The date of this prospectus is December 13, 2010.

Table of Contents

TABLE OF CONTENTS

	PAGE NO.
<u>Prospectus Summary</u>	1
<u>Risk Factors</u>	11
<u>Forward-Looking Statements</u>	32
<u>The Exchange Offer</u>	34
<u>Use of Proceeds</u>	44
<u>Selected Consolidated Financial Data</u>	45
<u>Management's Discussion and Analysis of Financial Condition and Results of Operations</u>	49
<u>Business and Properties</u>	88
<u>Investment Policies and Policies with Respect to Certain Activities</u>	103
<u>Directors and Executive Officers</u>	107
<u>Executive Compensation</u>	112
<u>Non-Employee Director Compensation</u>	138
<u>Certain Relationships and Related Transactions, and Director Independence</u>	141
<u>Description of Other Indebtedness</u>	145
<u>Description of Notes</u>	151
<u>Description of the Partnership Agreement of Digital Realty Trust, L.P.</u>	166
<u>United States Federal Income Tax Consequences</u>	172
<u>Plan of Distribution</u>	190
<u>Legal Matters</u>	191
<u>Experts</u>	191
<u>Where You Can Find More Information</u>	191
<u>Incorporation by Reference</u>	192
<u>Index to the Consolidated Financial Statements and Schedules</u>	F-1

You should rely only on the information contained in or incorporated by reference in this prospectus. We have not authorized anyone to provide you with different information. If anyone provides you with different or inconsistent information, you should not rely on it. You should assume that the information contained in this prospectus, as well as information that we have previously filed with the Securities and Exchange Commission and incorporated by reference, is accurate only as of the date of the applicable document. Our business, financial condition, results of operations and prospects may have changed since those dates.

This prospectus incorporates important business and financial information about us that is not included in or delivered with this prospectus, and such information is available without charge to holders of the notes upon written or oral request to Investor Relations, Digital Realty Trust, Inc., 560 Mission Street, Suite 2900, San Francisco, California 94105-2712 (telephone: (415) 738-6500). In order to obtain timely delivery, note holders must request the information no later than five business days prior to the expiration of the exchange offer contemplated by this prospectus, or January 6, 2011.

Each broker-dealer that receives exchange notes for its own account pursuant to the exchange offer will acknowledge by participating in this exchange offer, as a condition to participating in this exchange offer, that it will deliver a prospectus in connection with any resale of such exchange notes. By so acknowledging and by delivering a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of the Securities Act of 1933, as amended (the Securities Act). This prospectus, as it may be amended or supplemented from time to time, may be used by a broker-dealer in connection with resales of exchange notes received in exchange for outstanding private notes where such outstanding private notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that for a period of up to one year after the consummation of the exchange offer, we will make this prospectus, as amended or supplemented, available to any broker-dealer that requests it for use in connection with

any such resale. See **Plan of Distribution**.

Table of Contents

PROSPECTUS SUMMARY

You should read the following summary together with the more detailed information regarding our company and the financial statements appearing elsewhere in this prospectus or incorporated by reference in this prospectus, including under the caption Risk Factors.

Explanatory Note

This prospectus includes combined disclosure for Digital Realty Trust, Inc. and Digital Realty Trust, L.P. Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus to we, us, our, our company or the company refer to Digital Realty Trust, Inc. together with its consolidated subsidiaries, including Digital Realty Trust, L.P., a Maryland limited partnership, of which Digital Realty Trust, Inc. is the sole general partner. Unless otherwise indicated or unless the context requires otherwise, all references in this prospectus to our operating partnership or the operating partnership refer to Digital Realty Trust, L.P. together with its consolidated subsidiaries.

Digital Realty Trust, Inc. is a real estate investment trust, or REIT, and the general partner of Digital Realty Trust, L.P. As of September 30, 2010, Digital Realty Trust, Inc. owned an approximate 94.2% common general partnership interest in Digital Realty Trust, L.P. The remaining approximate 5.8% common limited partnership interests are owned by non-affiliated investors and certain directors and officers of Digital Realty Trust, Inc. As of September 30, 2010, Digital Realty Trust, Inc. owned all of the preferred limited partnership units of Digital Realty Trust, L.P. As the sole general partner of Digital Realty Trust, L.P., Digital Realty Trust, Inc. has the full, exclusive and complete responsibility for the operating partnership's day-to-day management and control.

There are few differences between our company and our operating partnership, which are reflected in the disclosure included or incorporated by reference in this prospectus. We believe it is important to understand the differences between our company and our operating partnership in the context of how Digital Realty Trust, Inc. and Digital Realty Trust, L.P. operate as an interrelated consolidated company. Digital Realty Trust, Inc. is a REIT, whose only material asset is its ownership of partnership interests of Digital Realty Trust, L.P. As a result, Digital Realty Trust, Inc. does not conduct business itself, other than acting as the sole general partner of Digital Realty Trust, L.P., issuing public equity from time to time and guaranteeing certain debt of Digital Realty Trust, L.P. and its consolidated subsidiaries. Digital Realty Trust, Inc. itself does not issue any indebtedness but guarantees some of the unsecured debt of Digital Realty Trust, L.P., as disclosed in this prospectus. Digital Realty Trust, L.P. holds substantially all the assets of the company and holds the ownership interests in the company's joint ventures. Digital Realty Trust, L.P. conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for net proceeds from public equity issuances by Digital Realty Trust, Inc., which are generally contributed to Digital Realty Trust, L.P. in exchange for partnership units, Digital Realty Trust, L.P. generates the capital required by the company's business through Digital Realty Trust, L.P.'s operations, by Digital Realty Trust, L.P.'s direct or indirect incurrence of indebtedness or through the issuance of partnership units.

The presentation of noncontrolling interests in operating partnership, stockholders' equity and partners' capital are the main areas of difference between the consolidated financial statements of Digital Realty Trust, Inc. and those of Digital Realty Trust, L.P. The common limited partnership interests held by the limited partners in Digital Realty Trust, L.P. are presented as limited partners' capital within partners' capital in Digital Realty Trust, L.P.'s financial statements and as noncontrolling interests in operating partnership within equity in Digital Realty Trust, Inc.'s financial statements. The common and preferred partnership interests held by Digital Realty Trust, Inc. in Digital Realty Trust, L.P. are presented as general partner's capital within partners' capital in Digital Realty Trust, L.P.'s financial statements and as preferred stock, common stock, additional paid-in capital and accumulated dividends in excess of earnings within stockholders' equity in Digital Realty Trust, Inc.'s financial statements. The differences in the presentations between stockholders' equity and partners' capital result from the differences in the equity issued at the Digital Realty Trust, Inc. and the Digital Realty Trust, L.P. levels.

Table of Contents

Our Company

Overview

We own, acquire, develop, redevelop and manage technology-related real estate. As of September 30, 2010, our portfolio consisted of 95 properties, excluding two properties held as investments in unconsolidated joint ventures, of which 81 are located throughout North America and 14 are located in Europe. Our properties are diversified in major markets where corporate datacenter and technology tenants are concentrated, including the Boston, Chicago, Dallas, Los Angeles, New York Metro, Northern Virginia, Phoenix, San Francisco and Silicon Valley metropolitan areas in the U.S. and the Amsterdam, Dublin, London and Paris markets in Europe. The portfolio consists of Internet gateway and corporate datacenter properties, technology manufacturing properties and regional or national headquarters of technology companies. Digital Realty Trust, Inc., a Maryland corporation, operates as a REIT for federal income tax purposes. Digital Realty Trust, L.P., a Maryland limited partnership, is the entity through which Digital Realty Trust, Inc. conducts its business and owns its assets.

As of September 30, 2010, our properties contained a total of approximately 16.4 million net rentable square feet, including approximately 1.9 million square feet held for redevelopment. As of September 30, 2010, our portfolio, excluding space held for redevelopment, was approximately 95.0% leased at an average annualized rent per occupied square foot of \$50.04.

Our principal executive offices are located at 560 Mission Street, Suite 2900, San Francisco, California 94105. Our telephone number is (415) 738-6500. Our website is located at www.digitalrealtytrust.com. The information found on, or accessible through, our website is not incorporated into, and does not form a part of, this prospectus or any other report or document we file with or furnish to the United States Securities and Exchange Commission, or the SEC.

Table of Contents

THE EXCHANGE OFFER

The Exchange Offer

We are offering to exchange the 4.50% Notes due 2015 offered by this prospectus (the "exchange notes") for the outstanding 4.50% Notes due 2015 (the "private notes") that are properly tendered and accepted. You may tender outstanding private notes only in denominations of \$1,000 and integral multiples thereof. We will issue the exchange notes on or promptly after the exchange offer expires. As of the date of this prospectus, \$375,000,000 principal amount of private notes is outstanding.

Expiration Date

The exchange offer will expire at 5:00 p.m., New York City time, on January 12, 2011 (the 21st business day following commencement of the exchange offer), unless extended, in which case the expiration date will mean the latest date and time to which we extend the exchange offer.

Conditions to the Exchange Offer

The exchange offer is not subject to any condition other than that it not violate applicable law or any applicable interpretation of the staff of the SEC. The exchange offer is not conditioned upon any minimum principal amount of private notes being tendered for exchange.

We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement with respect to the private notes and the applicable requirements of the Securities Act, the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations of the SEC.

Procedures for Tendering Private Notes

If you wish to tender your private notes for the exchange notes pursuant to the exchange offer, you must complete and sign a letter of transmittal in accordance with the instructions contained in the letter and forward it by mail, facsimile or hand delivery, together with any other documents required by the letter of transmittal, to the Exchange Agent (as defined below), either with the private notes to be tendered or in compliance with the specified procedures for guaranteed delivery of notes. Certain brokers, dealers, commercial banks, trust companies and other nominees may also effect tenders by book-entry transfer. Holders of private notes registered in the name of a broker, dealer, commercial bank, trust company or other nominee are urged to contact such person promptly if they wish to tender private notes pursuant to the exchange offer. See "The Exchange Offer Procedures for Tendering."

Letters of transmittal and certificates representing private notes should not be sent to us. Such documents should only be sent to the Exchange Agent. Questions regarding how to tender private notes and requests for information should be directed to the Exchange Agent. See "The Exchange Offer Exchange Agent."

You do not have any appraisal or dissenters' rights under the indenture in connection with the exchange offer.

Table of Contents

Acceptance of the Private Notes and Delivery of the Exchange Notes Subject to the satisfaction or waiver of the conditions to the exchange offer, we will accept for exchange any and all private notes which are validly tendered in the exchange offer and not withdrawn before 5:00 p.m., New York City time, on the expiration date.

Withdrawal Rights You may withdraw the tender of your private notes at any time before 5:00 p.m., New York City time, on the expiration date, by complying with the procedures for withdrawal described in this prospectus under the heading "The Exchange Offer - Withdrawal of Tenders."

U.S. Federal Tax Considerations The exchange of notes will not be a taxable event for U.S. federal income tax purposes. For a discussion of material federal tax considerations relating to the exchange of notes, see "United States Federal Income Tax Consequences."

Exchange Agent Deutsche Bank Trust Company Americas, the registrar and paying agent for the notes under the indenture governing the notes, is serving as the exchange agent for the notes (the "Exchange Agent").

Consequences of Failure to Exchange If you do not exchange your private notes for the exchange notes, you will continue to be subject to the restrictions on transfer provided in the private notes and in the indenture governing the private notes. In general, the private notes may not be offered or sold, unless registered under the Securities Act, except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We do not currently plan to register the resale of the private notes under the Securities Act.

Registration Rights Agreement You are entitled to exchange your private notes for the exchange notes with substantially identical terms. This exchange offer satisfies this right. After the exchange offer is completed, you will no longer be entitled to any exchange or registration rights with respect to your private notes.

We explain the exchange offer in greater detail beginning on page 34.

Table of Contents

THE EXCHANGE NOTES

The summary below describes the principal terms of the exchange notes. Certain of the terms and conditions described below are subject to important limitations and exceptions. The Description of Notes section of this prospectus contains a more detailed description of the terms and conditions of the exchange notes. For purposes of this section entitled The Exchange Notes and the section entitled Description of Notes, references to we, us, and our refer only to Digital Realty Trust, L.P. and not to its subsidiaries or Digital Realty Trust, Inc.

The form and terms of the exchange notes are the same as the form and terms of the private notes, except that the exchange notes will be registered under the Securities Act and, therefore, the exchange notes will not be subject to the transfer restrictions, registration rights and provisions providing for an increase in the interest rate applicable to the private notes. The exchange notes will evidence the same debt as the private notes, and both the private notes and the exchange notes are governed by the same indenture.

Issuer of Notes	Digital Realty Trust, L.P.
Securities Offered	\$375,000,000 principal amount of 4.50% notes due 2015.
Maturity Date	July 15, 2015, unless earlier redeemed.
Interest	4.50% per year. Interest will be payable semi-annually in arrears on January 15 and July 15 of each year, beginning on January 15, 2010.
Ranking of Notes	The notes will be our direct, senior unsecured obligations and will rank equally in right of payment with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. However, the notes will be effectively subordinated in right of payment to all of our existing and future secured indebtedness (to the extent of the collateral securing the same) and to all existing and future liabilities and preferred equity of our subsidiaries, including guarantees by certain of our subsidiaries of indebtedness under our revolving credit facility and the notes issued to Prudential Investment Management, Inc. and certain of its affiliates pursuant to the Note Purchase and Private Shelf Agreement dated July 24, 2008, as amended, which we refer to as the Prudential shelf facility. As of September 30, 2010, we had outstanding \$1.1 billion of senior unsecured indebtedness (exclusive of intercompany debt, trade payables, distributions payable, accrued expenses and committed letters of credit) and our subsidiaries had \$1.1 billion of total indebtedness (exclusive of intercompany debt, guarantees of our debt and trade payables). Except for our subsidiaries that are prohibited from doing so by the terms of secured indebtedness, substantially all of our domestic subsidiaries, together with Digital Realty Trust, Inc., guarantee our obligations under our revolving credit facility and the notes under the Prudential shelf facility.
Guarantee	The notes will be fully and unconditionally guaranteed by Digital Realty Trust, Inc. The guarantee will be a senior unsecured obligation of Digital Realty Trust, Inc. and will rank equally in right of payment with other senior unsecured obligations of Digital Realty Trust, Inc. from time to time outstanding. Digital Realty Trust, Inc. has no material assets other than its investment in us.

Table of Contents

Optional Redemption

The notes will be redeemable in whole at any time or in part from time to time, at our option, at a redemption price equal to the sum of:

an amount equal to 100% of the principal amount of the notes to be redeemed plus accrued and unpaid interest up to, but not including, the redemption date; and

a make-whole premium.

Notwithstanding the foregoing, if the notes are redeemed on or after 90 days prior to the maturity date, the redemption price will not include a make-whole premium. See [Description of Notes](#) [Optional Redemption](#) in this prospectus.

Certain Covenants

The indenture governing the notes contains certain covenants that, among other things, limit our, the guarantor's and our subsidiaries' ability to:

consummate a merger, consolidation or sale of all or substantially all of our assets; and

incur secured and unsecured indebtedness.

These covenants are subject to a number of important exceptions and qualifications. See [Description of Notes](#).

Further Issuances

We may from time to time, without notice to or consent of existing noteholders, create and issue additional notes having the same terms and conditions as the exchange notes in all respects, except for the issue date and, under certain circumstances, the issue price and first payment of interest thereon. Additional notes issued in this manner will be consolidated with and will form a single series with the previously outstanding notes, provided, however, that such additional notes may not be fungible with the previously outstanding notes for U.S. federal income tax purposes.

No Public Market

The exchange notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the exchange notes on any securities exchange or for quotation of the exchange notes on any automated dealer quotation system.

Book-Entry Form

The exchange notes will be issued in book-entry only form and will be represented by one or more permanent global certificates deposited with a custodian for, and registered in the name of a nominee of, DTC, in New York, New York. Beneficial interests in the global certificates representing the exchange notes will be shown on, and transfers will be effected only through, records maintained by DTC and its direct and indirect participants and such interests may not be exchanged for certificated notes, except in limited circumstances.

Risk Factors

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You should read carefully the **Risk Factors** beginning on page 11 of this prospectus for certain considerations relevant to an investment in the notes.

Table of Contents**SUMMARY HISTORICAL FINANCIAL DATA**

The following tables set forth summary historical consolidated financial and operating data for Digital Realty Trust, L.P. and Digital Realty Trust, Inc. and their respective subsidiaries. You should read the following summary historical financial data in conjunction with the consolidated historical financial statements and notes thereto of each of Digital Realty Trust, L.P. and Digital Realty Trust, Inc. and their respective subsidiaries and Management's Discussion and Analysis of Financial Condition and Results of Operations, included elsewhere or incorporated by reference in this prospectus.

Digital Realty Trust, L.P.

The consolidated balance sheet data as of December 31, 2009 and 2008 and the consolidated statement of operations data for each of the years in the three-year period ended December 31, 2009 have been derived from the historical consolidated financial statements of Digital Realty Trust, L.P. and subsidiaries, which are included elsewhere in this prospectus and which have been audited by KPMG LLP, an independent registered public accounting firm, whose report with respect thereto is included elsewhere in this prospectus. The consolidated balance sheet data as of December 31, 2007, 2006 and 2005 and the consolidated statement of operations data for each of the years ended December 31, 2006 and 2005 have been derived from the historical consolidated financial statements of Digital Realty Trust, L.P. and subsidiaries, not audited by KPMG LLP. The consolidated balance sheet data as of September 30, 2010 and the consolidated statement of operations data for each of the nine months ended September 30, 2010 and 2009 have been derived from the unaudited condensed consolidated financial statements of Digital Realty Trust, L.P. and subsidiaries, which are included elsewhere in this prospectus. The results for the nine months ended September 30, 2010 are not necessarily indicative of the results to be expected for the full year.

	<div> <div>Nine Months</div> <div>Ended September 30,</div> <div>20102009</div> </div>		2009	<div> <div>Year Ended December 31,</div> <div>2008200720062005</div> </div>			
(Dollars in thousands, except unit and per unit data)	(unaudited)						
Statement of Operations Data:							
Operating Revenues:							
Rental	\$ 495,099	\$ 374,477	\$ 510,772	\$ 404,559	\$ 319,603	\$ 221,371	\$ 150,072
Tenant reimbursements							
	131,630	92,677	125,308	107,503	75,003	50,340	35,720
Other		214	1,062	15,383	641	365	5,829
Total operating revenues	626,729	467,368	637,142	527,445	395,247	272,076	191,621
Operating Expenses:							
Rental property operating and maintenance	181,804	130,152	176,238	151,147	109,225	59,917	39,519
Property taxes	39,499	27,655	36,004	31,102	27,181	26,890	20,189
Insurance	5,749	4,439	6,111	4,988	5,527	3,682	2,653
Depreciation and amortization	187,520	145,926	198,052	172,378	134,419	86,129	55,702
General and administrative ⁽¹⁾	42,185	30,802	42,165	38,391	30,786	19,717	12,061
Other	226	689	783	1,084	431	449	1,355
Total operating expenses	456,983	339,663	459,353	399,090	307,569	196,784	131,479
Operating income	169,746	127,705	177,789	128,355	87,678	75,292	60,142
Other Income (Expenses):							
Equity in earnings of unconsolidated joint venture	3,994	2,948	2,172	2,369	449	177	
Interest and other income	392	736	753	2,106	2,287	1,270	1,274
Interest expense	(100,801)	(63,991)	(88,442)	(63,621)	(67,054)	(50,598)	(35,381)
Tax expense	(1,593)	(1,061)	(1,038)	(1,109)	(814)	(724)	(554)
Loss from early extinguishment of debt	(2,624)			(182)		(527)	(1,021)
Income from continuing operations	69,114	66,337	91,234	67,918	22,546	24,890	24,460
Net income (loss) from discontinued operations					1,395	314	(103)
Gain on sale of discontinued operations					18,049	18,096	

- (1) General and administrative expense includes transactions expense.

Table of Contents

(Dollars in thousands, except unit and per unit data)	Nine Months Ended September 30,		2009	Year Ended December 31,				2005
	2010 (unaudited)	2009		2008	2007	2006 (unaudited)		
Net income	69,114	66,337	91,234	67,918	41,990	43,300	24,357	
Net (income) loss attributable to noncontrolling interests in consolidated joint ventures	29	(614)	(140)	(335)		15	12	
Net income attributable to Digital Realty Trust, L.P.	69,143	65,723	91,094	67,583	41,990	43,315	24,369	
Preferred units distributions	(29,396)	(30,303)	(40,404)	(38,564)	(19,330)	(13,780)	(10,014)	
Costs on redemption of Series A preferred units	(4,203)							
Net income available to common unitholders	\$ 35,544	\$ 35,420	\$ 50,690	\$ 29,019	\$ 22,660	\$ 29,535	\$ 14,355	

Per Unit Data:

Basic income per unit available to common unitholders	\$ 0.41	\$ 0.43	\$ 0.62	\$ 0.39	\$ 0.33	\$ 0.47		\$ 0.26
Diluted income per unit available to common unitholders	\$ 0.40	\$ 0.43	\$ 0.61	\$ 0.38	\$ 0.32	\$ 0.46		\$ 0.26
Cash distribution per common unit	\$ 1.49	\$ 1.02	\$ 1.47	\$ 1.26	\$ 1.17	\$ 1.08		\$ 1.00
Weighted average common units outstanding:								
Basic	87,638,416	81,553,114	81,715,226	75,160,263	68,754,024	62,562,820		55,525,443
Diluted	89,365,656	82,288,488	82,785,746	76,766,756	70,799,336	63,870,029		55,760,887

(in thousands)	September 30,		2009	2008	December 31,			2005
	2010 (unaudited)				2007 (unaudited)	2006 (unaudited)		
Balance Sheet Data:								
Net investments in real estate	\$ 4,349,465	\$ 3,157,193	\$ 2,748,220	\$ 2,302,500	\$ 1,736,979	\$ 1,194,106		
Total assets	5,170,899	3,745,059	3,281,045	2,809,791	2,185,783	1,529,170		
Revolving credit facility	220,565	205,547	138,579	299,731	145,452	181,000		
Unsecured senior notes	1,065,817	83,000	58,000					
Mortgages and other secured loans	1,061,163	1,063,663	1,026,594	895,507	804,686	568,067		
Exchangeable senior debentures	374,054	432,234	161,901	158,224	154,786			
Total liabilities	3,122,030	2,110,258	1,705,969	1,673,361	1,320,317	880,228		
General partner's capital	2,001,059	1,586,942	1,553,424	1,053,788	719,386	384,853		
Limited partners' capital	57,470	60,875	71,041	74,356	141,890	262,239		
Accumulated other comprehensive income (loss)	(45,343)	(30,630)	(53,747)	3,358	4,190	1,644		
Noncontrolling interests in consolidated joint venture	35,683	17,614	4,358	4,928		206		
Total liabilities and capital	\$ 5,170,899	\$ 3,745,059	\$ 3,281,045	\$ 2,809,791	\$ 2,185,783	\$ 1,529,170		

Other Data:	Nine Months Ended September 30,		2009	Year Ended December 31,				2005
	2010			2008	2007	2006		
Ratio of earnings to fixed charges (unaudited) ⁽¹⁾			1.56	1.82	1.58	1.13	1.38	1.68

(1) The ratios of earnings to fixed charges are computed by dividing earnings by fixed charges. Earnings consist of net income (loss) before noncontrolling interests and fixed charges, and fixed charges consist of interest expense, capitalized interest and amortization of deferred financing fees, whether expensed or capitalized, and interest within rental expense. Earnings and fixed charges exclude 7979 East Tufts Avenue (sold in July 2006), 100 Technology Center Drive

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(sold in March 2007) and 4055 Valley View Lane (sold in March 2007).

Table of Contents**Digital Realty Trust, Inc.**

The consolidated balance sheet data as of December 31, 2009 and 2008 and the consolidated statement of operations data for each of the years in the three-year period ended December 31, 2009 have been derived from the historical consolidated financial statements of Digital Realty Trust, Inc. and subsidiaries, which are incorporated by reference in this prospectus and which have been audited by KPMG LLP, an independent registered public accounting firm, whose report with respect thereto is incorporated by reference in this prospectus. The consolidated balance sheet data as of December 31, 2007, 2006 and 2005 and the consolidated statement of operations data for each of the years ended December 31, 2006 and 2005 have been derived from the historical consolidated financial statements of Digital Realty Trust, Inc. and subsidiaries, audited by KPMG LLP, whose report with respect thereto is not included or incorporated by reference in this prospectus. The consolidated balance sheet data as of September 30, 2010 and the consolidated statement of operations data for each of the nine months ended September 30, 2010 and 2009 have been derived from the unaudited condensed consolidated financial statements of Digital Realty Trust, Inc. and subsidiaries, which are incorporated by reference in this prospectus. The results for the nine months ended September 30, 2010 are not necessarily indicative of the results to be expected for the full year. Certain prior year amounts have been reclassified to conform to the current year presentation.

	<div> <div>Nine Months</div> <div>Ended September 30,</div> <div>20102009</div> </div>			<div> <div>2009</div> <div>Year Ended December 31,</div> <div>200820072006</div> </div>				2005
(Dollars in thousands, except share and per share data)	(unaudited)							
Statement of Operations Data:								
Operating Revenues:								
Rental	\$ 495,099	\$ 374,477	\$ 510,772	\$ 404,559	\$ 319,603	\$ 221,371	\$ 150,072	
Tenant reimbursements	131,630	92,677	125,308	107,503	75,003	50,340	35,720	
Other		214	1,062	15,383	641	365	5,829	
Total operating revenues	626,729	467,368	637,142	527,445	395,247	272,076	191,621	
Operating Expenses:								
Rental property operating and maintenance	181,804	130,152	176,238	151,147	109,225	59,917	39,519	
Property taxes	39,499	27,655	36,004	31,102	27,181	26,890	20,189	
Insurance	5,749	4,439	6,111	4,988	5,527	3,682	2,653	
Depreciation and amortization	187,520	145,926	198,052	172,378	134,419	86,129	55,702	
General and administrative ⁽¹⁾	42,185	30,802	42,165	38,391	30,786	19,717	12,061	
Other	226	689	783	1,084	431	449	1,355	
Total operating expenses	456,983	339,663	459,353	399,090	307,569	196,784	131,479	
Operating income	169,746	127,705	177,789	128,355	87,678	75,292	60,142	
Other Income (Expenses):								
Equity in earnings of unconsolidated joint venture	3,994	2,948	2,172	2,369	449	177		
Interest and other income	392	736	753	2,106	2,287	1,270	1,274	
Interest expense	(100,801)	(63,991)	(88,442)	(63,621)	(67,054)	(50,598)	(35,381)	
Tax expense	(1,593)	(1,061)	(1,038)	(1,109)	(814)	(724)	(554)	
Loss from early extinguishment of debt	(2,624)			(182)		(527)	(1,021)	
Income from continuing operations	69,114	66,337	91,234	67,918	22,546	24,890	24,460	
Net income (loss) from discontinued operations					1,395	314	(103)	
Gain on sale of discontinued operations					18,049	18,096		
Net income	69,114	66,337	91,234	67,918	41,990	43,300	24,357	
Net income attributable to noncontrolling interests	(2,041)	(3,062)	(3,572)	(2,664)	(3,753)	(12,570)	(8,256)	
Net income attributable to Digital Realty Trust, Inc.	67,073	63,275	87,662	65,254	38,237	30,730	16,101	
Preferred stock dividends	(29,396)	(30,303)	(40,404)	(38,564)	(19,330)	(13,780)	(10,014)	
Costs on redemption of Series A preferred stock	(4,203)							
Net income available to common stockholders	\$ 33,474	\$ 32,972	\$ 47,258	\$ 26,690	\$ 18,907	\$ 16,950	\$ 6,087	

- (1) General and administrative expense includes transactions expense.

Table of Contents

	Nine Months Ended September 30,			Year Ended December 31,					
	2010	2009	2009	2008	2007	2006	2005		
(Dollars in thousands, except share and per share data)									
(unaudited)									
Per Share Data:									
Basic income per share available to common stockholders	\$ 0.41	\$ 0.44	\$ 0.62	\$ 0.39	\$ 0.31	\$ 0.47	\$ 0.25		
Diluted income per share available to common stockholders	\$ 0.40	\$ 0.43	\$ 0.61	\$ 0.38	\$ 0.30	\$ 0.45	\$ 0.25		
Cash dividend per common share	\$ 1.49	\$ 1.02	\$ 1.47	\$ 1.26	\$ 1.17	\$ 1.08	\$ 1.00		
Weighted average common shares outstanding:									
Basic	82,111,128	75,714,757	75,950,370	68,829,267	60,527,625	36,134,983	23,986,288		
Diluted	84,137,205	76,450,131	77,020,890	70,435,760	62,572,937	37,442,192	24,221,732		

	September 30, 2010	2009	2008	2007	2006	2005
(in thousands)						
(unaudited)						
Balance Sheet Data:						
Net investments in real estate	\$ 4,349,465	\$ 3,157,193	\$ 2,748,220	\$ 2,302,500	\$ 1,736,979	\$ 1,194,106
Total assets	5,170,899	3,745,059	3,281,045	2,809,791	2,185,783	1,529,170
Revolving credit facility	220,565	205,547	138,579	299,731	145,452	181,000
Unsecured senior notes	1,065,817	83,000	58,000			
Mortgages and other secured loans	1,061,163	1,063,663	1,026,594	895,507	804,686	568,067
Exchangeable senior debentures	374,054	432,234	161,901	158,224	154,786	
Total liabilities	3,122,030	2,110,258	1,705,969	1,673,361	1,320,317	880,228
Total stockholders equity	1,959,469	1,558,995	1,503,921	1,057,167	723,576	386,497
Noncontrolling interests in operating partnership	53,717	58,192	66,797	74,335	141,890	262,239
Noncontrolling interests in consolidated joint ventures	35,683	17,614	4,358	4,928		206
Total liabilities and equity	\$ 5,170,899	\$ 3,745,059	\$ 3,281,045	\$ 2,809,791	\$ 2,185,783	\$ 1,529,170

	Nine Months Ended September 30, 2010	2009	2008	2007	2006	2005
Other Data:						
Ratio of earnings to fixed charges (unaudited) ⁽¹⁾		1.56	1.82	1.58	1.13	1.38

(1) The ratios of earnings to fixed charges are computed by dividing earnings by fixed charges. Earnings consist of net income (loss) before noncontrolling interests and fixed charges, and fixed charges consist of interest expense, capitalized interest and amortization of deferred financing fees, whether expensed or capitalized, and interest within rental expense. Earnings and fixed charges exclude 7979 East Tufts Avenue (sold in July 2006), 100 Technology Center Drive (sold in March 2007) and 4055 Valley View Lane (sold in March 2007).

Table of Contents

RISK FACTORS

In addition to other information contained in this prospectus, you should carefully consider the risks described below and incorporated by reference to Digital Realty Trust, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2009, Digital Realty Trust, L.P.'s General Form for Registration of Securities on Form 10 filed with the SEC on September 3, 2010, as amended, and other subsequent filings of Digital Realty Trust, Inc. and Digital Realty Trust, L.P. under the Exchange Act, in evaluating our company, our properties and our business before making a decision to exchange your private notes for the exchange notes in the exchange offer. These risks are not the only ones faced by us. Additional risks not presently known or that are currently deemed immaterial could also materially and adversely affect our financial condition, results of operations, business and prospects. The trading price of the private notes and exchange notes could decline due to any of these risks, and you may lose all or part of your investment. This prospectus and the documents incorporated herein by reference also contain forward-looking statements that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below and elsewhere in this prospectus and the documents incorporated herein by reference. Please refer to the section entitled "Forward-Looking Statements."

Risks Related to Our Business and Operations

Global economic conditions could adversely affect our liquidity and financial condition.

Recent U.S., European and other international market and economic conditions have been unprecedented and challenging. Significantly tighter credit conditions and recession in all markets in which we own properties and conduct our operations persisted throughout 2009 and such markets have not fully recovered. Continued concerns about the systemic impact of potential wide-spread and long-term recession, energy costs, geopolitical issues, the availability and cost of credit, global financial and mortgage markets, corporate and consumer debt levels and declining residential and commercial real estate markets have contributed to increased market volatility and diminished expectations for the U.S., European and other economies. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, continue to contribute to substantial global volatility.

As a result of these conditions, general economic conditions and the cost and availability of capital have been and may continue to be adversely affected in all markets in which we own properties and conduct our operations. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease, to provide credit to businesses and consumers. Continued turbulence in the U.S., European and other international markets and economies may adversely affect our liquidity and financial condition, and the liquidity and financial condition of our tenants. If these market and economic conditions continue, they may limit our ability, and the ability of our tenants, to replace or renew maturing liabilities on a timely basis, access the capital markets to meet liquidity and capital expenditure requirements and may result in adverse effects on our, and our tenants', financial condition and results of operations.

In addition, our access to funds under our revolving credit facility depends on the ability of the lenders that are parties to such facilities to meet their funding commitments to us. We cannot assure you that continuing long-term disruptions in the global economy and the continuation of tighter credit conditions among, and potential failures or nationalizations of, third party financial institutions as a result of such disruptions will not have an adverse effect on our lenders. If our lenders are not able to meet their funding commitments to us, our business, results of operation, cash flows and financial condition could be adversely affected.

If we do not have sufficient cash flow to continue operating our business and are unable to borrow additional funds, access our revolving credit facility or raise equity or debt capital, we may need to find alternative ways to increase our liquidity. Such alternatives may include, without limitation, curtailing

Table of Contents

development or redevelopment activity, disposing of one or more of our properties possibly on disadvantageous terms or entering into or renewing leases on less favorable terms than we otherwise would.

Our growth depends on external sources of capital which are outside of our control.

In order for Digital Realty Trust, Inc. to maintain its qualification as a REIT, it is required under the Internal Revenue Code of 1986, as amended, which we refer to as the Code, to annually distribute at least 90% of its net taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain. In addition, Digital Realty Trust, Inc. will be subject to income tax at regular corporate rates to the extent that it distributes less than 100% of its net taxable income, including any net capital gains. Digital Realty Trust, L.P. is required to make distributions to Digital Realty Trust, Inc. that will enable the latter to satisfy this distribution requirement and avoid tax liability. Because of these distribution requirements, we may not be able to fund future capital needs, including any necessary acquisition or redevelopment financing, from operating cash flow. Consequently, we rely on third-party sources to fund our capital needs. We may not be able to obtain equity or debt financing on favorable terms or at all. Any additional debt we incur will increase our leverage. Our access to third-party sources of capital depends on a number of factors, including general market conditions, the market's perception of our business prospects and growth potential, our current and expected future earnings, funds from operations and growth thereof, our cash flow and cash distributions, and the market price per share of Digital Realty Trust, Inc.'s common stock.

We cannot assure you that we will be able to obtain debt financing at all or on terms favorable or acceptable to us. Further, equity markets have experienced high volatility recently and we cannot assure you that we will be able to raise capital through the sale of equity securities at all or on favorable terms. Sales of equity on unfavorable terms could result in substantial dilution to Digital Realty Trust, Inc.'s common stockholders and Digital Realty Trust, L.P.'s unitholders. In addition, we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms.

If we cannot obtain capital from third-party sources, we may not be able to acquire or develop properties when strategic opportunities exist, satisfy our debt service obligations, pay cash dividends to Digital Realty Trust, Inc.'s stockholders or make distributions to Digital Realty Trust, L.P.'s unitholders.

Declining real estate valuations and impairment charges could adversely affect our earnings and financial condition.

We review the carrying value of our properties when circumstances, such as adverse market conditions (including conditions resulting from the recent global economic recession), indicate potential impairment may exist. We base our review on an estimate of the future cash flows (excluding interest charges) expected to result from the real estate investment's use and eventual disposition. We consider factors such as future operating income, trends and prospects, as well as the effects of leasing demand, competition and other factors. If our evaluation indicates that we may be unable to recover the carrying value of a real estate investment, an impairment loss is recorded to the extent that the carrying value exceeds the estimated fair value of the property. These losses have a direct impact on our net income because recording an impairment loss results in an immediate negative adjustment to net income. The evaluation of anticipated cash flows is highly subjective and is based in part on assumptions regarding future occupancy, rental rates and capital requirements that could differ materially from actual results in future periods. A worsening real estate market may cause us to reevaluate the assumptions used in our impairment analysis. Impairment charges could adversely affect our financial condition, results of operations and cash available for distribution.

Our properties depend upon the demand for technology-related real estate.

Our portfolio of properties consists primarily of technology-related real estate and datacenter real estate in particular. A decrease in the demand for datacenter space, Internet gateway facilities or other technology-related real estate would have a greater adverse effect on our business and financial condition than if we owned a

Table of Contents

portfolio with a more diversified tenant base or less specialized use. Our substantial redevelopment activities make us particularly susceptible to general economic slowdowns, including recessions, as well as adverse developments in the corporate datacenter, Internet and data communications and broader technology industries. Any such slowdown or adverse development could lead to reduced corporate IT spending or reduced demand for datacenter space. Reduced demand could also result from business relocations, including to markets that we do not currently serve such as Asia. Changes in industry practice or in technology, such as virtualization technology, more efficient or miniaturization of computing or networking devices, or devices that require higher power densities than today's devices, could also reduce demand for the physical datacenter space we provide or make the tenant improvements in our facilities obsolete or in need of significant upgrades to remain viable. In addition, the development of new technologies, the adoption of new industry standards or other factors could render many of our tenants' current products and services obsolete or unmarketable and contribute to a downturn in their businesses, thereby increasing the likelihood that they default under their leases, become insolvent or file for bankruptcy.

We depend on significant tenants, and many of our properties are single-tenant properties or are currently occupied by single tenants.

As of September 30, 2010, the 20 largest tenants in our property portfolio represented approximately 48% of the total annualized rent generated by our properties. Our largest tenants by annualized rent are Savvis Communications and Equinix Operating Company, Inc. Savvis Communications leased approximately 2.0 million square feet of net rentable space as of September 30, 2010, representing approximately 8.0% of the total annualized rent generated by our properties. Equinix Operating Company, Inc. leased approximately 700,000 square feet of net rentable space as of September 30, 2010, representing approximately 4.3% of the total annualized rent generated by our properties. In addition, 41 of our 95 properties are occupied by single tenants, including properties occupied solely by Savvis Communications and Equinix Operating Company, Inc. Many factors, including consequences of recent global economic conditions, may cause our tenants to experience a downturn in their businesses or otherwise experience a lack of liquidity, which may weaken their financial condition and result in their failure to make timely rental payments or their default under their leases. If any tenant defaults or fails to make timely rent payments, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment.

Our tenants may choose to develop new data centers or expand their own existing data centers, which could result in the loss of one or more key tenants or reduce demand for our newly developed data centers, which could have a material adverse effect on our revenues and results of operations.

Our tenants may choose to develop new data centers or expand or consolidate into data centers that we do not own in the future. In the event that any of our key tenants were to do so, it could result in a loss of business to us or put pressure on our pricing. If we lose a tenant, we cannot assure you that we would be able to replace that tenant at a competitive rate or at all, which could have a material adverse effect on our revenues and results of operations.

The bankruptcy or insolvency of a major tenant may adversely affect the income produced by our properties.

If any tenant becomes a debtor in a case under the federal Bankruptcy Code, we cannot evict the tenant solely because of the bankruptcy. In addition, the bankruptcy court might authorize the tenant to reject and terminate its lease with us. Our claim against the tenant for unpaid, future rent would be subject to a statutory cap that might be substantially less than the remaining rent actually owed under the lease. In either case, our claim for unpaid rent would likely not be paid in full. As of September 30, 2010, we had no material tenants in bankruptcy.

Our revenue and cash available for distribution could be materially adversely affected if any of our significant tenants were to become bankrupt or insolvent, or suffer a downturn in its business, or fail to renew its lease or renew on terms less favorable to us than its current terms.

Table of Contents**Our portfolio of properties depends upon local economic conditions and is geographically concentrated in certain locations.**

Our properties are located in 28 metropolitan areas. We depend upon the local economic conditions in these markets, including local real estate conditions. Many of these markets experienced downturns in recent years and are currently experiencing downturns as a result of the global economic crisis or other factors. Our operations may also be affected if too many competing properties are built in any of these markets or supply otherwise increases or exceeds demand. Our operations and our revenue and cash available for distribution could be materially adversely affected by local economic conditions in these markets. We cannot assure you that these markets will grow or will remain favorable to technology-related real estate.

As of September 30, 2010, our portfolio was geographically concentrated in the following metropolitan markets.

Metropolitan Market	Percentage of September 30, 2010 total annualized rent⁽¹⁾
Silicon Valley	13.7%
San Francisco	10.3%
Chicago	9.9%
Northern Virginia	9.8%
Phoenix	9.2%
Dallas	8.3%
Boston	8.3%
New York Metro	8.1%
Los Angeles	4.9%
London, England	3.6%
Dublin, Ireland	2.8%
Paris, France	2.5%
Other	8.6%
	100.0%

(1) Annualized rent is monthly contractual rent under existing leases as of September 30, 2010, multiplied by 12.

In addition, we are currently developing or redeveloping properties in certain of these markets. Any negative changes in real estate, technology or economic conditions in these markets in particular could negatively impact our performance.

Our growth depends upon the successful development of our existing space held for redevelopment and new properties acquired for redevelopment and any delays or unexpected costs in such development may delay and harm our growth prospects, future operating results and financial condition.

We had approximately 1.9 million square feet held for redevelopment at September 30, 2010, including five vacant properties. We are and intend to continue building out a large portion of this space on a speculative basis at significant cost. Our successful development and redevelopment of these projects is subject to many risks, including those associated with:

delays in construction;

budget overruns;

changes to the plans or specifications;

construction site accidents and other casualties;

increased prices for raw materials or building supplies;

Table of Contents

lack of availability and/or increased costs for specialized data center components, including long lead time items such as generators;

financing availability, including our ability to obtain construction financing and permanent financing;

increases in interest rates or credit spreads;

labor availability and costs;

labor disputes and work stoppages with contractors, subcontractors or others that are constructing the project;

failure of contractors to perform on a timely basis or at all, or other misconduct on the part of contractors;

timing of the commencement of rental payments;

access to sufficient power and related costs of providing such power to our tenants;

environmental issues;

fire, flooding, earthquakes and other natural disasters;

geological, construction, excavation and equipment problems; and

delays or denials of entitlements or permits, including zoning and related permits or other delays resulting from our dependence on the cooperation of public agencies and utility companies.

While we intend to develop data center properties primarily in markets we are familiar with, we may in the future develop properties in new geographic regions where we expect the development of property to result in favorable risk-adjusted returns on our investment. We may not possess the same level of familiarity with development of other property types or other markets, which could adversely affect our ability to develop such properties successfully or at all or to achieve expected performance.

Development and redevelopment activities, regardless of whether they are ultimately successful, typically require a substantial portion of our company's management's time and attention. This may distract our company's management from focusing on other operational activities of our business. If we are unable to complete development or redevelopment projects successfully, our business may be adversely affected.

We may be unable to lease vacant or redevelopment space or renew leases, re-lease space as leases expire.

At September 30, 2010, we owned approximately 1.9 million square feet held for redevelopment. Of this space, we are currently redeveloping 209,000 square feet. We intend to continue to add new space to our redevelopment inventory and to continue to redevelop additional space from this inventory. A substantial portion of the space that we redevelop is, and will continue to be, redeveloped on a speculative basis, meaning that we do not have a signed lease for the space when we begin the redevelopment process. We also develop or redevelop space specifically for

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tenants pursuant to leases signed prior to beginning the development or redevelopment process. In those cases, if we failed to meet our development or redevelopment obligations under those leases, these tenants may be able to terminate the leases and we would be required to find a new tenant for this space. In addition, in certain circumstances we lease data center facilities prior to their completion. If we fail to complete the facilities in a timely manner, the tenant may be entitled to terminate its lease, seek damages or penalties against us or pursue other remedies and we may be required to find a new tenant for the space. We cannot assure you that once we have redeveloped a space we will be able to successfully lease it at all, or at rates we consider favorable or expected at the time we commenced redevelopment. If we are not able to successfully lease the space that we redevelop, if redevelopment costs are higher than we currently estimate, or if lease rates are lower than expected when we began the project or are otherwise undesirable, our revenue and operating results could be adversely affected.

Table of Contents

In addition, as of September 30, 2010, leases representing 10.3% of the square footage of the properties in our portfolio, excluding space held for redevelopment, were scheduled to expire through 2011, and an additional 5.0% of the net rentable square footage excluding space held for redevelopment was available to be leased. Some of this space may require substantial capital investment to meet the power and cooling requirements of today's advanced data centers, or may no longer be suitable for this use. In addition, we cannot assure you that leases will be renewed or that our properties will be re-leased at all, or at net effective rental rates equal to or above the current average net effective rental rates. If the rental rates for our properties decrease, our existing tenants do not renew their leases, we do not re-lease our available space, including newly redeveloped space and space for which leases are scheduled to expire or it takes longer for us to lease or re-lease this space or for rents to commence on this space, our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt service obligations could be materially adversely affected.

We may be unable to identify and complete acquisitions on favorable terms or at all.

We continually evaluate the market of available properties and may acquire additional technology-related real estate when opportunities exist. Our ability to acquire properties on favorable terms may be exposed to the following significant risks:

we may be unable to acquire a desired property because of competition from other real estate investors with significant capital, including both publicly traded REITs and institutional investment funds;

even if we are able to acquire a desired property, competition from other potential acquirors may significantly increase the purchase price or result in other less favorable terms;

even if we enter into agreements for the acquisition of technology-related real estate, these agreements are subject to customary conditions to closing, including completion of due diligence investigations to our satisfaction;

we may be unable to finance acquisitions on favorable terms or at all; and

we may acquire properties subject to liabilities and without any recourse, or with only limited recourse, with respect to unknown liabilities such as liabilities for clean-up of undisclosed environmental contamination, claims by tenants, vendors or other persons dealing with the former owners of the properties and claims for indemnification by general partners, directors, officers and others indemnified by the former owners of the properties.

If we cannot finance property acquisitions on favorable terms, our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt service obligations could be materially adversely affected.

We may be unable to successfully integrate and operate acquired properties.

Even if we are able to make acquisitions on advantageous terms, our ability to successfully operate them may be exposed to the following significant risks:

we may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties;

we may be unable to integrate new acquisitions quickly and efficiently, particularly acquisitions of operating businesses or portfolios of properties, into our existing operations, and our results of operations and financial condition could be adversely affected;

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acquired properties may be subject to reassessment, which may result in higher than expected property tax payments; and

market conditions may result in higher than expected vacancy rates and lower than expected rental rates.

Table of Contents

If we cannot operate acquired properties to meet our financial expectations, our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt service obligations could be materially adversely affected.

We may be unable to source off-market deal flow in the future.

A component of our growth strategy is to continue to acquire additional technology-related real estate. To date, more than half of our acquisitions were acquired before they were widely marketed by real estate brokers, or off-market. Properties that are acquired off-market are typically more attractive to us as a purchaser because of the absence of competitive bidding, which could potentially lead to higher prices. We obtain access to off-market deal flow from numerous sources. If we cannot obtain off-market deal flow in the future, our ability to locate and acquire additional properties at attractive prices could be adversely affected.

We have substantial debt and face risks associated with the use of debt to fund our business activities, including refinancing and interest rate risks.

Our total consolidated indebtedness at September 30, 2010 was approximately \$2.7 billion, and we may incur significant additional debt to finance future acquisition and development activities. We have a revolving credit facility, which has a borrowing limit based upon a percentage of the value of our unsecured properties included in the facility's borrowing base. At September 30, 2010, approximately \$512.5 million was available under this facility, net of letters of credit. In addition, under our contribution agreement with respect to the 200 Paul Avenue 1-4 and 1100 Space Park Drive properties, we have agreed to make available for guarantee up to \$17.8 million of indebtedness and may enter into similar agreements in the future.

Our substantial indebtedness has important consequences in that it currently requires us to dedicate a significant portion of our cash flow from operations to debt service payments, which reduces the availability of our cash flow to fund working capital, capital expenditures, expansion efforts, distributions and other general corporate purposes. Additionally, it could: make it more difficult for us to satisfy our obligations with respect to our indebtedness; limit our ability in the future to undertake refinancings of our debt or obtain financing for expenditures, acquisitions, development or other general corporate purposes on terms and conditions acceptable to us, if at all; or affect adversely our ability to compete effectively or operate successfully under adverse economic conditions.

In addition, we may default on our obligations and the lenders or mortgagees may foreclose on our properties or our interests in the entities that own the properties that secure their loans and receive an assignment of rents and leases. A foreclosure on one or more of our properties could adversely affect our financial condition, results of operations, cash flow and cash available for distribution. Further, our default under any one of our mortgage loans with cross default provisions could result in a default on other indebtedness. Furthermore, foreclosures could create taxable income without accompanying cash proceeds, a circumstance which could hinder Digital Realty Trust, Inc.'s ability to meet the REIT distribution requirements imposed by the Code.

Additional risks related to our indebtedness are described below.

We may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness. It is likely that we will need to refinance at least a portion of our outstanding debt as it matures. If we are unable to refinance or extend principal payments due at maturity or pay them with proceeds of other capital transactions, then our cash flow may not be sufficient in all years to repay all such maturing debt and to pay distributions. Further, if prevailing interest rates or other factors at the time of refinancing (such as the reluctance of lenders to make commercial real estate loans) result in higher interest rates upon refinancing, then the interest expense relating to that refinanced indebtedness would increase.

Table of Contents

Fluctuations in interest rates could materially affect our financial results and may increase the risk our counterparty defaults on our interest rate hedges. Because a significant portion of our debt bears interest at variable rates, increases in interest rates could materially increase our interest expense. If the United States Federal Reserve increases short-term interest rates, this would have a significant upward impact on shorter-term interest rates, including the interest rates that our variable rate debt is based upon. Potential future increases in interest rates and credit spreads may increase our interest expense and therefore negatively affect our financial condition and results of operations, and reduce our access to capital markets. We have entered into interest rate swap or cap agreements for a significant portion of our floating rate debt. Increased interest rates may increase the risk that the counterparties to our swap agreements will default on their obligations, which could further increase our exposure to interest rate fluctuations. Conversely, if interest rates are lower than our swapped fixed rates, we will be required to pay more for our debt than we would had we not entered into the swap agreements.

Adverse changes in our company's credit ratings could negatively affect our financing activity. The credit ratings of our senior unsecured long-term debt and Digital Realty Trust, Inc.'s preferred stock are based on our company's operating performance, liquidity and leverage ratios, overall financial position and other factors employed by the credit rating agencies in their rating analyses of our company. Our company's credit ratings can affect the amount of capital we can access, as well as the terms and pricing of any debt we may incur. We cannot assure you that our company will be able to maintain our current credit ratings, and in the event our current credit ratings are downgraded, we would likely incur higher borrowing costs and may encounter difficulty in obtaining additional financing. Also, a downgrade in our company's credit ratings may trigger additional payments or other negative consequences under our current and future credit facilities and debt instruments. For example, if the credit ratings of our senior unsecured long-term debt are downgraded to below investment grade levels, we may not be able to obtain or maintain extensions on certain of our existing debt. Adverse changes in our credit ratings could negatively impact our refinancing and other capital market activities, our ability to manage our debt maturities, our future growth, our financial condition, the market price of Digital Realty Trust, Inc.'s stock, and our development and acquisition activity.

Our revolving credit facility, Prudential shelf facility, 5.875% notes due 2020 and 4.50% notes due 2015 restrict our ability to engage in some business activities. Our revolving credit facility and Prudential shelf facility contain negative covenants and other financial and operating covenants that, among other things:

restrict our ability to incur additional indebtedness;

restrict our ability to make certain investments;

restrict our ability to merge with another company;

restrict our ability to create, incur or assume liens;

restrict Digital Realty Trust, Inc.'s ability to make distributions to its stockholders;

require us to maintain financial coverage ratios; and

require us to maintain a pool of unencumbered assets approved by the lenders.

In addition, our 5.875% notes due 2020, or the 2020 notes, and our 4.50% notes due 2015, or the 2015 notes, are governed by indentures, which contain various restrictive covenants, including limitations on our ability to incur indebtedness and requirements to maintain a pool of unencumbered assets. These restrictions, and the restrictions in our revolving credit facility and Prudential shelf facility, could cause us to default on our 2020 notes, 2015 notes, revolving credit facility or Prudential shelf facility, as applicable, or negatively affect our operations or our ability to pay dividends to Digital Realty Trust, Inc.'s stockholders or distributions to Digital Realty Trust, L.P.'s unitholders.

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The exchange and repurchase rights of our exchangeable debentures may be detrimental to Digital Realty Trust, Inc.'s stockholders or Digital Realty Trust, L.P.'s unitholders. As of September 30, 2010, Digital Realty Trust, L.P. had outstanding \$110.0 million aggregate principal amount of 4.125% Exchangeable Senior

Table of Contents

Debentures due 2026, which we refer to as the 2026 debentures. The 2026 debentures may under certain circumstances be exchanged for cash (up to the principal amount of the exchangeable debentures) and, with respect to any excess exchange value, into cash, shares of Digital Realty Trust, Inc.'s common stock or a combination of cash and shares of Digital Realty Trust, Inc.'s common stock. The exchange rate of the 2026 debentures is subject to adjustment for certain events, including, but not limited to, certain dividends on Digital Realty Trust, Inc.'s common stock in excess of \$0.265 per share per quarter, the issuance of certain rights, options or warrants to holders of Digital Realty Trust, Inc.'s common stock, subdivisions or combinations of Digital Realty Trust, Inc.'s common stock, certain distributions of assets, debt securities, capital stock or cash to holders of Digital Realty Trust, Inc.'s common stock and certain tender or exchange offers. The 2026 debentures are redeemable at our option for cash at any time on or after August 18, 2011 and are subject to repurchase for cash at the option of the holder on August 15 in the years 2011, 2016 and 2021, or upon the occurrence of certain events.

In addition, as of September 30, 2010, Digital Realty Trust, L.P. had outstanding \$266.4 million aggregate principal amount of 5.50% Exchangeable Senior Debentures due 2029, which we refer to as the 2029 debentures. The 2029 debentures are exchangeable for Digital Realty Trust, Inc.'s common stock. The exchange rate of the 2029 debentures is subject to adjustment for certain events, including, but not limited to, certain dividends on Digital Realty Trust, Inc.'s common stock in excess of \$0.33 per share per quarter, the issuance of certain rights, options or warrants to holders of Digital Realty Trust, Inc.'s common stock, subdivisions or combinations of Digital Realty Trust, Inc.'s common stock, certain distributions of assets, debt securities, capital stock or cash to holders of Digital Realty Trust, Inc.'s common stock and certain tender or exchange offers. The 2029 debentures are redeemable at our option for cash at any time on or after April 18, 2014 and are subject to repurchase for cash at the option of the holder on April 15 in the years 2014, 2019 and 2024, or upon the occurrence of certain events.

If the 2026 debentures or 2029 debentures are not exchanged, the repurchase rights of holders of the exchangeable debentures may discourage or impede transactions that might otherwise be in the interest of Digital Realty Trust, Inc.'s stockholders or Digital Realty Trust, L.P.'s unitholders. Further, these exchange or repurchase rights might be triggered in situations where we need to conserve our cash reserves, in which event such repurchase might adversely affect us and Digital Realty Trust, Inc.'s stockholders or Digital Realty Trust, L.P.'s unitholders.

Failure to hedge effectively against interest rate changes may adversely affect results of operations. We seek to manage our exposure to interest rate volatility by using interest rate hedging arrangements, such as interest cap and interest rate swap agreements. These agreements involve risks, such as the risk that counterparties may fail to honor their obligations under these arrangements, that these arrangements may not be effective in reducing our exposure to interest rate changes and that a court could rule that such an agreement is not legally enforceable. Our policy is to use derivatives only to hedge interest rate risks related to our borrowings, not for speculative or trading purposes, and to enter into contracts only with major financial institutions based on their credit ratings and other factors. However, we may choose to change this policy in the future. Including loans currently subject to interest rate caps and swaps, approximately 92% of our total indebtedness as of September 30, 2010 was subject to fixed interest rates. We do not currently hedge our revolving credit facility and as our borrowings under our revolving credit facility increase, so will our percentage of indebtedness not subject to fixed rates and our exposure to interest rates increase. Hedging may reduce the overall returns on our investments. Failure to hedge effectively against interest rate changes may materially adversely affect our results of operations.

Volatility in and regulation of the commercial mortgage-backed securities market has limited and may continue to impact the pricing of secured debt. As a result of the recent crisis in the residential mortgage-backed securities markets, the recent global recession, and concerns over the ability to refinance or repay existing commercial mortgage-backed securities as they come due, liquidity previously provided by the commercial mortgage-backed securities and collateralized debt obligations markets has significantly decreased. In addition,

Table of Contents

the recently adopted Dodd-Frank Wall Street Reform and Consumer Protection Act imposes significant new regulations related to the mortgage-backed securities industry and market participants, which has contributed to uncertainty in the market. The volatility in the commercial mortgage-backed securities market could result in the following adverse effects on our incurrence of secured debt, which could have a materially negative impact on financial condition, results of operations, cash flow and cash available for distribution:

higher loan spreads;

tighter loan covenants;

reduced loan to value ratios and resulting borrower proceeds; and

higher amortization and reserve requirements.

We have owned certain of our properties for a limited time.

We owned 95 properties at September 30, 2010, excluding two properties held as investments in unconsolidated joint ventures. These properties are primarily located throughout North America and 14 properties are located in Europe. The properties contain a total of approximately 16.4 million net rentable square feet, including 1.9 million square feet held for redevelopment. All the properties have been under our management for less than six years, and we have owned 17 of the properties for less than one year at September 30, 2010. The properties may have characteristics or deficiencies unknown to us that could affect their valuation or revenue potential. We cannot assure you that the operating performance of the properties will not decline under our management. In addition, we have a limited history operating Turn-Key Datacenters® that we have developed or redeveloped. Because we generally cannot pass operating expenses (other than energy costs) on to our tenants in Turn-Key Datacenters®, if we incur operating expenses greater than we anticipated based on our limited operating history, our results of operations could be negatively impacted.

We may have difficulty managing our growth.

We have significantly and rapidly expanded the size of our company. For example, during 2009, we acquired six properties and we increased the number and size of our redevelopment activities. Our growth may significantly strain our company's management, operational and financial resources and systems. In addition, as a reporting company, we are subject to the reporting requirements of the Exchange Act and the Sarbanes-Oxley Act of 2002, or the Sarbanes-Oxley Act. The requirements of these rules and regulations will increase our accounting, legal and financial compliance costs and may strain our company's management and financial, legal and operational resources and systems. An inability to manage our growth effectively or the increased strain on our company's management of our resources and systems could result in deficiencies in our disclosure controls and procedures or our internal control over financial reporting and could negatively impact our cash available for distribution.

Tax protection provisions on certain properties could limit our operating flexibility.

We have agreed with the third-party contributors who contributed the direct and indirect interests in the 200 Paul Avenue 1-4 and 1100 Space Park Drive properties to indemnify them against adverse tax consequences if we were to sell, convey, transfer or otherwise dispose of all or any portion of these interests, in a taxable transaction, in these properties. However, we can sell these properties in a taxable transaction if we pay the contributors cash in the amount of their tax liabilities arising from the transaction and tax payments. The 200 Paul Avenue 1-4 and 1100 Space Park Drive properties represented 4.9% of our portfolio's annualized rent as of September 30, 2010. These tax protection provisions apply for a period expiring on the earlier of November 3, 2013 and the date on which these contributors (or certain transferees) hold less than 25% of the units issued to them in connection with the contribution of these properties to us. Although it may be in Digital Realty Trust, Inc.'s stockholders and Digital Realty Trust, L.P.'s unitholders' best interest that we sell a property, it may be economically disadvantageous for us to do so because of these obligations. We have also agreed to make up to

Table of Contents

\$17.8 million of debt available for these contributors to guarantee. We agreed to these provisions in order to assist these contributors in preserving their tax position after their contributions.

Potential losses may not be covered by insurance.

We carry comprehensive liability, fire, extended coverage, earthquake, business interruption and rental loss insurance covering all of the properties in our portfolio under various insurance policies. We select policy specifications and insured limits which we believe to be appropriate and adequate given the relative risk of loss, the cost of the coverage and industry practice. We do not carry insurance for generally uninsured losses such as loss from riots, terrorist threats, war or nuclear reaction. Most of our policies, like those covering losses due to floods, are insured subject to limitations involving large deductibles or co-payments and policy limits which may not be sufficient to cover losses. A large portion of the properties we own are located in California, an area especially subject to earthquakes. Together, these properties represented approximately 29% of our portfolio's annualized rent as of September 30, 2010. While we carry earthquake insurance on our properties, the amount of our earthquake insurance coverage may not be sufficient to fully cover losses from earthquakes. In addition, we may discontinue earthquake or other insurance on some or all of our properties in the future if the cost of premiums for any of these policies exceeds, in our judgment, the value of the coverage relative to the risk of loss.

In addition, many of our buildings contain extensive and highly valuable technology-related improvements. Under the terms of our leases, tenants generally retain title to such improvements and are obligated to maintain adequate insurance coverage applicable to such improvements and under most circumstances use their insurance proceeds to restore such improvements after a casualty. In the event of a casualty or other loss involving one of our buildings with extensive installed tenant improvements, our tenants may have the right to terminate their leases if we do not rebuild the base building within prescribed times. In such cases, the proceeds from tenants' insurance will not be available to us to restore the improvements, and our insurance coverage may be insufficient to replicate the technology-related improvements made by such tenants. Furthermore, the terms of our mortgage indebtedness at certain of our properties may require us to pay insurance proceeds over to our lenders under certain circumstances, rather than use the proceeds to repair the property.

If we or one or more of our tenants experiences a loss which is uninsured or which exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged.

We face significant competition, which may decrease or prevent increases of the occupancy and rental rates of our properties.

We compete with numerous developers, owners and operators of real estate and datacenters, many of which own properties similar to ours in the same markets in which our properties are located, including DuPont Fabros Technology, Inc., CRG West and various local developers in the U.S., and Global Switch and various regional operators in Europe. In addition, we may in the future face competition from new entrants into the datacenter market, including new entrants who may acquire our current competitors. Some of our competitors and potential competitors have significant advantages over us, including greater name recognition, longer operating histories, pre-existing relationships with current or potential customers, significantly greater financial, marketing and other resources and more ready access to capital which allow them to respond more quickly to new or changing opportunities. If our competitors offer space that our tenants or potential tenants perceive to be superior to ours based on numerous factors, including available power, security considerations, location, or connectivity, or if they offer rental rates below current market rates, or below the rental rates we are offering, we may lose tenants or potential tenants or be required to incur costs to improve our properties or reduce our rental rates. In addition, recently many of our competitors have developed or redeveloped additional datacenter space. If the supply of datacenter space continues to increase as a result of these activities or otherwise, rental rates may be reduced or we may face delays in or be unable to lease our vacant space, including space that we develop or redevelop.

Table of Contents

Finally, if tenants or potential tenants desire services that we do not offer, we may not be able to lease our space to those tenants. Our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt service obligations could be materially adversely affected as a result of any or all of these factors.

Joint venture investments could be adversely affected by our lack of sole decision-making authority, our reliance on co-venturers financial condition and disputes between us and our co-venturers.

We currently, and may in the future, co-invest with third parties through partnerships, joint ventures or other entities, acquiring non-controlling interests in or sharing responsibility for managing the affairs of a property, partnership, joint venture or other entity. In that event, we would not be in a position to exercise sole decision-making authority regarding the property, partnership, joint venture or other entity. Investments in partnerships, joint ventures, or other entities may, under certain circumstances, involve risks not present when a third party is not involved, including the possibility that partners or co-venturers might become bankrupt or fail to fund their share of required capital contributions. Partners or co-venturers may have economic, tax or other business interests or goals which are inconsistent with our business interests or goals, and may be in a position to take actions contrary to our policies or objectives. Our joint venture partners may take actions that are not within our control, which would require us to dispose of the joint venture asset or transfer it to a taxable REIT subsidiary in order for Digital Realty Trust, Inc. to maintain its status as a REIT. Such investments may also lead to impasses, for example, as to whether to sell a property, because neither we nor the partner or co-venturer would have full control over the partnership or joint venture. Disputes between us and partners or co-venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and/or directors from focusing their time and effort on our day-to-day business. Consequently, actions by or disputes with partners or co-venturers may subject properties owned by the partnership or joint venture to additional risk. In addition, we may in certain circumstances be liable for the actions of our third-party partners or co-venturers. Finally, we may share information with our third-party partners or co-venturers. Each of these factors may result in returns on these investments being less than we expect or in losses and our financial and operating results may be adversely affected.

Our success depends on key personnel whose continued service is not guaranteed.

We depend on the efforts of key personnel of our company, particularly Michael Foust, Digital Realty Trust, Inc.'s Chief Executive Officer, A. William Stein, Digital Realty Trust, Inc.'s Chief Financial Officer and Chief Investment Officer, Scott Peterson, Digital Realty Trust, Inc.'s Chief Acquisitions Officer and Christopher Crosby, Digital Realty Trust, Inc.'s Senior Vice President, Corporate Development. They are important to our success for many reasons, including that each has a national or regional reputation in our industry and the investment community that attracts investors and business and investment opportunities and assists us in negotiations with investors, lenders, existing and potential tenants and industry personnel. If we lost their services, our business and investment opportunities and our relationships with lenders and other capital markets participants, existing and prospective tenants and industry personnel could suffer. Many of our company's other senior employees also have strong technology, finance and real estate industry reputations. As a result, we have greater access to potential acquisitions, financing, leasing and other opportunities, and are better able to negotiate with tenants. As our number of competitors increases, it becomes more likely that a competitor would attempt to hire certain of these individuals away from our company. The loss of any of these key personnel would result in the loss of these and other benefits and could materially and adversely affect our results of operations.

Our properties may not be suitable for lease to datacenter or traditional technology office tenants without significant expenditures or renovations.

Because many of our properties contain tenant improvements installed at our tenants' expense, they may be better suited for a specific corporate enterprise datacenter user or technology industry tenant and could require modification in order for us to re-lease vacant space to another corporate enterprise datacenter user or technology

Table of Contents

industry tenant. The tenant improvements may also become outdated or obsolete as the result of technological change, the passage of time or other factors. In addition, our redevelopment space will generally require substantial improvement to be suitable for datacenter use. For the same reason, our properties also may not be suitable for lease to traditional office tenants without significant expenditures or renovations. As a result, we may be required to invest significant amounts or offer significant discounts to tenants in order to lease or re-lease that space, either of which could adversely affect our financial and operating results.

Ownership of properties located outside of the United States subjects us to foreign currency and related risks which may adversely impact our ability to make distributions.

We owned 15 properties located outside of the United States at September 30, 2010. In addition, we are currently considering, and will in the future consider, additional international acquisitions.

The ownership of properties located outside of the United States subjects us to risk from fluctuations in exchange rates between foreign currencies and the U.S. dollar. We expect that our principal foreign currency exposure will be to the British Pound and the Euro. Changes in the relation of these currencies to the U.S. dollar will affect our revenues and operating margins, may materially adversely impact our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt obligations.

We may attempt to mitigate some or all of the risk of currency fluctuation by financing our properties in the local currency denominations, although we cannot assure you that we will be able to do so or that this will be effective. We may also engage in direct hedging activities to mitigate the risks of exchange rate fluctuations.

Our international activities are subject to special risks different than those faced by us in the United States and we may not be able to effectively manage our international business.

We have acquired and developed, and may continue to acquire and develop, properties outside the United States. Our foreign operations involve risks not generally associated with investments in the United States, including:

our limited knowledge of and relationships with sellers, tenants, contractors, suppliers or other parties in these markets;

complexity and costs associated with managing international development, redevelopment and operations;

difficulty in hiring qualified management, sales and construction personnel and service providers in a timely fashion;

multiple, conflicting and changing legal, regulatory, entitlement and permitting, tax and treaty environments;

exposure to increased taxation, confiscation or expropriation;

currency transfer restrictions and limitations on our ability to distribute cash earned in foreign jurisdictions to the United States;

difficulty in enforcing agreements in non-U.S. jurisdictions, including those entered into in connection with our acquisitions or in the event of a default by one or more of our tenants, suppliers or contractors; and

political and economic instability, including sovereign credit risk, in certain geographic regions.

Our inability to overcome these risks could adversely affect our foreign operations and could harm our business and results of operations.

Table of Contents

We face risks with our international acquisitions associated with investing in unfamiliar markets.

We have acquired and may continue to acquire properties on a strategic and selective basis in international markets that are new to us. When we acquire properties located in these markets, we may face risks associated with a lack of market knowledge or understanding of the local economy, forging new business relationships in the area and unfamiliarity with local government and permitting procedures. In addition, due diligence, transaction and structuring costs may be higher than those we may face in the United States. We work to mitigate such risks through extensive diligence and research and associations with experienced partners; however, we cannot assure you that all such risks will be eliminated.

Future consolidation in the technology industry could materially adversely affect our revenues by eliminating some of our potential tenants and could make us more dependent on a more limited number of tenants.

Mergers or consolidations of technology companies in the future could reduce the number of our tenants and potential tenants. If our tenants merge with or are acquired by other entities that are not our tenants, they may discontinue or reduce the use of our data centers in the future. Any of these developments could have a material adverse effect on our revenues and results of operations.

We depend on third parties to provide Internet connectivity to the tenants in our data centers and any delays or disruptions in connectivity may materially adversely affect our operating results and cash flow.

We are not a telecommunications carrier. Although our tenants are responsible for providing their own network connectivity, we still depend upon the presence of telecommunications carriers' fiber networks serving the locations of our data centers in order to attract and retain tenants. We believe that the availability of carrier capacity will directly affect our ability to achieve our projected results. Any carrier may elect not to offer its services within our data centers. Any carrier that has decided to provide Internet connectivity to our data centers may not continue to do so for any period of time. Further, some carriers are experiencing business difficulties or have announced consolidations. As a result, some carriers may be forced to downsize or terminate connectivity within our data centers, which could have an adverse effect on the business of our tenants and, in turn, our own operating results.

Our new data centers require construction and operation of a sophisticated redundant fiber network. The construction required to connect multiple carrier facilities to our data centers is complex and involves factors outside of our control, including regulatory requirements and the availability of construction resources. If the establishment of highly diverse Internet connectivity to our data centers does not occur, is materially delayed or is discontinued, or is subject to failure, our operating results and cash flow may be materially adversely affected. Any hardware or fiber failures on this network may result in significant loss of connectivity to our data centers. This could negatively affect our ability to attract new tenants or retain existing tenants.

Illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial condition.

Because real estate investments are relatively illiquid and because there may be even fewer buyers for our specialized real estate, our ability to promptly sell properties in our portfolio in response to adverse changes in their performance may be limited, which may harm our financial condition. Further, Digital Realty Trust, Inc. is subject to provisions in the Code that limit a REIT's ability to dispose of properties, which limitations are not applicable to other types of real estate companies. In addition, the parties who contributed the 200 Paul Avenue 1-4 and 1100 Space Park Drive properties to us would incur adverse tax consequences upon the sale of these properties. While Digital Realty Trust, Inc. has exclusive authority under Digital Realty Trust, L.P.'s limited partnership agreement to determine whether, when, and on what terms to sell a property, any such decision would require the approval of Digital Realty Trust, Inc.'s board of directors. See Risks Related to Our Organizational Structure Tax consequences upon sale or refinancing. These limitations may affect our ability to sell properties. This lack of liquidity and the Code restrictions may limit our ability to vary our portfolio

Table of Contents

promptly in response to changes in economic or other conditions and, as a result, could adversely affect our financial condition, results of operations, cash flow, cash available for distribution and ability to access capital necessary to meet our debt payments and other obligations.

We could incur significant costs related to government regulation and private litigation over environmental matters.

Under various laws relating to the protection of the environment, a current or previous owner or operator of real estate may be liable for contamination resulting from the presence or discharge of hazardous or toxic substances at that property, and may be required to investigate and clean up such contamination at or emanating from that property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of the contaminants, and the liability may be joint and several. Previous owners used some of our properties for industrial and retail purposes, so those properties may contain some level of environmental contamination. The presence of contamination or the failure to remediate contamination at our properties may expose us to third-party liability or materially adversely affect our ability to sell, lease or develop the real estate or to borrow using the real estate as collateral.

Some of the properties may contain asbestos-containing building materials. Environmental laws require that asbestos-containing building materials be properly managed and maintained, and may impose fines and penalties on building owners or operators for failure to comply with these requirements. These laws may also allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos-containing building materials.

In addition, some of our tenants, particularly those in the biotechnology and life sciences industry and those in the technology manufacturing industry, routinely handle hazardous substances and wastes as part of their operations at our properties. Environmental laws and regulations subject our tenants, and potentially us, to liability resulting from these activities or from previous industrial or retail uses of those properties. Environmental liabilities could also affect a tenant's ability to make rental payments to us.

Existing conditions at some of our properties may expose us to liability related to environmental matters.

Independent environmental consultants have conducted Phase I or similar environmental site assessments on all of the properties in our portfolio. Site assessments are intended to discover and evaluate information regarding the environmental condition of the surveyed property and surrounding properties. These assessments do not generally include soil samplings, subsurface investigations or an asbestos survey and the assessments may fail to reveal all environmental conditions, liabilities or compliance concerns. In addition, material environmental conditions, liabilities or compliance concerns may arise after these reviews are completed or may arise in the future. Future laws, ordinances or regulations may impose additional material environmental liability.

We cannot assure you that costs of future environmental compliance will not affect our ability to pay dividends to Digital Realty Trust, Inc.'s stockholders and distributions to Digital Realty Trust, L.P.'s unitholders or that such costs or other remedial measures will not have a material adverse effect on our business, assets or results of operations.

Our properties may contain or develop harmful mold or suffer from other air quality issues, which could lead to liability for adverse health effects and costs to remedy the problem.

When excessive moisture accumulates in buildings or on building materials, mold may grow, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of

Table of Contents

adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants and others if property damage or health concerns arise.

We may incur significant costs complying with the Americans with Disabilities Act and similar laws.

Under the Americans with Disabilities Act of 1990, or the ADA, all public accommodations must meet federal requirements related to access and use by disabled persons. We have not conducted an audit or investigation of all of our properties to determine our compliance with the ADA. If one or more of the properties in our portfolio does not comply with the ADA, then we would be required to incur additional costs to bring the property into compliance. Additional federal, state and local laws also may require modifications to our properties, or restrict our ability to renovate our properties. We cannot predict the ultimate cost of compliance with the ADA or other legislation. If we incur substantial costs to comply with the ADA and any other similar legislation, our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt service obligations could be materially adversely affected.

Risks Related to Digital Realty Trust, Inc.'s Status as a REIT

Failure to qualify as a REIT would have significant adverse consequences to Digital Realty Trust, Inc. and its stockholders and to Digital Realty Trust, L.P. and its unitholders.

Digital Realty Trust, Inc. has operated and intends to continue operating in a manner that it believes will allow it to qualify as a REIT for federal income tax purposes under the Code. Digital Realty Trust, Inc. has not requested and does not plan to request a ruling from the IRS that it qualifies as a REIT. If Digital Realty Trust, Inc. loses its REIT status, it will face serious tax consequences that would substantially reduce its cash available for distribution, including cash available to pay dividends to its preferred stockholders or make distributions to its common stockholders, for each of the years involved because:

Digital Realty Trust, Inc. would not be allowed a deduction for distributions to stockholders in computing its taxable income and would be subject to federal income tax at regular corporate rates;

Digital Realty Trust, Inc. also could be subject to the federal alternative minimum tax and possibly increased state and local taxes; and

unless Digital Realty Trust, Inc. is entitled to relief under applicable statutory provisions, it could not elect to be taxed as a REIT for four taxable years following the year during which it was disqualified.

In addition, if Digital Realty Trust, Inc. fails to qualify as a REIT, it will not be required to make distributions to stockholders, and accordingly, distributions Digital Realty Trust, L.P. makes to its unitholders could be similarly reduced. As a result of all these factors, Digital Realty Trust, Inc.'s failure to qualify as a REIT also could impair our ability to expand our business and raise capital, and would materially adversely affect the value of Digital Realty Trust, Inc.'s stock and Digital Realty Trust, L.P.'s units.

Qualification as a REIT involves the application of highly technical and complex Code provisions for which there are only limited judicial and administrative interpretations. The complexity of these provisions and of the applicable Treasury Regulations that have been promulgated under the Code is greater in the case of a REIT that, like Digital Realty Trust, Inc., holds its assets through a partnership. Digital Realty Trust, Inc.'s ability to qualify as a REIT may be affected by facts and circumstances that are not entirely within its control. In order to qualify as a REIT, Digital Realty Trust, Inc. must satisfy a number of requirements, including requirements regarding the composition of its assets and a requirement that at least 95% of its gross income in any year must be derived from qualifying sources, such as rents from real property. Also, Digital Realty Trust, Inc. must make distributions to stockholders aggregating annually at least 90% of its net taxable income, excluding net capital

Table of Contents

gains. In addition, legislation, new regulations, administrative interpretations or court decisions may materially adversely affect its investors, its ability to qualify as a REIT for federal income tax purposes or the desirability of an investment in a REIT relative to other investments.

Even if Digital Realty Trust, Inc. qualifies as a REIT for federal income tax purposes, it may be subject to some federal, state and local taxes on its income or property and, in certain cases, a 100% penalty tax, in the event it sells property as a dealer. In addition, our domestic corporate subsidiary, Digital Services, Inc., which is a taxable REIT subsidiary of Digital Realty Trust, Inc., could be subject to federal and state taxes, and our foreign properties and companies are subject to tax in the jurisdictions in which they operate and are located.

To maintain Digital Realty Trust, Inc.'s REIT status, we may be forced to borrow funds on a short-term basis during unfavorable market conditions.

To qualify as a REIT, Digital Realty Trust, Inc. generally must distribute to its stockholders at least 90% of its net taxable income each year, excluding capital gains, and Digital Realty Trust, Inc. will be subject to regular corporate income taxes to the extent that it distributes less than 100% of its net taxable income each year. In addition, Digital Realty Trust, Inc. will be subject to a 4% nondeductible excise tax on the amount, if any, by which distributions paid by Digital Realty Trust, Inc. in any calendar year are less than the sum of 85% of its ordinary income, 95% of its capital gain net income and 100% of its undistributed income from prior years. While historically Digital Realty Trust, Inc. has satisfied these distribution requirements by making cash distributions to its stockholders, a REIT is permitted to satisfy these requirements by making distributions of cash or other property, including, in limited circumstances, its own stock. Assuming Digital Realty Trust, Inc. continues to satisfy these distributions requirements with cash, we may need to borrow funds for Digital Realty Trust, Inc. to meet the REIT distribution requirements even if the then prevailing market conditions are not favorable for these borrowings. These borrowing needs could result from differences in timing between the actual receipt of cash and inclusion of income for federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of reserves or required debt or amortization payments.

The power of Digital Realty Trust, Inc.'s board of directors to revoke Digital Realty Trust, Inc.'s REIT election without stockholder approval may cause adverse consequences to Digital Realty Trust, Inc.'s stockholders and Digital Realty Trust, L.P.'s unitholders.

Digital Realty Trust, Inc.'s charter provides that its board of directors may revoke or otherwise terminate its REIT election, without the approval of its stockholders, if it determines that it is no longer in Digital Realty Trust, Inc.'s best interests to continue to qualify as a REIT. If Digital Realty Trust, Inc. ceases to qualify as a REIT, it would become subject to U.S. federal income tax on its taxable income and it would no longer be required to distribute most of its taxable income to its stockholders and accordingly, distributions Digital Realty Trust, L.P. makes to its unitholders could be similarly reduced.

Risks Related to this Offering

Our substantial indebtedness could adversely affect our financial condition and ability to fulfill our obligations under the notes and otherwise adversely impact our business and growth prospects.

We have a substantial amount of debt. At September 30, 2010, our total indebtedness was approximately \$2.7 billion (exclusive of trade payables, distributions payable, accrued expenses and committed letters of credit), and we may incur significant additional debt to finance future acquisition and development and redevelopment activities. We have a revolving credit facility, which has a borrowing limit based upon a percentage of the value of our unsecured properties included in the facility's borrowing base. Approximately \$512.5 million, net of issued letters of credit, was available under this facility at September 30, 2010. In addition, under our contribution agreement with respect to the 200 Paul Avenue 1-4 and 1100 Space Park Drive properties, we have agreed to make available for guarantee up to \$17.8 million of indebtedness and may enter into similar agreements in the future.

Table of Contents

Our level of debt and the limitations imposed on us by our debt agreements could have significant adverse consequences to holders of the notes, including the following:

our cash flow may be insufficient to meet our required principal and interest payments with respect to the notes and our other indebtedness;

we may be unable to borrow additional funds as needed or on favorable terms;

we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness;

because a significant portion of our debt bears interest at variable rates, increases in interest rates could materially increase our interest expense;

we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms;

we may default on our obligations and the lenders or mortgagees may foreclose on our properties or our interests in the entities that own the properties that secure their loans and receive an assignment of rents and leases;

we may violate restrictive covenants in our loan documents, which would entitle the lenders to accelerate our debt obligations; and

our default under any one of our mortgage loans with cross default provisions could result in a default on other indebtedness.

If any one of these events were to occur, our financial condition, results of operations, cash flow, cash available for distribution and our ability to satisfy our debt service obligations could be materially adversely affected. Furthermore, foreclosures could create taxable income without accompanying cash proceeds, a circumstance which could hinder Digital Realty Trust, Inc.'s ability to meet the REIT distribution requirements imposed by the Code.

The effective subordination of the notes may limit our ability to satisfy our obligations under the notes.

The notes will be senior unsecured obligations of Digital Realty Trust, L.P. and will rank equally in right of payment with all of our other senior unsecured indebtedness. However, the notes will be effectively subordinated in right of payment to all of the secured indebtedness of Digital Realty Trust, L.P. to the extent of the value of the collateral securing such indebtedness. While the indenture governing the notes limits our ability to incur additional secured indebtedness in the future, it does not prohibit us from incurring such indebtedness if we meet certain ratios and other requirements. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to us, the holders of any secured indebtedness will be entitled to proceed directly against the collateral that secures the secured indebtedness. Therefore, such collateral will not be available for satisfaction of any amounts owed under our unsecured indebtedness, including the notes, until such secured indebtedness is satisfied in full. As of September 30, 2010, Digital Realty Trust, L.P. had approximately \$1.1 billion of senior unsecured indebtedness (exclusive of trade payables, distributions payable, accrued expenses and committed letters of credit).

The notes also will be effectively subordinated to all liabilities and preferred equity of the subsidiaries of Digital Realty Trust, L.P. In the event of a bankruptcy, liquidation, dissolution, reorganization or similar proceeding with respect to any such subsidiary, Digital Realty Trust, L.P., as an equity owner of such subsidiary, and therefore holders of our debt, including the notes, will be subject to the prior claims of such subsidiary's creditors, including trade creditors and preferred equity holders. As of September 30, 2010, the total indebtedness of Digital Realty Trust, L.P.'s subsidiaries was approximately \$1.1 billion, excluding intercompany debt, guarantees of debt of Digital Realty Trust, L.P., accrued expenses and trade payables. In addition, except for subsidiaries of Digital Realty Trust, L.P. which are prohibited from doing so by the terms of secured

indebtedness, substantially all of the domestic subsidiaries of Digital Realty Trust, L.P., together with Digital

Table of Contents

Realty Trust, Inc., guarantee our obligations under the revolving credit facility and the notes under the Prudential shelf facility. As of September 30, 2010, there was \$220.6 million outstanding under the revolving credit facility, excluding \$16.8 million of letters of credit, and \$200.0 million in outstanding notes under the Prudential shelf facility. While the indenture governing the notes limits the ability of our subsidiaries to incur additional unsecured indebtedness in the future, it does not prohibit our subsidiaries from incurring such indebtedness if such subsidiaries meet certain ratios and other requirements.

We may not be able to generate sufficient cash flow to meet our debt service obligations.

Our ability to make payments on and to refinance our indebtedness, including the notes, and to fund our operations, working capital and capital expenditures, depends on our ability to generate cash in the future. To a certain extent, our cash flow is subject to general economic, industry, financial, competitive, operating, legislative, regulatory and other factors, many of which are beyond our control.

Holders of our currently outstanding exchangeable debentures have the right to require us to repurchase such debentures for cash on specified dates or upon the occurrence of designated events. In addition, with respect to the 2026 debentures, we are required to settle exchanges of such debentures in cash up to the aggregate principal amount of such debentures. Any of our future debt agreements or securities may contain similar provisions. We may not have sufficient funds to make the required repurchase or settlement of such debentures in cash at the applicable time and, in such circumstances, may not be able to arrange the necessary financing on favorable terms or at all. In addition, our ability to make the required repurchase or settlement may be limited by law or the terms of other debt agreements or securities. However, our failure to make the required repurchase or settlement would constitute an event of default under the applicable indentures governing our currently outstanding exchangeable notes which, in turn, could constitute an event of default under other debt agreements, including the indenture that governs the notes offered hereby, thereby resulting in their acceleration and required prepayment and further restrict our ability to make such payments and repurchases.

We cannot assure you that our business will generate sufficient cash flow from operations or that future sources of cash will be available to us in an amount sufficient to enable us to pay amounts due on our indebtedness, including the notes, or to fund our other liquidity needs. Additionally, if we incur additional indebtedness in connection with future acquisitions or development projects or for any other purpose, our debt service obligations could increase.

We may need to refinance all or a portion of our indebtedness, including the notes, on or before maturity. Our ability to refinance our indebtedness or obtain additional financing will depend on, among other things, our financial condition and market conditions at the time and restrictions in the agreements governing our indebtedness.

As a result, we may not be able to refinance any of our indebtedness, including the notes, on commercially reasonable terms, or at all. If we do not generate sufficient cash flow from operations, and additional borrowings or refinancings or proceeds of asset sales or other sources of cash are not available to us, we may not have sufficient cash to enable us to meet all of our obligations, including payments on the notes. Accordingly, if we cannot service our indebtedness, we may have to take actions, such as seeking additional equity or delaying capital expenditures, or strategic acquisitions and alliances, any of which could have a material adverse effect on our operations. We cannot assure you that we will be able to effect any of these actions on commercially reasonable terms, or at all.

Despite our substantial indebtedness, we may still incur significantly more debt, which could exacerbate any or all of the risks described above.

We may be able to incur substantial additional indebtedness in the future. Although the agreements governing our revolving credit facility and certain other indebtedness and the indenture governing the notes limit our ability to incur additional indebtedness, these restrictions are subject to a number of qualifications and

Table of Contents

exceptions and, under certain circumstances, debt incurred in compliance with these restrictions could be substantial. To the extent that we incur additional indebtedness or such other obligations, the risks associated with our substantial leverage described above, including our possible inability to service our debt, would increase. In addition, the credit agreement governing our revolving credit facility and the indenture governing the notes do not prevent us from incurring obligations that do not constitute indebtedness.

Digital Realty Trust, Inc. has no significant operations, other than as Digital Realty Trust, L.P.'s general partner, and no material assets, other than its investment in Digital Realty Trust, L.P.

The notes will be fully and unconditionally guaranteed by Digital Realty Trust, Inc. However, Digital Realty Trust, Inc. has no significant operations, other than as Digital Realty Trust, L.P.'s general partner, and no material assets, other than its investment in Digital Realty Trust, L.P. Furthermore, Digital Realty Trust, Inc.'s guarantee of the notes will be effectively subordinated in right of payment to all unsecured and secured liabilities and preferred equity of its subsidiaries (including Digital Realty Trust, L.P. and any entity Digital Realty Trust, Inc. accounts for under the equity method of accounting). As of September 30, 2010, the total indebtedness of Digital Realty Trust, Inc.'s subsidiaries was approximately \$2.7 billion (exclusive of trade payables, distributions payable, accrued expenses and committed letters of credit). In addition, except for subsidiaries of Digital Realty Trust, L.P. which are prohibited from doing so by the terms of secured indebtedness, substantially all of the domestic subsidiaries of Digital Realty Trust, L.P., together with Digital Realty Trust, Inc., guarantee our obligations under the revolving credit facility and the notes under the Prudential shelf facility. As of September 30, 2010, there was \$220.6 million outstanding under the revolving credit facility, excluding \$16.8 million of letters of credit, and \$200.0 million in outstanding notes under the Prudential shelf facility.

Federal and state statutes allow courts, under specific circumstances, to void guarantees and require holders of notes to return payments received from guarantors.

Under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws, a guarantee, such as the guarantee provided by Digital Realty Trust, Inc., could be voided, or claims in respect of a guarantee could be subordinated to all other debts of that guarantor if, among other things, the guarantor, at the time it incurred the indebtedness evidenced by its guarantee:

received less than reasonably equivalent value or fair consideration for the incurrence of the guarantee;

was insolvent or rendered insolvent by reason of the incurrence of the guarantee;

was engaged in a business or transaction for which the guarantor's remaining assets constituted unreasonably small capital; or

intended to incur, or believed that it would incur, debts beyond its ability to pay those debts as they mature.

In addition, any payment by that guarantor pursuant to its guarantee could be voided and required to be returned to the guarantor or to a fund for the benefit of the creditors of the guarantor.

The measures of insolvency for purposes of these fraudulent transfer laws will vary depending upon the law applied in any proceeding to determine whether a fraudulent transfer has occurred. Generally, however, a guarantor would be considered insolvent if:

the sum of its debts, including contingent liabilities, was greater than the fair saleable value of all of its assets;

the present fair saleable value of its assets was less than the amount that would be required to pay its probable liability on its existing debts, including contingent liabilities, as they became absolute and mature; or

it could not pay its debts as they become due.

Table of Contents

The court might also void such guarantee, without regard to the above factors, if it found that a guarantor entered into its guarantee with actual or deemed intent to hinder, delay, or defraud its creditors.

A court would likely find that a guarantor did not receive reasonably equivalent value or fair consideration for its guarantee unless it benefited directly or indirectly from the issuance of the notes. If a court voided such guarantee, holders of the notes would no longer have a claim against such guarantor or the benefit of the assets of such guarantor constituting collateral that purportedly secured such guarantee. In addition, the court might direct holders of the notes to repay any amounts already received from a guarantor. If the court were to void Digital Realty Trust, Inc.'s guarantee, we cannot assure you that funds would be available to pay the notes from any of our subsidiaries or from any other source.

The indenture governing the notes contains restrictive covenants that limit our operating flexibility.

The indenture governing the notes contains financial and operating covenants that, among other things, restrict our ability to take specific actions, even if we believe them to be in our best interest, including restrictions on our ability to:

consummate a merger, consolidation or sale of all or substantially all of our assets; and

incur secured and unsecured indebtedness.

In addition, our revolving credit facility requires us to meet specified financial ratios and the indenture governing the notes requires us to maintain at all times a specified ratio of unencumbered assets to unsecured debt. These covenants may restrict our ability to expand or fully pursue our business strategies. Our ability to comply with these and other provisions of the indenture governing the notes and our revolving credit facility may be affected by changes in our operating and financial performance, changes in general business and economic conditions, adverse regulatory developments or other events beyond our control. The breach of any of these covenants, including those contained in our credit facility and the indenture governing the notes, could result in a default under our indebtedness, which could cause those and other obligations to become due and payable. If any of our indebtedness is accelerated, we may not be able to repay it.

We cannot assure you that an active trading market will develop for the notes, and if an active trading market does not develop for the notes, you may not be able to resell them.

We cannot assure you that an active trading market will ever develop for the notes. We do not intend to apply for listing of the notes on any securities exchange or for quotation of the notes on any automated dealer quotation system. The lack of a trading market could adversely affect your ability to sell the notes and the price at which you may be able to sell the notes. The liquidity of the trading market, if any, and future trading prices of the notes will depend on many factors, including, among other things, prevailing interest rates, our operating results, financial performance and prospects, the market for similar securities and the overall securities market, and may be adversely affected by unfavorable changes in these factors. It is possible that the market for the notes will be subject to disruptions which may have a negative effect on the holders of the notes, regardless of our operating results, financial performance or prospects.

If the procedures for tendering your private notes in this exchange offer are not followed, you may not receive notes in exchange for your private notes.

We will issue the notes in exchange for your private notes only if you tender the private notes and deliver a properly completed and duly executed letter of transmittal and other required documents before expiration of the exchange offer. You should allow sufficient time to ensure timely delivery of the necessary documents. Neither the Exchange Agent nor we are under any duty to give notification of defects or irregularities with respect to the tenders of private notes for exchange. If you are the beneficial holder of private notes that are registered in the name of your broker, dealer, commercial bank, trust company or other nominee, and you wish to tender private notes in the exchange offer, you should promptly contact the person in whose name your private notes are registered and instruct that person to tender your private notes on your behalf.

Table of Contents

FORWARD-LOOKING STATEMENTS

We make statements in this prospectus that are forward-looking statements within the meaning of the federal securities laws. In particular, statements pertaining to our capital resources, portfolio performance and results of operations contain forward-looking statements. Likewise, all of our statements regarding anticipated market conditions, demographics and results of operations are forward-looking statements. 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 or are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

the impact of the recent deterioration in global economic, credit and market conditions;

current local economic conditions in our geographic markets;

decreases in information technology spending, including as a result of economic slowdowns or recession;

adverse economic or real estate developments in our industry or the industry sectors that we sell to (including risks relating to decreasing real estate valuations and impairment charges);

our dependence upon significant tenants;

bankruptcy or insolvency of a major tenant or a significant number of smaller tenants;

defaults on or non-renewal of leases by tenants;

our failure to obtain necessary debt and equity financing;

increased interest rates and operating costs;

our failure to repay debt when due or our breach of covenants or other terms contained in our loan facilities and agreements;

financial market fluctuations;

changes in foreign currency exchange rates;

our inability to manage our growth effectively;

difficulty acquiring or operating properties in foreign jurisdictions;

our failure to successfully operate acquired or redeveloped properties;

risks related to joint venture investments, including as a result of our lack of control of such investments;

delays or unexpected costs in development or redevelopment of properties;

decreased rental rates or increased vacancy rates;

increased competition or available supply of data center space;

Table of Contents

our inability to successfully develop and lease new properties and space held for redevelopment;

difficulties in identifying properties to acquire and completing acquisitions;

our inability to acquire off-market properties;

our inability to comply with the rules and regulations applicable to reporting companies;

Digital Realty Trust, Inc.'s failure to maintain its status as a REIT;

possible adverse changes to tax laws;

restrictions on our ability to engage in certain business activities;

environmental uncertainties and risks related to natural disasters;

changes in foreign laws and regulations, including those related to taxation and real estate ownership and operation; and

changes in real estate and zoning laws and increases in real property tax rates.

While forward-looking statements reflect our good faith beliefs, they are not guaranties of future performance. We disclaim any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes. For a further discussion of these and other factors that could impact our future results, performance or transactions, see the sections above.

Table of Contents

THE EXCHANGE OFFER

Purpose of the Exchange Offer

On July 8, 2010, our operating partnership issued \$375.0 million of the private notes to Citigroup Global Markets Inc., Banc of America Securities LLC, Credit Suisse Securities (USA) LLC, Morgan Stanley & Co. Incorporated, Deutsche Bank Securities Inc., J.P. Morgan Securities Inc., and RBS Securities Inc., the initial purchasers, pursuant to a purchase agreement. The initial purchasers subsequently sold the private notes to qualified institutional buyers, as defined in Rule 144A under the Securities Act, in reliance on Rule 144A, and outside the United States under Regulation S of the Securities Act. As a condition to the sale of the private notes, we entered into a registration rights agreement with the initial purchasers on July 8, 2010. Pursuant to the registration rights agreement, we agreed that we would:

- (1) file an exchange offer registration statement with the SEC on or prior to October 6, 2010;
- (2) use our reasonable efforts to have the exchange offer registration statement declared effective by the SEC on or prior to January 4, 2011;
- (3) unless the exchange offer would not be permitted by applicable law or SEC policy, we will:
 - (a) commence the exchange offer; and
 - (b) use reasonable efforts to issue on or prior to 45 business days, or longer, if required by the federal securities laws, after the date on which the exchange offer registration statement was declared effective by the SEC, exchange notes in exchange for all notes tendered prior thereto in the exchange offer; and
- (4) if obligated to file the shelf registration statement, we will use reasonable efforts to file the shelf registration statement with the SEC on or prior to 90 days after such filing obligation arises and to cause the shelf registration statement to be declared effective by the SEC on or prior to 180 days after such obligation arises.

Upon the effectiveness of the exchange offer registration statement of which this prospectus forms a part, we will offer the exchange notes in exchange for the private notes. We filed a copy of the registration rights agreement as an exhibit to the registration statement.

Resale of the Exchange Notes

Based upon an interpretation by the staff of the SEC contained in no-action letters issued to third parties, we believe that you may exchange private notes for exchange notes in the ordinary course of business. For further information on the SEC's position, see *Exxon Capital Holdings Corporation*, available May 13, 1988, *Morgan Stanley & Co. Incorporated*, available June 5, 1991, and *Shearman & Sterling*, available July 2, 1993, and other interpretive letters to similar effect. You will be allowed to resell exchange notes to the public without further registration under the Securities Act and without delivering to purchasers of the exchange notes a prospectus that satisfies the requirements of Section 10 of the Securities Act so long as you do not participate, do not intend to participate, and have no arrangement with any person to participate, in a distribution of the exchange notes. However, the foregoing does not apply to you if you are: a broker-dealer who purchased the exchange notes directly from us to resell pursuant to Rule 144A or any other available exemption under the Securities Act; or you are an affiliate of ours within the meaning of Rule 405 under the Securities Act.

In addition, if you are a broker-dealer, or you acquire exchange notes in the exchange offer for the purpose of distributing or participating in the distribution of the exchange notes, you cannot rely on the position of the staff of the SEC contained in the no-action letters mentioned above or other interpretive letters to similar effect and must comply with the registration and prospectus delivery requirements of the Securities Act in connection with any resale transaction, unless an exemption from registration is otherwise available.

Table of Contents

Each broker-dealer that receives exchange notes for its own account in exchange for private notes, which the broker-dealer acquired as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus in connection with any resale of the exchange notes. By delivering a prospectus, a broker-dealer may be deemed to be an underwriter within the meaning of the Securities Act. A broker-dealer may use this prospectus, as it may be amended or supplemented from time to time, in connection with resales of exchange notes received in exchange for private notes which the broker-dealer acquired as a result of market-making or other trading activities.

Terms of the Exchange Offer

Upon the terms and subject to the conditions described in this prospectus and in the accompanying letter of transmittal, which together constitute the exchange offer, we will accept any and all private notes validly tendered and not withdrawn before the expiration date. We will issue \$1,000 principal amount of exchange notes in exchange for each \$1,000 principal amount of outstanding private notes surrendered pursuant to the exchange offer. You may tender private notes only in integral multiples of \$1,000.

The form and terms of the exchange notes are the same as the form and terms of the private notes except that:

we will register the exchange notes under the Securities Act and, therefore, the exchange notes will not bear legends restricting their transfer; and

holders of the exchange notes will not be entitled to any of the rights of holders of private notes under the registration rights agreement, which rights will terminate upon the completion of the exchange offer.

The exchange notes will evidence the same debt as the private notes and will be issued under the same indenture, so the exchange notes and the private notes will be treated as a single class of debt securities under the indenture.

As of the date of this prospectus, \$375.0 million in aggregate principal amount of the private notes are outstanding and registered in the name of Cede & Co., as nominee for DTC. Only registered holders of the private notes, or their legal representative or attorney-in-fact, as reflected on the records of the trustee under the indenture, may participate in the exchange offer. We will not set a fixed record date for determining registered holders of the private notes entitled to participate in the exchange offer.

You do not have any appraisal or dissenters' rights under the indenture in connection with the exchange offer. We intend to conduct the exchange offer in accordance with the provisions of the registration rights agreement and the applicable requirements of the Securities Act, the Exchange Act and the rules and regulations of the SEC.

We will be deemed to have accepted validly tendered private notes when, as and if we have given written notice of acceptance to the Exchange Agent. The Exchange Agent will act as your agent for the purposes of receiving the exchange notes from us.

If you tender private notes in the exchange offer you will not be required to pay brokerage commissions or fees with respect to the exchange of private notes pursuant to the exchange offer. We will pay all charges and expenses, other than the applicable taxes described below, in connection with the exchange offer.

Expiration Date; Extensions; Amendments

The term "expiration date" will mean 5:00 p.m., New York City time on January 12, 2011 (the 21st business day following commencement of the exchange offer), unless we, in our sole discretion, extend the exchange offer, in which case the term expiration date will mean the latest date and time to which we extend the exchange offer.

Table of Contents

To extend the exchange offer, we will notify the Exchange Agent and each registered holder of any extension in writing by a press release or other public announcement before 9:00 a.m., New York City time, on the next business day after the previously scheduled expiration date. The notice of extension will disclose the aggregate principal amount of the private notes that have been tendered as of the date of such notice.

We reserve the right, in our reasonable discretion:

to delay accepting any private notes due to an extension of the exchange offer; or

if any conditions listed below under **Conditions** are not satisfied, to terminate the exchange offer, in each case by written notice of the delay, extension or termination to the Exchange Agent and by press release or other public announcement.

We will follow any delay in acceptance, extension or termination as promptly as practicable by written notice to the registered holders by a press release or other public announcement. If we amend the exchange offer in a manner we determine constitutes a material change, we will promptly disclose the amendment in a prospectus supplement that we will distribute to the registered holders. We will also extend the exchange offer for a period of five to ten business days, depending upon the significance of the amendment and the manner of disclosure, if the exchange offer would otherwise expire during the five to ten business day period.

Interest on the Exchange Notes

The exchange notes will bear interest at the same rate and on the same terms as the private notes. Consequently, the exchange notes will bear interest at a rate equal to 4.50% per year (calculated using a 360-day year). Interest will be payable on the exchange notes semi-annually on each January 15 and July 15.

Interest on the exchange notes will accrue from the last interest payment date on which interest was paid on the private notes or, if no interest has been paid on the private notes, from the date of initial issuance of the private notes. We will deem the right to receive any interest accrued but unpaid on the private notes waived by you if we accept your private notes for exchange.

Procedures for Tendering

Valid Tender

Except as described below, a tendering holder must, prior to the expiration date, transmit to the Exchange Agent, at the address listed under the heading **Exchange Agent** :

a properly completed and duly executed letter of transmittal, including all other documents required by the letter of transmittal; or

if the private notes are tendered in accordance with the book-entry procedures listed below, an agent's message.
In addition, a tendering holder must:

deliver certificates, if any, for the private notes to the Exchange Agent at or before the expiration date; or

deliver a timely confirmation of book-entry transfer of the private notes into the Exchange Agent's account at DTC, the book-entry transfer facility, along with the letter of transmittal or an agent's message; or

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comply with the guaranteed delivery procedures described below.

The term "agent's message" means a message, transmitted by DTC to and received by the Exchange Agent and forming a part of a book-entry confirmation, that states that DTC has received an express acknowledgment that the tendering holder agrees to be bound by the letter of transmittal and that we may enforce the letter of transmittal against this holder.

Table of Contents

If the letter of transmittal is signed by a person other than the registered holder of private notes, the letter of transmittal must be accompanied by a written instrument of transfer or exchange in satisfactory form duly executed by the registered holder with the signature guaranteed by an eligible institution. The private notes must be endorsed or accompanied by appropriate powers of attorney. In either case, the private notes must be signed exactly as the name of any registered holder appears on the private notes.

If the letter of transmittal or any private notes or powers of attorney are signed by trustees, executors, administrators, guardians, attorneys-in-fact, officers of corporations or others acting in a fiduciary or representative capacity, these persons should so indicate when signing. Unless waived by us, proper evidence satisfactory to us of their authority to so act must be submitted.

By tendering private notes pursuant to the exchange offer, each holder will represent to us that, among other things, the exchange notes are being acquired in the ordinary course of business of the person receiving the exchange notes, whether or not that person is the holder, and neither the holder nor the other person has any arrangement or understanding with any person to participate in the distribution of the exchange notes. In the case of a holder that is not a broker-dealer, that holder, by tendering private notes pursuant to the exchange offer, will also represent to us that the holder is not engaged in and does not intend to engage in a distribution of the exchange notes.

The method of delivery of private notes, letters of transmittal and all other required documents is at your election and risk. If the delivery is by mail, we recommend that you use registered mail, properly insured, with return receipt requested. In all cases, you should allow sufficient time to assure timely delivery. You should not send letters of transmittal or private notes to us.

If you are a beneficial owner whose private notes are registered in the name of a broker, dealer, commercial bank, trust company or other nominee, and wish to tender, you should promptly instruct the registered holder to tender on your behalf. Any registered holder that is a participant in DTC's book-entry transfer facility system may make book-entry delivery of the private notes by causing DTC to transfer the private notes into the Exchange Agent's account, including by means of DTC's Automated Tender Offer Program.

Any registered holder that holds the private notes through Euroclear Bank S.A./N.V., or Euroclear, or Clearstream Banking, S.A., or Clearstream, must comply with the procedures of Euroclear or Clearstream, as applicable, before the expiration date.

Signature Guarantees

Signatures on a letter of transmittal or a notice of withdrawal must be guaranteed, unless the private notes surrendered for exchange are tendered:

by a registered holder of the private notes who has not completed the box entitled "Special Issuance Instructions" or "Special Delivery Instructions" on the letter of transmittal; or

for the account of an eligible institution.

If signatures on a letter of transmittal or a notice of withdrawal are required to be guaranteed, the guarantees must be by an eligible institution. An eligible institution is an eligible guarantor institution meeting the requirements of the registrar for the notes, which requirements include membership or participation in the Security Transfer Agent Medallion Program, or STAMP, or such other signature guarantee program as may be determined by the registrar for the notes in addition to, or in substitution for, STAMP, all in accordance with the Exchange Act.

Book-Entry Transfer

The Exchange Agent will make a request to establish an account for the private notes at DTC for purposes of the exchange offer within two business days after the date of this prospectus. Any financial institution that is a

Table of Contents

participant in DTC's systems must make book-entry delivery of private notes by causing DTC to transfer those private notes into the Exchange Agent's account at DTC in accordance with DTC's procedure for transfer. The participant should transmit its acceptance to DTC at or prior to the expiration date or comply with the guaranteed delivery procedures described below. DTC will verify this acceptance, execute a book-entry transfer of the tendered private notes into the Exchange Agent's account at DTC and then send to the Exchange Agent confirmation of this book-entry transfer. The confirmation of this book-entry transfer will include an agent's message confirming that DTC has received an express acknowledgment from this participant that this participant has received and agrees to be bound by the letter of transmittal and that we may enforce the letter of transmittal against this participant.

Participants in Euroclear's or Clearstream's book-entry transfer facility system must electronically transmit their acceptance of the exchange to Euroclear or Clearstream. The receipt of such electronic acceptance instruction by Euroclear or Clearstream will be acknowledged in accordance with the standard practices of such book-entry transfer facility and will result in the blocking of such private notes in that book-entry transfer facility. By blocking such private notes in the relevant book-entry transfer facility, each holder of private notes will be deemed to consent to have the relevant book-entry transfer facility provide details concerning such holder's identity to the Exchange Agent. The receipt of an electronic instruction by Euroclear or Clearstream shall mean: Euroclear or Clearstream, as applicable, has received an express acknowledgment from a participant in Euroclear or Clearstream, as the case may be, that such participant is tendering private notes that are the subject of the book-entry confirmation; and the participant has received and agrees to be bound by the letter of transmittal and that we may enforce the letter of transmittal against the participant.

Delivery of exchange notes issued in the exchange offer may be effected through book-entry transfer at DTC. However, the letter of transmittal or facsimile of it or an agent's message, with any required signature guarantees and any other required documents, must:

be transmitted to and received by the Exchange Agent at the address listed under "Exchange Agent" at or prior to the expiration date; or

comply with the guaranteed delivery procedures described below.

Delivery of documents to DTC in accordance with DTC's procedures does not constitute delivery to the Exchange Agent.

Guaranteed Delivery

If a registered holder of private notes desires to tender the private notes, and the private notes are not immediately available, or time will not permit the holder's private notes or other required documents to reach the Exchange Agent before the expiration date, or the procedure for book-entry transfer described above cannot be completed on a timely basis, a tender may nonetheless be made if:

the tender is made through an eligible institution;

prior to the expiration date, the Exchange Agent received from an eligible institution a properly completed and duly executed notice of guaranteed delivery, substantially in the form provided by us, by facsimile transmission, mail or hand delivery:

1. stating the name and address of the holder of private notes and the amount of private notes tendered;
2. stating that the tender is being made; and
3. guaranteeing that within three New York Stock Exchange trading days after the expiration date, the certificates for all physically tendered private notes, in proper form for transfer, or a book-entry confirmation, as the case may be, and a properly completed and duly executed letter of transmittal, or an agent's message, and any other documents required by the letter of

transmittal will be deposited by the eligible institution with the exchange agent; and

Table of Contents

the certificates for all physically tendered private notes, in proper form for transfer, or a book-entry confirmation, as the case may be, and a properly completed and duly executed letter of transmittal, or any agent's message, and all other documents required by the letter of transmittal, are received by the Exchange Agent within three New York Stock Exchange trading days after the expiration date.

Determination of Validity

We will determine in our sole discretion all questions as to the validity, form and eligibility of private notes tendered for exchange. This discretion extends to the determination of all questions concerning the time of receipt, acceptance and withdrawal of tendered private notes. These determinations will be final and binding. We reserve the absolute right to reject any and all private notes not properly tendered or any private notes our acceptance of which would, in the opinion of our counsel, be unlawful. We also reserve the right to waive any defects, irregularities or conditions of tender as to any particular private note either before or after the expiration date, including the right to waive the ineligibility of any tendering holder. Our interpretation of the terms and conditions of the exchange offer as to any particular private note either before or after the expiration date, including the letter of transmittal and the instructions to the letter of transmittal, shall be final and binding on all parties. Unless waived, you must cure any defects or irregularities with respect to tenders of private notes within the time we determine. Although we intend to notify you of defects or irregularities with respect to tenders of private notes, neither we, the Exchange Agent nor any other person will incur any liability for failure to give you that notification. Unless waived, we will not deem tenders of private notes to have been made until you cure the defects or irregularities.

Other Rights

While we have no present plan to acquire any private notes that are not tendered in the exchange offer or to file a registration statement to permit resales of any private notes that are not tendered in the exchange offer, we reserve the right in our sole discretion to purchase or make offers for any private notes that remain outstanding after the expiration date. We also reserve the right to terminate the exchange offer, as described below under "Conditions," and, to the extent permitted by applicable law, purchase private notes in the open market, in privately negotiated transactions or otherwise. The terms of any of those purchases or offers could differ from the terms of the exchange offer.

Acceptance of Private Notes for Exchange; Issuance of Exchange Notes

Upon the terms and subject to the conditions of the exchange offer, we will accept, promptly after the expiration date, all private notes properly tendered. We will issue the exchange notes promptly after acceptance of the private notes. For purposes of the exchange offer, we will be deemed to have accepted properly tendered private notes for exchange when, as and if we have given oral or written notice to the Exchange Agent, with prompt written confirmation of any oral notice.

In all cases, issuance of exchange notes for private notes will be made only after timely receipt by the Exchange Agent of:

certificates for the private notes, or a timely book-entry confirmation of the private notes, into the Exchange Agent's account at the book-entry transfer facility;

a properly completed and duly executed letter of transmittal or an agent's message; and

all other required documents.

For each private note accepted for exchange, the holder of the private note will receive an exchange note having a principal amount equal to that of the surrendered private note.

Table of Contents

Return of Notes

Unaccepted or non-exchanged private notes will be returned without expense to the tendering holder of the private notes. In the case of private notes tendered by book-entry transfer in accordance with the book-entry procedures described above, the non-exchanged private notes will be credited to an account maintained with DTC as promptly as practicable after the expiration or termination of the exchange offer.

Withdrawal of Tenders

Except as otherwise provided in this prospectus, you may withdraw tenders of private notes at any time before 5:00 p.m., New York City time, on the expiration date.

For a withdrawal to be effective, the Exchange Agent must receive a written notice of withdrawal at the address or, in the case of eligible institutions, at the facsimile number, indicated under "Exchange Agent" before the expiration date. Any notice of withdrawal must:

specify the name of the person, referred to as the depositor, having tendered the private notes to be withdrawn;

identify the private notes to be withdrawn, including the certificate number or numbers and principal amount of the private notes;

contain a statement that the holder is withdrawing its election to have the private notes exchanged;

be signed by the holder in the same manner as the original signature on the letter of transmittal by which the private notes were tendered, including any required signature guarantees, or be accompanied by documents of transfer to have the trustee with respect to the private notes register the transfer of the private notes in the name of the person withdrawing the tender; and

specify the name in which the private notes are registered, if different from that of the depositor.

If certificates for private notes have been delivered or otherwise identified to the Exchange Agent, then, prior to the release of these certificates the withdrawing holder must also submit the serial numbers of the particular certificates to be withdrawn and signed notice of withdrawal with signatures guaranteed by an eligible institution, unless this holder is an eligible institution. If private notes have been tendered in accordance with the procedure for book-entry transfer described above, any notice of withdrawal must specify the name and number of the account at the book-entry transfer facility to be credited with the withdrawn private notes.

We will determine in our sole discretion all questions as to the validity, form and eligibility of the notices, and our determination will be final and binding on all parties. We will not deem any properly withdrawn private notes to have been validly tendered for purposes of the exchange offer, and we will not issue exchange notes with respect to those private notes, unless you validly retender the withdrawn private notes. You may retender properly withdrawn private notes by following the procedures described above under "Procedures for Tendering" at any time before 5:00 p.m., New York City time, on the expiration date.

Conditions

Notwithstanding any other term of the exchange offer, we will not be required to accept for exchange, or exchange the exchange notes for, any private notes, and may terminate the exchange offer as provided in this prospectus before the expiration of the exchange offer, if, in our reasonable judgment, the exchange offer violates applicable law, rules or regulations or an applicable interpretation of the staff of the SEC.

If we determine in our reasonable discretion that any of these conditions are not satisfied, we may:

refuse to accept any private notes and return all tendered private notes to you;

Table of Contents

extend the exchange offer and retain all private notes tendered before the exchange offer expires, subject, however, to your rights to withdraw the private notes; or

waive the unsatisfied conditions with respect to the exchange offer and accept all properly tendered private notes that have not been withdrawn.

If the waiver constitutes a material change to the exchange offer, we will promptly disclose the waiver by means of a prospectus supplement that we will distribute to the registered holders of the private notes, and we will extend the exchange offer for a period of five to ten business days, depending upon the significance of the waiver and the manner of disclosure to the registered holders, if the exchange offer would otherwise expire during the five to ten business day period.

Termination of Rights

All of your rights under the registration rights agreement will terminate upon consummation of the exchange offer, except with respect to our continuing obligations:

to indemnify you and parties related to you against liabilities, including liabilities under the Securities Act; and

to provide, upon your request, the information required by Rule 144A(d)(4) under the Securities Act to permit resales of the notes pursuant to Rule 144A.

Shelf Registration

If:

- (1) we are not:
 - (a) required to file the exchange offer registration statement; or
 - (b) permitted to consummate the exchange offer because the exchange offer is not permitted by applicable law or SEC policy; or
- (2) any holder of transfer restricted securities notifies us prior to the 20th business day following consummation of the exchange offer that:
 - (a) it is prohibited by law or SEC policy from participating in the exchange offer;
 - (b) it may not resell the exchange notes acquired by it in the exchange offer to the public without delivering a prospectus and the prospectus contained in the exchange offer registration statement is not appropriate or available for such resales; or
 - (c) it is a broker-dealer and owns notes acquired directly from us or one of our affiliates,

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we will file with the SEC a shelf registration statement (as defined in the registration rights agreement) to cover resales of the private notes by the holders of the private notes who satisfy certain conditions relating to the provision of information in connection with the shelf registration statement.

For purposes of the foregoing, transfer restricted securities means each private note until the earliest to occur of:

- (1) the date on which such note has been exchanged by a person other than a broker-dealer for an exchange note in the exchange offer;
- (2) following the exchange by a broker-dealer in the exchange offer of a note for an exchange note, the date on which such exchange note is sold to a purchaser who receives from such broker-dealer on or prior to the date of such sale a copy of the prospectus contained in the exchange offer registration statement;

Table of Contents

- (3) the date on which such note has been effectively registered under the Securities Act and disposed of in accordance with the shelf registration statement; or
- (4) the date on which such note is distributed to the public pursuant to Rule 144 under the Securities Act, provided that on or prior to such date either (x) the exchange offer has been consummated or (y) a shelf registration statement has been declared effective by the SEC.

If:

- (1) we fail to file any of the registration statements required by the registration rights agreement on or prior to the date specified for such filing;
- (2) any of such registration statements is not declared effective by the SEC on or prior to the date specified for such effectiveness (the effectiveness target date);
- (3) we fail to consummate the exchange offer within 45 business days of the effectiveness target date with respect to the exchange offer registration statement; or
- (4) the shelf registration statement or the exchange offer registration statement is declared effective but thereafter ceases to be effective or usable in connection with resales of transfer restricted securities during the periods specified in the registration rights agreement (each such event referred to in clauses (1) through (4) above, a registration default),

then we will pay liquidated damages (liquidated damages) to each holder of transfer restricted securities and notify the trustee that liquidated damages apply to the transfer restricted securities.

With respect to the first 90-day period immediately following the occurrence of the first registration default, liquidated damages will be paid in an amount equal to one quarter of one percent (0.25%) per annum of the principal amount of transfer restricted securities. The amount of the liquidated damages will increase by an additional one quarter of one percent (0.25%) per annum of the principal amount of transfer restricted securities with respect to the subsequent 90-day period until all registration defaults have been cured, up to a maximum amount of liquidated damages for all registration defaults of one half of one percent (0.5%) per annum of the principal amount of transfer restricted securities.

All accrued liquidated damages will be paid by us on the next scheduled interest payment date to DTC or its nominee by wire transfer of immediately available funds or by federal funds check and to holders of transfer restricted securities in the form of certificated notes by wire transfer to the accounts specified by them or by mailing checks to their registered addresses if no such accounts have been specified.

Following the cure of all registration defaults, the accrual of liquidated damages will cease.

Exchange Agent

We have appointed Deutsche Bank Trust Company Americas as Exchange Agent for the exchange offer of notes. All executed letters of transmittal and any other required documents should be directed to the Exchange Agent at the address (by overnight courier or mail) or facsimile number set forth below. You should direct questions and requests for assistance and requests for additional copies of this prospectus or of the letter of transmittal and requests for notices of guaranteed delivery to the Exchange Agent by telephone to (800) 735-7777, Option 1, by facsimile to (615) 866-3889, Attn: Reorganization Unit, or by overnight courier or mail addressed as follows:

Deutsche Bank Trust Company Americas

c/o DB Services Americas, Inc.

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US CTAS Operations

5022 Gate Parkway, Suite 200

Mail Stop JCK01-0218

Jacksonville, FL 32256 USA

Attn: Reorganization Unit

Table of Contents

Fees and Expenses

We will bear the expenses of soliciting tenders. We have not retained any dealer manager in connection with the exchange offer and will not make any payments to brokers, dealers or others soliciting acceptances of the exchange offer. We will, however, pay the Exchange Agent reasonable and customary fees for its services and will reimburse it for its reasonable out-of-pocket expenses.

We will pay the cash expenses incurred in connection with the exchange offer. These expenses include registration fees, fees and expenses of the Exchange Agent and the trustee, accounting and legal fees and printing costs, among others.

We will pay all transfer taxes, if any, applicable to the exchange of notes pursuant to the exchange offer. If, however, a transfer tax is imposed for any reason other than the exchange of the private notes pursuant to the exchange offer, then you must pay the amount of the transfer taxes. If satisfactory evidence of payment of such taxes or exemption therefrom is not submitted with the letter of transmittal, the amount of such transfer taxes will be billed directly to you.

Consequence of Failures to Exchange

Participation in the exchange offer is voluntary. We urge you to consult your financial and tax advisors in making your decisions on what action to take. Private notes that are not exchanged for exchange notes pursuant to the exchange offer will remain restricted securities. Accordingly, those private notes may be resold only:

to a person whom the seller reasonably believes is a qualified institutional buyer in a transaction meeting the requirements of Rule 144A;

in a transaction meeting the requirements of Rule 144 under the Securities Act;

outside the United States to a foreign person in a transaction meeting the requirements of Rule 903 or 904 of Regulation S under the Securities Act;

in accordance with another exemption from the registration requirements of the Securities Act and based upon an opinion of counsel if we so request;

to us; or

pursuant to an effective registration statement.

In each case, the private notes may be resold only in accordance with any applicable securities laws of any state of the United States or any other applicable jurisdiction.

Accounting Treatment

The exchange notes will be recorded at the same carrying value as the original notes, as reflected in our accounting records on the date of the exchange. Accordingly, no gain or loss for accounting purposes will be recognized.

Table of Contents

USE OF PROCEEDS

The exchange offer satisfies an obligation under the registration rights agreement. We will not receive any cash proceeds from the exchange offer.

The net proceeds from the sale of the private notes after deducting discounts, commissions and offering expenses, were approximately \$370.6 million. We used the net proceeds from the sale of the private notes to fund a portion of the \$725.0 million purchase price for the acquisition of the Rockwood Capital/365 Main Portfolio.

Table of Contents

SELECTED CONSOLIDATED FINANCIAL DATA

The following tables set forth selected consolidated financial and operating data for Digital Realty Trust, L.P. and Digital Realty Trust, Inc. and their respective subsidiaries. You should read the following selected financial data in conjunction with the consolidated historical financial statements and notes thereto of each of Digital Realty Trust, L.P. and Digital Realty Trust, Inc. and their respective subsidiaries and

Management's Discussion and Analysis of Financial Condition and Results of Operations, included elsewhere in this prospectus or incorporated by reference to Digital Realty Trust, Inc.'s Annual Report on Form 10-K for the year ended December 31, 2009, Digital Realty Trust, L.P.'s General Form for Registration of Securities on Form 10 filed with the SEC on September 3, 2010, as amended, and other subsequent filings of Digital Realty Trust, Inc. and Digital Realty Trust, L.P. under the Exchange Act.

Digital Realty Trust, L.P.

The consolidated balance sheet data as of December 31, 2009 and 2008 and the consolidated statement of operations data for each of the years in the three-year period ended December 31, 2009 have been derived from the historical consolidated financial statements of Digital Realty Trust, L.P. and subsidiaries, which are included elsewhere in this prospectus and which have been audited by KPMG LLP, an independent registered public accounting firm, whose report with respect thereto is included elsewhere in this prospectus. The consolidated balance sheet data as of December 31, 2007, 2006 and 2005 and the consolidated statement of operations data for each of the years ended December 31, 2006 and 2005 have been derived from the historical consolidated financial statements of Digital Realty Trust, L.P. and subsidiaries, not audited by KPMG LLP. The consolidated balance sheet data as of September 30, 2010 and the consolidated statement of operations data for each of the three and nine months ended September 30, 2010 and 2009 have been derived from the unaudited condensed consolidated financial statements of Digital Realty Trust, L.P. and subsidiaries, which are included elsewhere in this prospectus. The results for the three and nine months ended September 30, 2010 are not necessarily indicative of the results to be expected for the full year.

Table of Contents

	Three Months Ended September 30, 2010		September 30, 2009		Nine Months Ended September 30, 2010		September 30, 2009		Year Ended December 31, 2008		2007		2006		2005		
	(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		(unaudited)		
(Dollars in thousands, except unit and per unit data)																	
Statement of Operations Data:																	
Operating Revenues:																	
Rental	\$	184,511	\$	130,891	\$	495,099	\$	374,477	\$	510,772	\$	404,559	\$	319,603	\$ 221,371	\$ 150,072	
Tenant reimbursements		52,975		32,223		131,630		92,677		125,308		107,503		75,003		50,340	35,720
Other				113				214		1,062		15,383		641		365	5,829
Total operating revenues		237,486		163,227		626,729		467,368		637,142		527,445		395,247		272,076	191,621
Operating Expenses:																	
Rental property operating and maintenance																	
		74,156		45,278		181,804		130,152		176,238		151,147		109,225		59,917	39,519
Property taxes		14,030		9,295		39,499		27,655		36,004		31,102		27,181		26,890	20,189
Insurance		2,168		1,495		5,749		4,439		6,111		4,988		5,527		3,682	2,653
Depreciation and amortization		70,128		50,439		187,520		145,926		198,052		172,378		134,419		86,129	55,702
General and administrative ⁽¹⁾		16,544		10,660		42,185		30,802		42,165		38,391		30,786		19,717	12,061
Other		59		404		226		689		783		1,084		431		449	1,355
Total operating expenses		177,085		117,571		456,983		339,663		459,353		399,090		307,569		196,784	131,479
Operating income		60,401		45,656		169,746		127,705		177,789		128,355		87,678		75,292	60,142
Other Income (Expenses):																	
Equity in earnings of unconsolidated joint venture																	
		1,061		1,091		3,994		2,948		2,172		2,369		449		177	
Interest and other income		327		90		392		736		753		2,106		2,287		1,270	1,274
Interest expense		(36,737)		(22,559)		(100,801)		(63,991)		(88,442)		(63,621)		(67,054)		(50,598)	(35,381)
Tax expense		(343)		(333)		(1,593)		(1,061)		(1,038)		(1,109)		(814)		(724)	(554)
Loss from early extinguishment of debt																	
		(1,083)				(2,624)						(182)				(527)	(1,021)
Income from continuing operations																	
		23,626		23,945		69,114		66,337		91,234		67,918		22,546		24,890	24,460
Net income (loss) from discontinued operations																	
														1,395		314	(103)
Gain on sale of discontinued operations																	
														18,049		18,096	

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Net income	23,626	23,945	69,114	66,337	91,234	67,918	41,990	43,300	24,357
Net (income) loss attributable to noncontrolling interests in consolidated joint ventures	(53)	(540)	29	(614)	(140)	(335)		15	12
Net income attributable to Digital Realty Trust, L.P.	23,573	23,405	69,143	65,723	91,094	67,583	41,990	43,315	24,369
Preferred units distributions	(9,194)	(10,101)	(29,396)	(30,303)	(40,404)	(38,564)	(19,330)	(13,780)	(10,014)
Costs on redemption of Series A preferred units	(4,203)		(4,203)						
Net income available to common unitholders	\$ 10,176	\$ 13,304	\$ 35,544	\$ 35,420	\$ 50,690	\$ 29,019	\$ 22,660	\$ 29,535	\$ 14,355

Per Unit Data:

Basic income per unit available to common unitholders	\$ 0.11	\$ 0.16	\$ 0.41	\$ 0.43	\$ 0.62	\$ 0.39	\$ 0.33	\$ 0.47	\$ 0.26
Diluted income per unit available to common unitholders	\$ 0.11	\$ 0.16	\$ 0.40	\$ 0.43	\$ 0.61	\$ 0.38	\$ 0.32	\$ 0.46	\$ 0.26
Cash distribution per common unit	\$ 0.53	\$ 0.36	\$ 1.49	\$ 1.02	\$ 1.47	\$ 1.26	\$ 1.17	\$ 1.08	\$ 1.00
Weighted average common units outstanding:									
Basic	93,420,550	82,093,786	87,638,416	81,553,114	81,715,226	75,160,263	68,754,024	62,562,820	55,525,443
Diluted	95,295,993	83,466,346	89,365,656	82,288,488	82,785,746	76,766,756	70,799,336	63,870,029	55,760,887

(1) General and administrative expense includes transactions expense.

	September 30, 2010 (unaudited)	2009	2008	December 31, 2007 (unaudited)	2006 (unaudited)	2005 (unaudited)
(in thousands)						
Balance Sheet Data:						
Net investments in real estate	\$ 4,349,465	\$ 3,157,193	\$ 2,748,220	\$ 2,302,500	\$ 1,736,979	\$ 1,194,106
Total assets	5,170,899	3,745,059	3,281,045	2,809,791	2,185,783	1,529,170
Revolving credit facility	220,565	205,547	138,579	299,731	145,452	181,000
Unsecured senior notes	1,065,817	83,000	58,000			
Mortgages and other secured loans	1,061,163	1,063,663	1,026,594	895,507	804,686	568,067
Exchangeable senior debentures	374,054	432,234	161,901	158,224	154,786	
Total liabilities	3,122,030	2,110,258	1,705,969	1,673,361	1,320,317	880,228
General partner's capital	2,001,059	1,586,942	1,553,424	1,053,788	719,386	384,853
Limited partners' capital	57,470	60,875	71,041	74,356	141,890	262,239
Accumulated other comprehensive income (loss)	(45,343)	(30,630)	(53,747)	3,358	4,190	1,644
Noncontrolling interests in consolidated joint venture	35,683	17,614	4,358	4,928		206
Total liabilities and capital	\$ 5,170,899	\$ 3,745,059	\$ 3,281,045	\$ 2,809,791	\$ 2,185,783	\$ 1,529,170

Table of Contents**Digital Realty Trust, Inc.**

The consolidated balance sheet data as of December 31, 2009 and 2008 and the consolidated statement of operations data for each of the years in the three-year period ended December 31, 2009 have been derived from the historical consolidated financial statements of Digital Realty Trust, Inc. and subsidiaries, which are incorporated by reference in this prospectus and which have been audited by KPMG LLP, an independent registered public accounting firm, whose report with respect thereto is incorporated by reference in this prospectus. The consolidated balance sheet data as of December 31, 2007, 2006 and 2005 and the consolidated statement of operations data for each of the years ended December 31, 2006 and 2005 have been derived from the historical consolidated financial statements of Digital Realty Trust, Inc. and subsidiaries, audited by KPMG LLP, whose report with respect thereto is not included or incorporated by reference in this prospectus. The consolidated balance sheet data as of September 30, 2010 and the consolidated statement of operations data for each of the three and nine months ended September 30, 2010 and 2009 have been derived from the unaudited condensed consolidated financial statements of Digital Realty Trust, Inc. and subsidiaries, which are incorporated by reference in this prospectus. The results for the three and nine months ended September 30, 2010 are not necessarily indicative of the results to be expected for the full year. Certain prior year amounts have been reclassified to conform to the current year presentation.

	Three Months Ended September 30, 2010		Nine Months Ended September 30, 2010			Year Ended December 31,				
	2010	2009	2010	2009	2009	2008	2007	2006	2005	
(Dollars in thousands, except share and per share data)	(unaudited)		(unaudited)							
Statement of Operations Data:										
Operating Revenues:										
Rental	\$ 184,511	\$ 130,891	\$ 495,099	\$ 374,477	\$ 510,772	\$ 404,559	\$ 319,603	\$ 221,371	\$ 150,072	
Tenant reimbursements	52,975	32,223	131,630	92,677	125,308	107,503	75,003	50,340	35,720	
Other		113		214	1,062	15,383	641	365	5,829	
Total operating revenues	237,486	163,227	626,729	467,368	637,142	527,445	395,247	272,076	191,621	
Operating Expenses:										
Rental property operating and maintenance	74,156	45,278	181,804	130,152	176,238	151,147	109,225	59,917	39,519	
Property taxes	14,030	9,295	39,499	27,655	36,004	31,102	27,181	26,890	20,189	
Insurance	2,168	1,495	5,749	4,439	6,111	4,988	5,527	3,682	2,653	
Depreciation and amortization	70,128	50,439	187,520	145,926	198,052	172,378	134,419	86,129	55,702	
General and administrative ⁽¹⁾	16,544	10,660	42,185	30,802	42,165	38,391	30,786	19,717	12,061	
Other	59	404	226	689	783	1,084	431	449	1,355	
Total operating expenses	177,085	117,571	456,983	339,663	459,353	399,090	307,569	196,784	131,479	
Operating income	60,401	45,656	169,746	127,705	177,789	128,355	87,678	75,292	60,142	
Other Income (Expenses):										
Equity in earnings of unconsolidated joint venture	1,061	1,091	3,994	2,948	2,172	2,369	449	177		
Interest and other income	327	90	392	736	753	2,106	2,287	1,270	1,274	
Interest expense	(36,737)	(22,559)	(100,801)	(63,991)	(88,442)	(63,621)	(67,054)	(50,598)	(35,381)	

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Tax expense	(343)	(333)	(1,593)	(1,061)	(1,038)	(1,109)	(814)	(724)	(554)
Loss from early extinguishment of debt	(1,083)		(2,624)			(182)		(527)	(1,021)
Income from continuing operations	23,626	23,945	69,114	66,337	91,234	67,918	22,546	24,890	24,460
Net income (loss) from discontinued operations							1,395	314	(103)
Gain on sale of discontinued operations							18,049	18,096	
Net income	23,626	23,945	69,114	66,337	91,234	67,918	41,990	43,300	24,357
Net income attributable to noncontrolling interests	(590)	(1,438)	(2,041)	(3,062)	(3,572)	(2,664)	(3,753)	(12,570)	(8,256)
Net income attributable to Digital Realty Trust, Inc.	23,036	22,507	67,073	63,275	87,662	65,254	38,237	30,730	16,101
Preferred stock dividends	(9,194)	(10,101)	(29,396)	(30,303)	(40,404)	(38,564)	(19,330)	(13,780)	(10,014)
Costs on redemption of Series A preferred stock	(4,203)		(4,203)						
Net income available to common stockholders	\$ 9,639	\$ 12,406	\$ 33,474	\$ 32,972	\$ 47,258	\$ 26,690	\$ 18,907	\$ 16,950	\$ 6,087
Per Share Data:									
Basic income per share available to common stockholders	\$ 0.11	\$ 0.16	\$ 0.41	\$ 0.44	\$ 0.62	\$ 0.39	\$ 0.31	\$ 0.47	\$ 0.25
Diluted income per share available to common stockholders	\$ 0.11	\$ 0.16	\$ 0.40	\$ 0.43	\$ 0.61	\$ 0.38	\$ 0.30	\$ 0.45	\$ 0.25
Cash dividend per common share	\$ 0.53	\$ 0.36	\$ 1.49	\$ 1.02	\$ 1.47	\$ 1.26	\$ 1.17	\$ 1.08	\$ 1.00
Weighted average common shares outstanding:									
Basic	87,908,953	76,301,577	82,111,128	75,714,757	75,950,370	68,829,267	60,527,625	36,134,983	23,986,288
Diluted	90,136,912	77,674,137	84,137,205	76,450,131	77,020,890	70,435,760	62,572,937	37,442,192	24,221,732

(1) General and administrative expense includes transactions expense.

Table of Contents

	September 30, 2010 (unaudited)	2009	2008	December 31, 2007	2006	2005
(in thousands)						
Balance Sheet Data:						
Net investments in real estate	\$ 4,349,465	\$ 3,157,193	\$ 2,748,220	\$ 2,302,500	\$ 1,736,979	\$ 1,194,106
Total assets	5,170,899	3,745,059	3,281,045	2,809,791	2,185,783	1,529,170
Revolving credit facility	220,565	205,547	138,579	299,731	145,452	181,000
Unsecured senior notes	1,065,817	83,000	58,000			
Mortgages and other secured loans	1,061,163	1,063,663	1,026,594	895,507	804,686	568,067
Exchangeable senior debentures	374,054	432,234	161,901	158,224	154,786	
Total liabilities	3,122,030	2,110,258	1,705,969	1,673,361	1,320,317	880,228
Total stockholders equity	1,959,469	1,558,995	1,503,921	1,057,167	723,576	386,497
Noncontrolling interests in operating partnership	53,717	58,192	66,797	74,335	141,890	262,239
Noncontrolling interests in consolidated joint ventures	35,683	17,614	4,358	4,928		206
Total liabilities and equity	\$ 5,170,899	\$ 3,745,059	\$ 3,281,045	\$ 2,809,791	\$ 2,185,783	\$ 1,529,170

Table of Contents

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Overview

Our company. Digital Realty Trust, Inc. completed its initial public offering of common stock, or our IPO, on November 3, 2004. We believe that we have operated in a manner that has enabled us to qualify, and have elected to be treated, as a REIT under Sections 856 through 860 of the Code. Our company was formed on March 9, 2004. During the period from our formation until we commenced operations in connection with the completion of our IPO, we did not have any corporate activity other than the issuance of shares of Digital Realty Trust, Inc. common stock in connection with the initial capitalization of the company. Our operating partnership was formed on July 21, 2004.

Business and strategy. Our primary business objectives are to maximize: (i) sustainable long-term growth in earnings and funds from operations per share and unit and (ii) cash flow and returns to our stockholders and our operating partnership's unitholders, including through the payment of distributions. We expect to achieve our objectives by focusing on our core business of investing in and redeveloping technology-related real estate. A significant component of our current and future internal growth is anticipated through the development of our existing space held for redevelopment and new properties. We target high quality, strategically located properties containing applications and operations critical to the day-to-day operations of corporate enterprise datacenter and technology industry tenants and properties that may be redeveloped for such use. Most of our properties contain fully redundant electrical supply systems, multiple power feeds, above-standard precision cooling systems, raised floor areas, extensive in-building communications cabling and high-level security systems. We focus solely on technology-related real estate because we believe that the growth in corporate datacenter adoption and the technology-related real estate industry generally will continue to be superior to that of the overall economy.

As of September 30, 2010, we owned an aggregate of 95 technology-related real estate properties, excluding two properties held as investments in unconsolidated joint ventures, with approximately 16.4 million rentable square feet including approximately 1.9 million square feet of space held for redevelopment. At September 30, 2010, approximately 209,000 square feet of our space held for redevelopment was under construction for Turn-Key Datacenter® space in five U.S. markets and two European markets.

We have developed detailed, standardized procedures for evaluating acquisitions to ensure that they meet our financial, technical and other criteria. We expect to continue to acquire additional assets as a part of our growth strategy. We intend to aggressively manage and lease our assets to increase their cash flow. We intend to continue to build out our redevelopment portfolio when justified by anticipated returns.

We may acquire properties subject to existing mortgage financing and other indebtedness or we may incur new indebtedness in connection with acquiring or refinancing these properties. Debt service on such indebtedness will have a priority over any cash dividends with respect to Digital Realty Trust, Inc.'s common stock and preferred stock. We currently intend to limit our indebtedness to 60% of our total enterprise value and, based on the closing price of Digital Realty Trust, Inc.'s common stock on September 30, 2010 of \$61.70, our ratio of debt to total enterprise value was approximately 30% as of September 30, 2010. Our total enterprise value is defined as the sum of the market value of Digital Realty Trust, Inc.'s outstanding common stock (which may decrease, thereby increasing our debt to total enterprise value ratio), excluding options issued under our company's incentive award plan, plus the liquidation value of Digital Realty Trust, Inc.'s preferred stock, plus the aggregate value of our operating partnership's units not held by Digital Realty Trust, Inc. (with the per unit value equal to the market value of one share of its common stock and excluding long-term incentive units and Class C units), plus the book value of its total consolidated indebtedness.

Table of Contents

Revenue base. As of September 30, 2010, we owned 95 properties through our operating partnership, excluding two properties held as investments in unconsolidated joint ventures. These properties are mainly located throughout the U.S., with 14 properties located in Europe and one property in Canada. We, through our predecessor, acquired our first portfolio property in January 2002 and have added properties as follows:

Year Ended December 31:	Properties Acquired⁽¹⁾	Net Rentable Square Feet⁽²⁾	Square Feet of Space Held for Redevelopment as of June 30, 2010⁽³⁾
2002	5	1,125,292	19,890
2003	6	1,028,185	30,175
2004	10	2,533,199	153,270
2005	20	3,323,357	186,940
2006	16	2,104,209	117,389
2007 ⁽⁴⁾	13	1,671,142	235,697
2008	5	247,301	316,947
2009	6	687,060	710,247
2010	14	1,553,115	337,847
Properties owned as of September 30, 2010	95	14,456,127	1,925,135

- (1) Excludes properties sold in 2007 and 2006: 100 Technology Center Drive (March 2007), 4055 Valley View Lane (March 2007) and 7979 East Tufts Avenue (July 2006). Also excludes a leasehold interest acquired in March 2007 related to an acquisition made in 2006.
- (2) Current net rentable square feet as of September 30, 2010, which represents the current square feet at buildings under lease as specified in the applicable lease agreements plus management's estimate of space available for lease based on engineering drawings. Includes tenants' proportional share of common areas but excludes space held for redevelopment.
- (3) Redevelopment space is unoccupied space that requires significant capital investment in order to develop datacenter facilities that are ready for use. Most often this is shell space. However, in certain circumstances this may include partially built datacenter space that was not completed by previous ownership and requires a large capital investment in order to build out the space. The amounts included in this table represent current redevelopment space as of September 30, 2010 in the properties acquired during the relevant period.
- (4) Includes a developed building (43915 Devin Shafron Drive) placed into service in 2010 that is being included with a property (Devin Shafron buildings) that was acquired in 2007.

As of September 30, 2010, the properties in our portfolio were approximately 95.0% leased excluding 1.9 million square feet held for redevelopment. Due to the capital-intensive and long-term nature of the operations being supported, our lease terms are generally longer than standard commercial leases. As of September 30, 2010, our original average lease term was approximately 14 years, with an average of seven years remaining. The majority of our leasing since the completion of Digital Realty Trust, Inc.'s initial public offering in November 2004 has been at lease terms shorter than 12 years. Our lease expirations through December 31, 2011 are 10.3% of net rentable square feet excluding space held for redevelopment as of September 30, 2010.

Operating revenues from properties outside the United States were \$23.9 million and \$20.7 million for the three months ended September 30, 2010 and 2009, respectively, and \$69.4 million and \$60.1 million for the nine months ended September 30, 2010 and 2009, respectively.

Factors Which May Influence Future Results of Operations*Global market and economic conditions*

Recent U.S., European and other international market and economic conditions have been unprecedented and challenging. Significantly tighter credit conditions and recession in all markets in which we own properties and conduct our operations persisted throughout 2009 and such markets have not fully recovered. Continued

Table of Contents

concerns about the systemic impact of potential wide-spread and long-term recession, energy costs, geopolitical issues, the availability and cost of credit, global financial and mortgage markets, corporate and consumer debt levels and declining residential and commercial real estate markets have contributed to increased market volatility and diminished expectations for the U.S., European and other economies. These conditions, combined with volatile oil prices, declining business and consumer confidence and increased unemployment, continue to contribute to substantial global volatility.

As a result of these conditions, general economic conditions and the cost and availability of capital have been and may continue to be adversely affected in all markets in which we own properties and conduct our operations. Concern about the stability of the markets generally and the strength of counterparties specifically has led many lenders and institutional investors to reduce, and in some cases, cease, to provide credit to businesses and consumers. Continued turbulence in the U.S., European and other international markets and economies may adversely affect our liquidity and financial condition, and the liquidity and financial condition of our tenants. If these market and economic conditions continue, they may limit our ability, and the ability of our tenants, to replace or renew maturing liabilities on a timely basis, access the capital markets to meet liquidity and capital expenditure requirements and may adversely affect our and our tenants' financial conditions and results of operations.

In addition, our access to funds under our revolving credit facility and other lines of credit depend on the ability of the lenders that are parties to such facilities to meet their funding commitments to us. We cannot assure you that continuing long-term disruptions in the global economy and the continuation of tighter credit conditions among, and potential failures or nationalizations of, third party financial institutions as a result of such disruptions will not have an adverse effect on our lenders. If our lenders are not able to meet their funding commitments to us, our business, results of operation, cash flows and financial condition could be adversely affected.

If we do not have sufficient cash flow to continue operating our business and are unable to borrow additional funds, access our existing lines of credit or raise equity capital, we may need to find alternative ways to increase our liquidity. Such alternatives may include, without limitation, curtailing development or redevelopment activity, disposing of one or more of our properties, possibly on disadvantageous terms, or entering into or renewing leases on less favorable terms than we otherwise would.

Rental income. The amount of rental income generated by the properties in our portfolio depends principally on our ability to maintain or improve the occupancy rates of currently leased space and to lease currently available space and space available from lease terminations. Excluding 1.9 million square feet held for redevelopment, as of September 30, 2010, the occupancy rate of the properties in our portfolio was approximately 95.0% of our net rentable square feet.

The amount of rental income generated by us also depends on our ability to maintain or increase rental rates at our properties. Included in our approximately 14.5 million net rentable square feet, excluding redevelopment space, at September 30, 2010 is approximately 175,000 net rentable square feet of space with extensive datacenter improvements that is currently, or will shortly be, available for lease. Since our IPO, we have leased approximately 2,301,000 square feet of similar space. These Turn-Key Datacenters® are effective solutions for tenants who lack the expertise or capital budget to provide their own extensive datacenter infrastructure and security. Our expertise in datacenter construction and operations enables us to lease space to these tenants at a significant premium over other uses.

In addition, as of September 30, 2010, we had approximately 1.9 million square feet of redevelopment space, or approximately 12% of the total rentable space in our portfolio, including five vacant properties comprising approximately 433,000 square feet. Our ability to grow earnings depends in part on our ability to redevelop space and lease redevelopment space at favorable rates, which we may not be able to obtain. Redevelopment space requires significant capital investment in order to develop datacenter facilities that are ready for use and, in addition, we may require additional time or encounter delays in securing tenants for

Table of Contents

redevelopment space. We will require additional capital to finance our redevelopment activities, which may not be available or may not be available on terms acceptable to us, including as a result of the conditions described above under Global market and economic conditions. We may purchase additional vacant properties and properties with vacant redevelopment space in the future.

Economic downturns, including as a result of the conditions described above under Global market and economic conditions, or regional downturns affecting our sub-markets or downturns in the technology-related real estate industry that impair our ability to lease or renew or re-lease space, or otherwise reduce returns on our investments or the ability of our tenants to fulfill their lease commitments, as in the case of tenant bankruptcies, could adversely affect our ability to maintain or increase rental rates at our properties. As of September 30, 2010, we had no material tenants in bankruptcy.

Scheduled lease expirations. Our ability to re-lease expiring space at rental rates equal to or in excess of current rental rates will impact our results of operations. In addition to approximately 0.7 million square feet of available space in our portfolio, which excludes approximately 1.9 million square feet available for redevelopment as of September 30, 2010, leases representing approximately 0.7% and 9.4% of the net rentable square footage of our portfolio are scheduled to expire during the three months ending December 31, 2010 and the year ending December 31, 2011, respectively.

Market concentration. We depend on the market for technology-based real estate in specific geographic regions and significant changes in these regional markets can impact our future results. As of September 30, 2010, our portfolio was geographically concentrated in the following metropolitan markets:

Metropolitan Market	Percentage of September 30, 2010 total annualized rent ⁽¹⁾
Silicon Valley	13.7%
San Francisco	10.3%
Chicago	9.9%
Northern Virginia	9.8%
Phoenix	9.2%
Dallas	8.3%
Boston	8.3%
New York Metro	8.1%
Los Angeles	4.9%
London, England	3.6%
Dublin, Ireland	2.8%
Paris, France	2.5%
Other	8.6%
	100%

(1) Annualized rent is monthly contractual rent under existing leases as of September 30, 2010 multiplied by 12.

Operating expenses. Our operating expenses generally consist of utilities, property and ad valorem taxes, property management fees, insurance and site maintenance costs, as well as rental expenses on our ground and building leases. In particular, our buildings require significant power to support the datacenter operations contained in them. Many of our leases contain provisions under which the tenants reimburse us for a portion of property operating expenses and real estate taxes incurred by us. However, we generally are not entitled to reimbursement of property operating expenses and real estate taxes under our leases for Turn-Key Datacenters®. We also incur general and administrative expenses, including expenses relating to our asset management function, as well as significant legal, accounting and other expenses related to corporate governance, SEC reporting and compliance with the various provisions of the Sarbanes-Oxley Act. Increases or decreases in such operating expenses will impact our overall performance. We expect to incur additional operating expenses as we continue to expand.

Table of Contents

In June 2009, the U.S. House of Representatives approved comprehensive clean energy and climate change legislation intended to cut greenhouse gas, or GHG, emissions, create new clean energy jobs and enhance the energy independence of the United States, which included a cap-and-trade program for GHG emissions. The U.S. Senate did not consider similar legislation during 2009 and the first half of 2010, and following Congressional elections in November 2010 (in which control of the House of Representatives passed from the Democratic Party to the Republican Party), the likelihood that Congress will pass any climate change and/or energy legislation that would include a cap-and-trade program, or any similar type program, for GHG emissions in 2010 or 2011 has diminished. As a result, action to reduce GHG emissions likely will be focused on regulatory agencies, primarily the U.S. Environmental Protection Agency, or EPA. The EPA has been moving aggressively to regulate GHG emissions from automobiles and large stationary sources, including electricity producers, using its own authority under the Clean Air Act. Some of those regulations have been finalized and currently are in litigation. In addition, since 2005 the European Union (including the United Kingdom) has been operating under a cap-and-trade program, which directly affects the largest emitters of greenhouse gases, including electricity producers from whom we purchase power. Any additional taxation or regulation of energy use, including as a result of (i) new legislation that Congress may pass, (ii) the regulations that the U.S. EPA has proposed or finalized, or (iii) any further reductions in the EU greenhouse gas cap could significantly increase our costs, and we may not be able to effectively pass all of these costs on to our tenants.

Interest rates. As of September 30, 2010, we had approximately \$278.2 million of variable rate debt, all of which was mortgage debt subject to interest rate cap or swap agreements, and \$220.6 million was outstanding on our revolving credit facility. The availability of debt and equity capital has significantly decreased as a result of the circumstances described above under Global market and economic conditions. The effects on commercial real estate mortgages, if available, include, but may not be limited to: higher loan spreads, tightened loan covenants, reduced loan to value ratios resulting in lower borrower proceeds and higher principal payments. Potential future increases in interest rates and credit spreads may increase our interest expense and fixed charges and negatively affect our financial condition and results of operations, potentially impacting our future access to the debt and equity capital markets. Increased interest rates may also increase the risk that the counterparties to our swap agreements will default on their obligations, which could further increase our interest expense. If we cannot obtain capital from third party sources, we may not be able to acquire or develop properties when strategic opportunities exist, satisfy our debt service obligations or pay the cash dividends to Digital Realty Trust, Inc.'s stockholders necessary to maintain its qualification as a REIT.

Demand for datacenter space. Our portfolio of properties consists primarily of technology-related real estate and datacenter real estate in particular. A decrease in the demand for, or increase in supply of, datacenter space, Internet gateway facilities or other technology-related real estate would have a greater adverse effect on our business and financial condition than if we owned a portfolio with a more diversified tenant base or less specialized use. Our redevelopment activities make us particularly susceptible to general economic slowdowns, including recessions and the other circumstances described above under Global market and economic conditions, as well as adverse developments in the corporate datacenter, Internet and data communications and broader technology industries. Any such slowdown or adverse development could lead to reduced corporate IT spending or reduced demand for datacenter space. Reduced demand could also result from business relocations, including to markets that we do not currently serve such as Asia. Changes in industry practice or in technology, such as virtualization technology, more efficient computing or networking devices, or devices that require higher power densities than today's devices, could also reduce demand for the physical datacenter space we provide or make the tenant improvements in our facilities obsolete or in need of significant upgrades to remain viable. In addition, the development of new technologies, the adoption of new industry standards or other factors could render many of our tenants' current products and services obsolete or unmarketable and contribute to a downturn in their businesses, thereby increasing the likelihood that they default under their leases, become insolvent or file for bankruptcy. In addition, demand for datacenter space in our properties, or the rates at which we lease space, may be adversely impacted either across our portfolio or in specific submarkets as a result of an increase in the number of competitors, or the amount of space being offered in our markets and other markets by our competitors.

Table of Contents

Critical Accounting Policies

Our discussion and analysis of our financial condition and results of operations are based upon our consolidated financial statements, which have been prepared in accordance with U.S. generally accepted accounting principles, or GAAP. The preparation of these financial statements in conformity with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses in the reporting period. Our actual results may differ from these estimates. We have provided a summary of our significant accounting policies in note 2 to our consolidated financial statements included elsewhere and incorporated by reference in this prospectus. We describe below those accounting policies that require material subjective or complex judgments and that have the most significant impact on our financial condition and consolidated results of operations. Our management evaluates these estimates on an ongoing basis, based upon information currently available and on various assumptions management believes are reasonable as of the date on the front cover of this prospectus.

Investments in Real Estate

Acquisition of real estate. The price that we pay to acquire a property is impacted by many factors including the condition of the property and improvements, the occupancy of the building, the existence of above and below market tenant leases, the creditworthiness of the tenants, favorable or unfavorable financing, above or below market ground leases and numerous other factors. Accordingly, we are required to make subjective assessments to allocate the purchase price paid to acquire investments in real estate among the assets acquired and liabilities assumed based on our estimate of the fair values of such assets and liabilities. This includes determining the value of the property and improvements, land, any ground leases, tenant improvements, in-place tenant leases, tenant relationships, the value (or negative value) of above (or below) market leases, any debt assumed from the seller or loans made by the seller to us and any building leases assumed from the seller. Each of these estimates requires a great deal of judgment and some of the estimates involve complex calculations. These allocation assessments have a direct impact on our results of operations. For example, if we were to allocate more value to land, there would be no depreciation with respect to such amount. If we were to allocate more value to the property as opposed to allocating to the value of tenant leases, this amount would be recognized as an expense over a much longer period of time. This potential effect occurs because the amounts allocated to property are depreciated over the estimated lives of the property whereas amounts allocated to tenant leases are amortized over the terms of the leases. Additionally, the amortization of the value (or negative value) assigned to above (or below) market rate leases is recorded as an adjustment to rental revenue as compared to amortization of the value of in-place leases and tenant relationships, which is included in depreciation and amortization in our consolidated statements of operations.

Useful lives of assets. We are required to make subjective assessments as to the useful lives of our properties for purposes of determining the amount of depreciation to record on an annual basis with respect to our investments in real estate. These assessments have a direct impact on our net income because if we were to shorten the expected useful lives of our investments in real estate we would depreciate such investments over fewer years, resulting in more depreciation expense and lower net income on an annual basis.

Asset impairment evaluation. We review the carrying value of our properties when circumstances, such as adverse market conditions, indicate potential impairment may exist. We base our review on an estimate of the future cash flows (excluding interest charges) expected to result from the real estate investment's use and eventual disposition. We consider factors such as future operating income, trends and prospects, as well as the effects of leasing demand, competition and other factors. If our evaluation indicates that we may be unable to recover the carrying value of a real estate investment, an impairment loss is recorded to the extent that the carrying value exceeds the estimated fair value of the property. These losses have a direct impact on our net income because recording an impairment loss results in an immediate negative adjustment to net income. The evaluation of anticipated cash flows is highly subjective and is based in part on assumptions regarding future occupancy, rental rates and capital requirements that could differ materially from actual results in future periods.

Table of Contents

Since cash flows on properties considered to be long-lived assets to be held and used are considered on an undiscounted basis to determine whether an asset has been impaired, our strategy of holding properties over the long-term directly decreases the likelihood of recording an impairment loss. If our strategy changes or market conditions otherwise dictate an earlier sale date, an impairment loss may be recognized and such loss could be material. If we determine that impairment has occurred, the affected assets must be reduced to their fair value. No such impairment losses have been recognized to date.

We estimate the fair value of rental properties utilizing a discounted cash flow analysis that includes projections of future revenues, expenses and capital improvement costs, similar to the income approach that is commonly utilized by appraisers.

Revenue Recognition

Rental income is recognized using the straight-line method over the terms of the tenant leases. Deferred rents included in our balance sheets represent the aggregate excess of rental revenue recognized on a straight-line basis over the contractual rental payments that would be received under the remaining terms of the leases. Many of our leases contain provisions under which the tenants reimburse us for a portion of property operating expenses and real estate taxes incurred by us. However, we generally are not entitled to reimbursement of property operating expenses, other than utility expense, and real estate taxes under our leases for Turn-Key Datacenters®. Such reimbursements are recognized in the period that the expenses are incurred. Lease termination fees are recognized over the remaining term of the lease, effective as of the date the lease modification is finalized, assuming collection is not considered doubtful. As discussed above, we recognize amortization of the value of acquired above or below market tenant leases as a reduction of rental income in the case of above market leases or an increase to rental revenue in the case of below market leases.

We must make subjective estimates as to when our revenue is earned and the collectability of our accounts receivable related to minimum rent, deferred rent, expense reimbursements, lease termination fees and other income. We specifically analyze accounts receivable and historical bad debts, tenant concentrations, tenant creditworthiness and current economic trends when evaluating the adequacy of the allowance for bad debts. These estimates have a direct impact on our net income because a higher bad debt allowance would result in lower net income, and recognizing rental revenue as earned in one period versus another would result in higher or lower net income for a particular period.

Share-Based Awards

We recognize compensation expense related to share-based awards. We generally amortize this compensation expense over the vesting period of the award. The calculation of the fair value of share-based awards is subjective and requires several assumptions over such items as expected stock volatility, dividend payments and future company results. These assumptions have a direct impact on our net income because a higher share-based awards amount would result in lower net income for a particular period.

Table of Contents**Results of Operations****Three and Nine Months Ended September 30, 2010 and September 30, 2009**

The discussion below relates to our financial condition and results of operations for the three and nine months ended September 30, 2010 and 2009. A summary of our operating results from continuing operations for the three and nine months ended September 30, 2010 and 2009 is as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2010	2009	2010	2009
Statement of Operations Data:				
Total operating revenues	\$ 237,486	\$ 163,227	\$ 626,729	\$ 467,368
Total operating expenses	(177,085)	(117,571)	(456,983)	(339,663)
Operating income	60,401	45,656	169,746	127,705
Other expenses, net	(36,775)	(21,711)	(100,632)	(61,368)
Net income	\$ 23,626	\$ 23,945	\$ 69,114	\$ 66,337

Our property portfolio has experienced consistent and significant growth since the first property acquisition in January 2002. As a result of this growth, our period-to-period comparison of our financial performance focuses on the impact on our revenues and expenses resulting both from the new property additions to our portfolio, as well as on a same store property basis (same store properties are properties that were owned and operated for the entire current period and the entire immediate preceding year). The following table identifies each of the properties in our portfolio acquired from January 1, 2009 through September 30, 2010.

Acquired Buildings	Acquisition Date	Redevelopment Space as of September 30, 2010 ⁽¹⁾	Net Rentable Square Feet Excluding Redevelopment Space ⁽²⁾	Square Feet Including Redevelopment Space	Occupancy Rate as of September 30, 2010 ⁽³⁾
As of December 31, 2008 (75 Properties)					
		867,812	12,092,901	12,960,713	94.8%
January 1, 2009 through September 30, 2010					
1525 Comstock Street	Sep-09		42,385	42,385	100.0
444 Toyama Drive	Sep-09		42,083	42,083	100.0
904 Quality Way ⁽⁴⁾	Sep-09	46,750		46,750	
905 Security Row ⁽⁴⁾	Sep-09	249,657		249,657	
1232 Alma Road ⁽⁴⁾	Sep-09	34,147	71,579	105,726	100.0
900 Quality Way ⁽⁴⁾	Sep-09	112,253		112,253	
1400 N. Bowser Road ⁽⁴⁾	Sep-09	246,940		246,940	
1301 International Parkway ⁽⁴⁾	Sep-09	20,500		20,500	
908 Quality Way ⁽⁴⁾	Sep-09		14,400	14,400	100.0
1350 Duane Avenue/3080 Raymond Street	Oct-09		185,000	185,000	100.0
45901 & 45845 Nokes Boulevard	Dec-09		167,160	167,160	100.0
21561 & 21571 Beaumeade Circle	Dec-09		164,453	164,453	100.0
128 First Avenue	Jan-10		274,750	274,750	99.6
55 Middlesex Turnpike	Jan-10		106,000	106,000	87.9
60-80 Merritt Boulevard	Jan-10		169,540	169,540	100.0
43915 Devin Shafron Drive ⁽⁵⁾	Jan-10	9,229	123,051	132,280	75.6
1725 Comstock Street	Apr-10	39,643		39,643	
3105 and 3115 Alfred Street	May-10	49,858		49,858	
Cateringweg 5	Jun-10	55,972		55,972	
365 Main Street	Jul-10		226,981	226,981	86.1
720 2nd Street	Jul-10		121,220	121,220	97.5

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2260 East El Segundo Boulevard	Jul-10		132,240	132,240	100.0
2121 South Price Road	Jul-10		293,479	293,479	97.3
4030-4050 La Fayette	Jul-10	42,374	103,029	145,403	100.0
800 Central Expressway	Aug-10	150,000		150,000	
2950 Zanker Road	Aug-10		69,700	69,700	100.0
900 Dorothy Drive	Aug-10		56,176	56,176	100.0
Subtotal		1,057,323	2,363,226	3,420,549	96.3%
Total		1,925,135	14,456,127	16,381,262	95.0%

Table of Contents

- (1) Redevelopment space requires significant capital investment in order to develop datacenter facilities that are ready for use. Most often this is shell space. However, in certain circumstances this may include partially built datacenter space that was not completed by previous ownership and requires a large capital investment in order to build out the space.
- (2) Net rentable square feet at a building represents the current square feet at that building under lease as specified in the lease agreements plus management's estimate of space available for lease based on engineering drawings. Net rentable square feet includes tenants' proportional share of common areas but excludes space held for redevelopment.
- (3) Occupancy rates exclude redevelopment space. For some of our properties, we calculate occupancy based on factors in addition to contractually leased square feet, including available power, required support space and common area.
- (4) The seven buildings at Datacenter Park Dallas are considered one property for our property count.
- (5) Represents a developed building placed into service in 2010 that is being included with a property (Devin Shafron buildings) that was acquired in 2007.

In May 2008, we acquired 701 & 717 Leonard Street, a parking garage in Dallas, Texas; however, we exclude the acquisition from our property count because it is located adjacent to our internet gateway datacenter located at 2323 Bryan Street and is not considered a separate property.

Comparison of the Three Months Ended September 30, 2010 to the Three Months Ended September 30, 2009 and the Nine Months Ended September 30, 2010 to the Nine Months Ended September 30, 2009

Portfolio

As of September 30, 2010, our portfolio consisted of 95 properties, excluding two properties held as investments in unconsolidated joint ventures, with an aggregate of 16.4 million net rentable square feet including 1.9 million square feet held for redevelopment compared to a portfolio consisting of 78 properties, excluding one property held as an investment in an unconsolidated joint venture, with an aggregate of 13.8 million net rentable square feet including 1.9 million square feet held for redevelopment as of September 30, 2009. The increase in our portfolio reflects the acquisition of 17 properties in the twelve months ended September 30, 2010.

Operating Revenues

Operating revenues during the three and nine months ended September 30, 2010 and 2009 were as follows (in thousands):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2010	2009	Change	2010	2009	Change
Rental	\$ 184,511	\$ 130,891	\$ 53,620	\$ 495,099	\$ 374,477	\$ 120,622
Tenant reimbursements	52,975	32,223	20,752	131,630	92,677	38,953
Other		113	(113)		214	(214)
Total operating revenues	\$ 237,486	\$ 163,227	\$ 74,259	\$ 626,729	\$ 467,368	\$ 159,361

As shown by the same store and new properties table below, the increases in rental revenues and tenant reimbursement revenues for the three and nine month periods ended September 30, 2010 compared to the same periods in 2009 were primarily due to new leasing at our same store properties and acquisition of properties. We acquired 17 properties during the twelve months ended September 30, 2010.

Table of Contents

The following table shows operating revenues for new properties (properties that were not owned for each of the full three and nine months ended September 30, 2010 and 2009) and same store properties (all other properties) (in thousands):

	Same Store			New Properties		
	Three Months Ended September 30, 2010	2009	Change	Three Months Ended September 30, 2010	2009	Change
Rental	\$ 139,329	\$ 130,626	\$ 8,703	\$ 45,182	\$ 265	\$ 44,917
Tenant reimbursements	39,191	32,215	6,976	13,784	8	13,776
Other		113	(113)			
Total operating revenues	\$ 178,520	\$ 162,954	\$ 15,566	\$ 58,966	\$ 273	\$ 58,693

	Same Store			New Properties		
	Nine Months Ended September 30, 2010	2009	Change	Nine Months Ended September 30, 2010	2009	Change
Rental	\$ 411,547	\$ 374,212	\$ 37,335	\$ 83,552	\$ 265	\$ 83,287
Tenant reimbursements	109,278	92,669	16,609	22,352	8	22,344
Other		214	(214)			
Total operating revenues	\$ 520,825	\$ 467,095	\$ 53,730	\$ 105,904	\$ 273	\$ 105,631

Same store rental revenues increased for the three and nine months ended September 30, 2010 compared to the same periods in 2009 primarily as a result of new leases at our properties during the twelve months ended September 30, 2010 due to strong demand for datacenter space, including leases of completed redevelopment space, the largest of which was for space in 350 East Cermak Road, 2440 Marsh Lane, St. Anne s Boulevard (3 buildings) and 365 South Randolphville Road. Rental revenue included amounts earned from leases with tel(x), a related party, of approximately \$7.3 million and \$5.4 million for the three months ended September 30, 2010 and 2009, respectively, and \$18.2 million and \$14.6 million for the nine months ended September 30, 2010 and 2009, respectively. Same store tenant reimbursement revenues increased for the three and nine months ended September 30, 2010 as compared to the same periods in 2009 primarily as a result of new leasing and higher utility and operating expenses being billed to our tenants, the largest occurrences of which were at 350 East Cermak Road, 3 Corporate Place, 1525 Comstock Street and 600 West Seventh Street.

For the three and nine months ended September 30, 2010, 128 First Avenue, 60 & 80 Merritt Boulevard, 55 Middlesex Turnpike, 2121 South Price Road, 1350 Duane Avenue/3080 Raymond Street and 365 Main Street contributed \$39.4 million, or approximately 67%, and \$75.8 million, or approximately 72%, respectively, of the total new properties increase in revenues compared to the same periods in 2009.

Operating Expenses and Interest Expense

Operating expenses and interest expense during the three and nine months ended September 30, 2010 and 2009 were as follows (in thousands):

	Three Months Ended September 30,			Nine Months Ended September 30,		
	2010	2009	Change	2010	2009	Change
Rental property operating and maintenance	\$ 74,156	\$ 45,278	\$ 28,878	\$ 181,804	\$ 130,152	\$ 51,652
Property taxes	14,030	9,295	4,735	39,499	27,655	11,844
Insurance	2,168	1,495	673	5,749	4,439	1,310
Depreciation and amortization	70,128	50,439	19,689	187,520	145,926	41,594
General and administrative	11,878	10,351	1,527	34,971	29,980	4,991
Transactions	4,666	309	4,357	7,214	822	6,392
Other	59	404	(345)	226	689	(463)
Total operating expenses	\$ 177,085	\$ 117,571	\$ 59,514	\$ 456,983	\$ 339,663	\$ 117,320

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Interest expense	\$ 36,737	\$ 22,559	\$ 14,178	\$ 100,801	\$ 63,991	\$ 36,810
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Table of Contents

As shown in the same store and new properties table below, total expenses for the three and nine months ended September 30, 2010 increased compared to the same periods in 2009 primarily as a result of higher same store utility and maintenance costs as well as increased depreciation from additional redevelopment projects placed into service and from recently acquired properties.

The following table shows expenses for new properties (properties that were not owned for each of the full three and nine months ended September 30, 2010 and 2009) and same store properties (all other properties) (in thousands):

	Same Store			New Properties		
	Three Months Ended September 30, 2010	2009	Change	Three Months Ended September 30, 2010	2009	Change
Rental property operating and maintenance	\$ 53,585	\$ 45,084	\$ 8,501	\$ 20,571	\$ 194	\$ 20,377
Property taxes	10,920	9,278	1,642	3,110	17	3,093
Insurance	1,642	1,479	163	526	16	510
Depreciation and amortization	54,312	50,437	3,875	15,816	2	15,814
General and administrative ⁽¹⁾	11,878	10,351	1,527			
Transactions				4,666	309	4,357
Other	59	404	(345)			
Total operating expenses	\$ 132,396	\$ 117,033	\$ 15,363	\$ 44,689	\$ 538	\$ 44,151
Interest expense	\$ 36,178	\$ 22,503	\$ 13,675	\$ 559	\$ 56	\$ 503

	Same Store			New Properties		
	Nine Months Ended September 30, 2010	2009	Change	Nine Months Ended September 30, 2010	2009	Change
Rental property operating and maintenance	\$ 147,801	\$ 129,958	\$ 17,843	\$ 34,003	\$ 194	\$ 33,809
Property taxes	32,130	27,638	4,492	7,369	17	7,352
Insurance	4,784	4,423	361	965	16	949
Depreciation and amortization	159,491	145,924	13,567	28,029	2	28,027
General and administrative ⁽¹⁾	34,971	29,980	4,991			
Transactions				7,214	822	6,392
Other	226	689	(463)			
Total operating expenses	\$ 379,403	\$ 338,612	\$ 40,791	\$ 77,580	\$ 1,051	\$ 76,529
Interest expense	\$ 98,629	\$ 63,936	\$ 34,693	\$ 2,172	\$ 55	\$ 2,117

(1) General and administrative expenses are included in same store as they are not allocable to specific properties.

Same store rental property operating and maintenance expenses increased in the three and nine months ended September 30, 2010 compared to the same periods in 2009 primarily as a result of higher consumption and utility rates in several of our properties along with redevelopment projects being placed into service leading to higher utility expense in 2010. We capitalized amounts relating to compensation expense of employees directly engaged in construction and leasing activities of \$4.4 million and \$3.3 million for the three months ended September 30, 2010 and 2009, respectively, and \$13.2 million and \$10.0 million for the nine months ended September 30, 2010 and 2009, respectively.

Same store depreciation and amortization expense increased in the three and nine months ended September 30, 2010 compared to the same periods in 2009, principally because of depreciation of redevelopment projects that were placed into service in the final three months of 2009 and during 2010.

Table of Contents

General and administrative expenses for the three and nine months ended September 30, 2010 increased compared to the same periods in 2009 primarily due to the growth of our company, which resulted in more employees, additional incentive compensation, and higher professional fees and marketing expenses.

Same store interest expense increased for the three and nine months ended September 30, 2010 as compared to the same periods in 2009 primarily as a result of higher average outstanding debt balances during 2010 compared to 2009 primarily due to the issuance of the 2020 notes, the issuance of the 2015 notes, the issuance of the 2029 debentures and draws on our Prudential shelf facility. During the three months ended September 30, 2010 and 2009, we capitalized interest of approximately \$2.7 million and \$2.0 million, respectively, and for the nine months ended September 30, 2010 and 2009, we capitalized interest of approximately \$7.1 million and \$7.2 million, respectively.

New property increases were caused by properties acquired during the period from January 1, 2009 to September 30, 2010. For the three and nine months ended September 30, 2010, 128 First Avenue, 365 Main Street, 55 Middlesex Turnpike, 60 & 80 Merritt Boulevard, 2121 South Price Road and 720 2nd Street contributed \$30.9 million, or approximately 70%, and \$52.4 million, or approximately 68%, respectively, of the total new properties increase in total operating expenses compared to the same periods in 2009.

Transactions expense increased in the three and nine months ended September 30, 2010 compared to the same periods in 2009, principally because of acquisition related expenses related to the acquisitions of the New England Portfolio and 365 Main Portfolio.

Years Ended December 31, 2009, 2008 and 2007

The discussion below relates to our financial condition and results of operations for the years ended December 31, 2009, 2008 and 2007. A summary of our operating results from continuing operations for the years ended December 31, 2009, 2008 and 2007 was as follows (in thousands).

Year Ended December 31,	2009	2008	2007
Statement of Operations Data:			
Total operating revenues	\$ 637,142	\$ 527,445	\$ 395,247
Total operating expenses	(459,353)	(399,090)	(307,569)
Operating income	177,789	128,355	87,678
Other expenses, net	(86,555)	(60,437)	(65,132)
Income from continuing operations	\$ 91,234	\$ 67,918	\$ 22,546

Table of Contents

Our property portfolio has experienced consistent and significant growth since the first property acquisition in January 2002. As a result of such growth, a period-to-period comparison of our financial performance focuses on the impact on our revenues and expenses resulting both from the new property additions to our portfolio, as well as on a same store property basis (same store properties are properties that were owned and operated for the entire current period and the entire immediate preceding year). The following table identifies each of the properties in our portfolio acquired from January 1, 2007 through December 31, 2009.

Acquired Buildings	Acquisition Date	Redevelopment Space as of December 31, 2009 ⁽¹⁾	Net Rentable Square Feet Excluding Redevelopment Space	Square Feet Including Redevelopment Space	Occupancy Rate as of December 31, 2009 ⁽²⁾
As of December 31, 2006 (57 properties)		462,540	10,159,366	10,621,906	94.3%
Year Ended December 31, 2007					
21110 Ridgetop Circle	Jan-07		135,513	135,513	100.0
3011 LaFayette Street	Jan-07		90,780	90,780	100.0
44470 Chillum Place	Feb-07		95,440	95,440	100.0
43791 Devin Shafron Drive ⁽³⁾	Mar-07	2,194	132,806	135,000	100.0
43831 Devin Shafron Drive ⁽³⁾	Mar-07		117,071	117,071	100.0
43881 Devin Shafron Drive ⁽³⁾	Mar-07		180,000	180,000	98.5
Mundells Roundabout	Apr-07		113,464	113,464	100.0
210 N Tucker Boulevard	Aug-07	62,000	139,588	201,588	78.4
900 Walnut Street	Aug-07		112,266	112,266	97.3
1 Savvis Parkway	Aug-07		156,000	156,000	100.0
Clonsaugh Industrial Estate II ⁽⁴⁾	Sep-07		124,500	124,500	100.0
1500 Space Park Drive	Sep-07		51,615	51,615	100.0
Cressex 1	Dec-07		50,847	50,847	90.6
Naritaweg 52	Dec-07		63,260	63,260	100.0
1 St. Anne s Boulevard ⁽⁵⁾	Dec-07		20,219	20,219	100.0
2 St. Anne s Boulevard ⁽⁵⁾	Dec-07	30,612		30,612	
3 St. Anne s Boulevard ⁽⁵⁾	Dec-07	76,494	19,890	96,384	100.0
Subtotal		171,300	1,603,259	1,774,559	97.5%
Year Ended December 31, 2008					
365 South Randolphville Road	Feb-08	226,530	38,262	264,792	50.6
650 Randolph Road	Jun-08	127,790		127,790	
1201 Comstock Street	Jun-08		24,000	24,000	100.0
Manchester Technopark	Jun-08		38,016	38,016	100.0
7505 Mason King Court	Nov-08		109,650	109,650	100.0
Subtotal		354,320	209,928	564,248	91.0%
Year Ended December 31, 2009					
1525 Comstock Street	Sep-09		42,385	42,385	100.0
444 Toyama Drive	Sep-09		42,083	42,083	100.0
904 Quality Way ⁽⁶⁾	Sep-09	46,750		46,750	
905 Security Row ⁽⁶⁾	Sep-09	249,657		249,657	
1232 Alma Road ⁽⁶⁾	Sep-09	105,726		105,726	
900 Quality Way ⁽⁶⁾	Sep-09	112,253		112,253	
1400 N. Bowser Road ⁽⁶⁾	Sep-09	246,940		246,940	
1301 International Parkway ⁽⁶⁾	Sep-09	20,500		20,500	
908 Quality Way ⁽⁶⁾	Sep-09	14,400		14,400	
1350 Duane Avenue/3080 Raymond Street	Oct-09		185,000	185,000	100.0
45901 & 45845 Nokes Boulevard	Dec-09		167,160	167,160	100.0
21561 & 21571 Beaumeade Circle	Dec-09		164,453	164,453	100.0
Subtotal		796,226	601,081	1,397,307	100.0%

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Total	1,784,386	12,573,634	14,358,020	95.0%
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Table of Contents

- (1) Redevelopment space requires significant capital investment in order to develop datacenter facilities that are ready for use. Most often this is shell space. However, in certain circumstances this may include partially built datacenter space that was not completed by previous ownership and requires a large capital investment in order to build out the space.
 - (2) Occupancy rates exclude space held for redevelopment. For some of our properties, we calculate occupancy based on factors in addition to contractually leased square feet, including available power, required support space and common area.
 - (3) The three buildings at Devin Shafron Drive are considered one property for our property count.
 - (4) Building completed and placed into service in September 2007 on a land parcel acquired in 2006.
 - (5) The three buildings at St. Anne's Boulevard are considered one property for our property count.
 - (6) The seven buildings at Digital Realty Trust Datacenter Park Dallas are considered one property for our property count.
- In May 2008, we acquired 701 & 717 Leonard Street, a parking garage in Dallas, Texas; however, we exclude the acquisition from our property count because it is located adjacent to our internet gateway datacenter located at 2323 Bryan Street and is not considered a separate property.

In May 2009, we acquired three parcels of land in Ashburn, Virginia to be developed. The parcels are not included in our property count.

Comparison of the Year Ended December 31, 2009 to the Year Ended December 31, 2008 and Comparison of the Year Ended December 31, 2008 to the Year Ended December 31, 2007

Portfolio

As of December 31, 2009, our portfolio consisted of 81 properties with an aggregate of 14.4 million net rentable square feet including 1.8 million square feet held for redevelopment compared to a portfolio consisting of 75 properties with an aggregate of 13.0 million net rentable square feet including 1.6 million square feet held for redevelopment as of December 31, 2008 and a portfolio consisting of 70 properties with an aggregate of 12.3 million net rentable square feet including 1.8 million square feet held for redevelopment as of December 31, 2007. The increase in our portfolio reflects the acquisition of 13 properties in 2007, 5 properties in 2008 and 6 properties in 2009. For all periods above, the number of properties excludes one property held as an investment in an unconsolidated joint venture.

Revenues

Total operating revenues from continuing operations for the years ended December 31, 2009, 2008 and 2007 were as follows (in thousands):

	Year Ended December 31,			Change		Percentage Change	
	2009	2008	2007	2009 v 2008	2008 v 2007	2009 v 2008	2008 v 2007
Rental	\$ 510,772	\$ 404,559	\$ 319,603	\$ 106,213	\$ 84,956	26.3%	26.6%
Tenant reimbursements	125,308	107,503	75,003	17,805	32,500	16.6%	43.3%
Other	1,062	15,383	641	(14,321)	14,742	(93.1)%	2,299.8%
Total operating revenues	\$ 637,142	\$ 527,445	\$ 395,247	\$ 109,697	\$ 132,198	20.8%	33.4%

As shown by the same store and new properties table shown below, the increases in rental revenues and tenant reimbursement revenues in the year ended December 31, 2009 compared to 2008 were primarily due to new leasing at our same store properties, including completed and leased redevelopment space, and acquisitions of properties. These factors also caused the increases in rental revenues and tenant reimbursements in the year ended December 31, 2008 compared to 2007. Other revenues changes in the years presented were primarily due to the timing of varying tenant termination revenues. We acquired 6, 5 and 13 properties during the years ended December 31, 2009, 2008 and 2007, respectively.

Table of Contents

The following table shows total operating revenues from continuing operations for same store properties and new properties (in thousands).

	Same Store Year Ended December 31,			New Properties Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
Rental	\$ 495,928	\$ 402,905	\$ 93,023	\$ 14,844	\$ 1,654	\$ 13,190
Tenant reimbursements	120,431	105,870	14,561	4,877	1,633	3,244
Other	1,062	15,383	(14,321)			
Total operating revenues	\$ 617,421	\$ 524,158	\$ 93,263	\$ 19,721	\$ 3,287	\$ 16,434

Same store rental revenues increased for the year ended December 31, 2009 compared to the same period in 2008 primarily as a result of new leases at our properties during 2009, the largest of which were for space in Devin Shafron Drive (three buildings), 350 East Cermak Road, 114 Rue Ambroise Croizat, 2440 Marsh Lane and Cressex 1. Same store tenant reimbursement revenues increased for the year ended December 31, 2009 compared to the same period in 2008 primarily as a result of higher utility and operating expenses being billed to our tenants in connection with new leasing, the largest occurrences of which were at 3011 Lafayette Street, Devin Shafron Drive (three buildings), 111 8th Avenue (2nd and 6th floors), 1500 Space Park Drive and 114 Rue Ambroise Croizat. The decrease in other revenue for the year ended December 31, 2009 compared to the same period in 2008 was primarily due to lease termination revenue related to an early termination of a tenant lease during the latter half of 2008.

New property increases were caused by properties acquired during the period from January 1, 2008 to December 31, 2009. For the year ended December 31, 2009, 1201 Comstock Street, Manchester Technopark, 7505 Mason King Court and 1350 Duane Avenue/3080 Raymond Street contributed \$12.9 million, or approximately 78% of the total new properties increase in revenues compared to the same period in 2008.

(in thousands)	Same Store Year Ended December 31,			New Properties Year Ended December 31,		
	2008	2007	Change	2008	2007	Change
Rental	\$ 348,724	\$ 302,473	\$ 46,251	\$ 55,835	\$ 17,130	\$ 38,705
Tenant reimbursements	97,420	73,343	24,077	10,083	1,660	8,423
Other	15,383	641	14,742			
Total operating revenues	\$ 461,527	\$ 376,457	\$ 85,070	\$ 65,918	\$ 18,790	\$ 47,128

Same store rental revenues increased for the year ended December 31, 2008 compared to the same period in 2007 primarily as a result of new leases at our properties during 2008, the largest of which were for space in 350 East Cermak Road, 3 Corporate Place, 4025 Midway Road, and 200 Paul Avenue 1-4. Same store tenant reimbursement revenues increased for the year ended December 31, 2008 compared to the same period in 2007 primarily as a result of higher utility and operating expenses being billed to our tenants, the largest occurrences of which were at 3 Corporate Place, 350 East Cermak Road, 200 Paul Avenue 1-4, and 600 West Seventh Street. The increase in other revenue for the year ended December 31, 2008 compared to the same period in 2007 was primarily due to lease termination revenue related to an early termination of a tenant lease during the latter half of 2008.

New property increases were caused by properties acquired during the period from January 1, 2007 to December 31, 2008. For the year ended December 31, 2008, 3011 Lafayette Street, Devon Shafron Drive properties (3 buildings), 1500 Space Park Drive, 900 Walnut Street and Manchester Technopark contributed \$31.9 million, or approximately 68% of the total new properties increase in revenues compared to the same period in 2007.

Table of Contents

Expenses

Total expenses from continuing operations were as follows (in thousands):

	Year Ended December 31,			Change		Percentage Change	
	2009	2008	2007	2009 v 2008	2008 v 2007	2009 v 2008	2008 v 2007
Rental property operating and maintenance	\$ 176,238	\$ 151,147	\$ 109,225	\$ 25,091	\$ 41,922	16.6%	38.4%
Property taxes	36,004	31,102	27,181	4,902	3,921	15.8%	14.4%
Insurance	6,111	4,988	5,527	1,123	(539)	22.5%	(9.8)%
Depreciation and amortization	198,052	172,378	134,419	25,674	37,959	14.9%	28.2%
General and administrative	42,165	38,391	30,786	3,774	7,605	9.8%	24.7%
Other	783	1,084	431	(301)	653	(27.8)%	151.5%
Total operating expenses	\$ 459,353	\$ 399,090	\$ 307,569	\$ 60,263	\$ 91,521	15.1%	29.8%
Interest expense	\$ 88,442	\$ 63,621	\$ 67,054	\$ 24,821	\$ (3,433)	39.0%	(5.1)%

As shown in the same store expense and new properties table below, total expenses in the year ended December 31, 2009 increased compared to 2008 primarily as a result of higher same store utility and maintenance costs as well as increased depreciation from additional redevelopment projects placed into service and from recently acquired properties. The following table shows expenses from continuing operations for same store properties and new properties (in thousands).

	Same Store Year Ended December 31,			New Properties Year Ended December 31,		
	2009	2008	Change	2009	2008	Change
Rental property operating and maintenance	\$ 168,182	\$ 149,120	\$ 19,062	\$ 8,056	\$ 2,027	\$ 6,029
Property taxes	34,847	31,019	3,828	1,157	83	1,074
Insurance	5,909	4,974	935	202	14	188
Depreciation and amortization	192,622	171,826	20,796	5,430	552	4,878
General and administrative ⁽¹⁾	42,165	38,391	3,774			
Other	783	1,084	(301)			
Total operating expenses	\$ 444,508	\$ 396,414	\$ 48,094	\$ 14,845	\$ 2,676	\$ 12,169
Interest expense	\$ 87,041	\$ 63,618	\$ 23,423	\$ 1,401	\$ 3	\$ 1,398

(1) General and administrative expenses are included in same store as they are not allocable to specific properties.

Same store rental property operating and maintenance expenses increased for the year ended December 31, 2009 compared to the same period in 2008 primarily as a result of higher utility rates in several of our properties along with redevelopment projects being placed into service leading to higher utility and operating expense in 2009. We capitalized amounts relating to compensation expense of employees directly engaged in construction and successful leasing activities of \$13.9 million and \$10.6 million in the years ended December 31, 2009 and 2008, respectively.

Same store property taxes increased in the year ended December 31, 2009 compared to 2008, primarily as a result of newly completed redevelopment space offset by favorable property tax reassessment at 350 East Cermak Road.

Same store insurance increased in the year ended December 31, 2009 compared to 2008, primarily as a result of an increase in insurance rates on our renewal of our insurance program.

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Same store depreciation and amortization expense increased in the year ended December 31, 2009 compared to 2008, principally because of depreciation of redevelopment projects that were placed into service in late 2008 and during 2009.

Table of Contents

General and administrative expenses for the year ended December 31, 2009 increased compared to the same period in 2008 primarily due to the growth of our company, which resulted in higher employee cost, travel expenses and higher professional fees and marketing expenses offset by \$1.6 million of compensation expense in 2008 related to the acceleration of the 2005 OPP Grant. For a further discussion of the acceleration of the 2005 OPP Grant, please refer to note 9 in the notes to the consolidated financial statements included elsewhere and incorporated by reference in this prospectus.

Other expenses are primarily comprised of write-offs of the carrying amounts for tenant improvements, acquired in place lease value and acquired above market lease values as a result of the early termination of tenant leases.

Same store interest expense increased for the year ended December 31, 2009 as compared to the same period in 2008 primarily as a result of higher average outstanding debt balances during 2009 compared to 2008 due to issuance of the 2029 debentures, draws on our Prudential shelf facility, and secured financings on 3 Corporate Place, 1500 Space Park Drive, Mundells Roundabout, Cressex 1, Manchester Technopark and Clonsaugh Industrial Estate II, partially offset by a decrease in interest expense at 350 East Cermak Road due to a lower effective rate after considering impact of interest rate swap agreement and early payoff of the loan in March 2009. Interest capitalized during the years ended December 31, 2009 and 2008 was \$9.2 million and \$18.4 million, respectively.

New property increases were caused by properties acquired during the period from January 1, 2008 to December 31, 2009. For the year ended December 31, 2009, 1201 Comstock Street, Manchester Technopark, 365 S. Randolphville Road, 1350 Duane Avenue/3080 Raymond Street and 7505 Mason King Court contributed \$10.7 million, or approximately 88% in total operating expenses compared to the same period in 2008.

(in thousands)	Same Store Year Ended December 31,			New Properties Year Ended December 31,		
	2008	2007	Change	2008	2007	Change
Rental property operating and maintenance	\$ 133,706	\$ 104,171	\$ 29,535	\$ 17,441	\$ 5,054	\$ 12,387
Property taxes	28,546	26,408	2,138	2,556	773	1,783
Insurance	4,683	5,490	(807)	305	37	268
Depreciation and amortization	147,119	127,079	20,040	25,259	7,340	17,919
General and administrative ⁽¹⁾	38,391	30,786	7,605			
Other	1,022	431	591	62		62
Total operating expenses	\$ 353,467	\$ 294,365	\$ 59,102	\$ 45,623	\$ 13,204	\$ 32,419
Interest expense	\$ 61,371	\$ 67,049	\$ (5,678)	\$ 2,250	\$ 5	\$ 2,245

(1) General and administrative expenses are included in same store as they are not allocable to specific properties. Same store rental property operating and maintenance expenses increased for the year ended December 31, 2008 compared to the same period in 2007 primarily as a result of higher utility expenses which is attributed to new leasing and increased power rates. We capitalized amounts relating to compensation expense of employees directly engaged in construction and successful leasing activities of \$10.6 million and \$5.0 million in the years ended December 31, 2008 and 2007, respectively.

Same store property taxes increased in the year ended December 31, 2008 compared to 2007, primarily as a result of newly completed redevelopment space offset by favorable property tax adjustments at 350 East Cermak Road and 200 Paul Avenue 1-4.

Same store insurance decreased in the year ended December 31, 2008 compared to 2007, primarily as a result of favorable insurance rates on our renewal of our insurance program in late 2007.

Table of Contents

Same store depreciation and amortization expense increased in the year ended December 31, 2008 compared to 2007, principally because of depreciation of redevelopment projects that were placed into service in late 2007 and during 2008 along with the acceleration of depreciation on assets associated with leases which terminated earlier than previously estimated.

General and administrative expenses for the year ended December 31, 2008 increased compared to the same period in 2007 primarily due to the growth of our company, which resulted in more employees, additional incentive compensation, and higher professional fees and marketing expenses along with the \$1.6 million of compensation expense related to the acceleration of the 2005 OPP Grant. For a further discussion of the acceleration of the 2005 OPP Grant, please refer to note 9 in the notes to the consolidated financial statements included elsewhere in this prospectus.

Other expenses are primarily comprised of write-offs of the carrying amounts for tenant improvements, acquired in place lease value and acquired above market lease values as a result of the early termination of tenant leases.

Same store interest expense decreased for the year ended December 31, 2008 as compared to the same period in 2007 primarily as a result of higher capitalized interest during 2008 compared to 2007 along with a decrease in interest expense at 350 East Cermak Road due to a lower variable interest rate offset by higher average outstanding debt balances during 2008 compared to 2007 due to financings on 3 Corporate Place, 2045 & 2055 LaFayette Street, 150 South First Street and 1500 Space Park Drive. Interest capitalized during the years ended December 31, 2008 and 2007 was \$18.4 million and \$11.9 million, respectively.

New property increases were caused by properties acquired during the period from January 1, 2007 to December 31, 2008. For the year ended December 31, 2008, 3011 Lafayette Street, Devon Shafron Drive properties (3 buildings), 1500 Space Park Drive and 900 Walnut Street contributed \$20.6 million, or approximately 63% in total operating expenses compared to the same period in 2007.

Equity in earnings of unconsolidated joint venture

The equity in earnings of unconsolidated joint venture relates to a 50% investment in a joint venture that owns a datacenter property in Seattle, Washington. The investment was made in November 2006. The amount recorded in 2007 includes our portion of the write-off of net costs related to the refinance of the previously outstanding mortgage loan on the property, which amounted to approximately \$0.6 million.

Discontinued operations

Discontinued operations relate to the following properties:

Property	Date Acquired	Date Sold
4055 Valley View Lane	September 2003	March 2007
100 Technology Center Drive	February 2004	March 2007

Results of discontinued operations were as follows (in thousands):

	Year Ended December 31, 2007
Operating revenues	\$ 2,340
Operating expenses	(1,283)
Interest and other income	5
Interest expense	(607)
Gain on derivative instruments	940
	1,395
Gain on sale of assets	18,049
Income from discontinued operations	19,444

Table of Contents

Liquidity and Capital Resources of the Parent Company

In this Liquidity and Capital Resources of the Parent Company section and in the Liquidity and Capital Resources of the Operating Partnership section below, the term, our parent company, refers to Digital Realty Trust, Inc. on an unconsolidated basis, excluding our operating partnership.

Analysis of Liquidity and Capital Resources

Our parent company's business is operated primarily through our operating partnership of which our parent company is the sole general partner and which it consolidates for financial reporting purposes. Because our parent company operates on a consolidated basis with our operating partnership, the section entitled Liquidity and Capital Resources of the Operating Partnership should be read in conjunction with this section to understand the liquidity and capital resources of our parent company on a consolidated basis and how our company is operated as a whole.

Our parent company issues public equity from time to time, but does not otherwise generate any capital itself or conduct any business itself, other than incurring certain expenses in operating as a public company which are fully reimbursed by the operating partnership. Our parent company itself does not hold any indebtedness other than guarantees of indebtedness of our operating partnership, and its only material asset is its ownership of partnership interests of our operating partnership. Therefore, the consolidated assets and liabilities and the consolidated revenues and expenses of our parent company and our operating partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by our parent company. However, all debt is held directly or indirectly at the operating partnership level. Our parent company's principal funding requirement is the payment of dividends on its common and preferred shares. Our parent company's principal source of funding for its dividend payments is distributions it receives from our operating partnership.

As the sole general partner of our operating partnership, our parent company has the full, exclusive and complete responsibility for our operating partnership's day-to-day management and control. Our parent company causes our operating partnership to distribute such portion of its available cash as our parent company may in its discretion determine, in the manner provided in our operating partnership's partnership agreement. Our parent company receives proceeds from its equity issuances from time to time, but is required by our operating partnership's partnership agreement to contribute the proceeds from its equity issuances to our operating partnership in exchange for partnership units of our operating partnership.

Our parent company is a well-known seasoned issuer with an effective shelf registration statement filed on May 1, 2009, as amended by Post-Effective Amendment No. 1 filed on November 15, 2010, that allows our parent company to register unspecified various classes of equity securities. As circumstances warrant, our parent company may issue equity from time to time on an opportunistic basis, dependent upon market conditions and available pricing. Any proceeds from such equity issuances would be contributed to our operating partnership in exchange for additional equity interests in our operating partnership. Our operating partnership may use the proceeds to acquire additional properties, to fund development and redevelopment opportunities and for general working capital purposes, including potentially for the repurchase, redemption or retirement of outstanding debt or preferred securities.

The liquidity of our parent company is dependent on our operating partnership's ability to make sufficient distributions to our parent company. The primary cash requirement of our parent company is its payment of dividends to its stockholders. Our parent company also guarantees some of our operating partnership's debt. If our operating partnership fails to fulfill its debt requirements, which trigger parent company guarantee obligations, then our parent company will be required to fulfill its cash payment commitments under such guarantees. However, our parent company's only asset is its investment in our operating partnership.

We believe our operating partnership's sources of working capital, specifically its cash flow from operations, and borrowings available under its unsecured revolving credit facility, are adequate for it to make its

Table of Contents

distribution payments to our parent company and, in turn, for our parent company to make its dividend payments to its stockholders. However, we cannot assure you that our operating partnership's sources of capital will continue to be available at all or in amounts sufficient to meet its needs, including its ability to make distribution payments to our parent company. The unavailability of capital could adversely affect our operating partnership's ability to pay its distributions to our parent company, which would in turn, adversely affect our parent company's ability to pay cash dividends to its stockholders.

On December 31, 2009, our parent company entered into equity distribution agreements, which we refer to as the Original Equity Distribution Agreements, with each of Citigroup Global Markets Inc., Merrill Lynch, Pierce, Fenner & Smith Incorporated and Credit Suisse Securities (USA) LLC, or the Original Agents, under which it could issue and sell shares of its common stock having an aggregate offering price of up to \$400,000,000 from time to time through, at its discretion, any of the Original Agents as its sales agents. On January 22, 2010, our parent company amended and restated each Original Equity Distribution Agreement with the applicable Original Agent, and also entered into a new equity distribution agreement with Morgan Stanley & Co. Incorporated, or collectively the Equity Distribution Agreements, under which it may issue and sell shares of its common stock having an aggregate offering price of up to \$400,000,000 (including the approximately 1.1 million shares of common stock having an aggregate offering price of approximately \$54.3 million sold pursuant to the Original Equity Distribution Agreements as of January 22, 2010), from time to time through, at its discretion, any of the Original Agents or Morgan Stanley & Co. Incorporated as its sales agents. The sales of common stock made under the Equity Distribution Agreements will be made in at the market offerings as defined in Rule 415 of the Securities Act. Our parent company has used and intends to use the proceeds from the sale of shares pursuant to the Equity Distribution Agreements to temporarily repay borrowings under our operating partnership's revolving credit facility, to acquire additional properties, to fund development and redevelopment opportunities and for general corporate purposes, including potentially the repayment or repurchase of outstanding debt. From January 1, 2010 through September 30, 2010, our parent company generated net proceeds of approximately \$154.4 million from the issuance of approximately 2.8 million common shares under the Equity Distribution Agreements at an average price of \$56.35 per share after payment of approximately \$2.4 million of commissions to the sales agents. The proceeds from the issuances were contributed to our operating partnership in exchange for the issuance of 2.8 million common units to our parent company.

On June 8, 2010, our parent company completed an offering of 6,900,000 shares of its common stock for total net proceeds, after deducting discounts and estimated expenses, of approximately \$377.1 million. Our parent company contributed the net proceeds from this offering to our operating partnership in exchange for 6,900,000 common units, as required by our operating partnership's partnership agreement.

On June 14, 2010, our parent company issued 1,160,950 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$184,800 and accrued and unpaid interest equal to \$503,965 in exchange for \$36,960,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated June 14, 2010, by and among our parent company, our operating partnership and such institutional investor.

On July 22, 2010, our parent company distributed a Notice of Redemption to all holders of record of its outstanding 8.50% Series A Cumulative Redeemable Preferred Stock, or the Series A Preferred Stock, regarding its redemption of all 4,140,000 outstanding shares of the Series A Preferred Stock at a redemption price of \$25.31285 per share. The redemption price was equal to the original issuance price of \$25.00 per share, plus accrued and unpaid dividends. The redemption date was August 24, 2010. Our parent company funded the redemption with borrowings under our operating partnership's revolving credit facility, which our operating partnership distributed to our parent company in connection with our operating partnership's redemption of all 4,140,000 of its outstanding 8.50% Series A Cumulative Redeemable Preferred Units held by our parent company.

Table of Contents

On July 27, 2010, our parent company issued 236,444 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$37,516 and accrued and unpaid interest equal to \$138,360 in exchange for \$7,500,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated July 27, 2010, by and among our parent company, our operating partnership and such institutional investor.

In two settlements on August 30, 2010 and September 1, 2010, our parent company issued an aggregate of 436,539 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an aggregate incentive fee equal to \$91,062 and aggregate accrued and unpaid interest equal to \$25,157 in exchange for \$13,847,000 in aggregate principal amount of the 2026 debentures held by an institution pursuant to an exchange agreement, dated August 30, 2010, by and among our parent company, our operating partnership and such institution.

On September 17, 2010, our parent company issued 28,496 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$5,919 and accrued and unpaid interest equal to \$3,197 in exchange for \$900,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated September 17, 2010, by and among our parent company, our operating partnership and such institutional investor.

On September 24, 2010, our parent company issued 94,990 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$19,500 and accrued and unpaid interest equal to \$13,406 in exchange for \$3,000,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated September 24, 2010, by and among our parent company, our operating partnership and such institutional investor.

On November 16, 2010, our parent company issued 72,826 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$15,125 and accrued and unpaid interest equal to \$23,719 in exchange for \$2,300,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated November 16, 2010, by and among our parent company, our operating partnership and such institutional investor.

On November 19, 2010, our parent company issued 601,127 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$189,889 and accrued and unpaid interest equal to \$204,484 in exchange for \$18,985,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated November 19, 2010, by and among our parent company, our operating partnership and such institutional investor.

Future Uses of Cash

Our parent company may from time to time seek to retire, redeem or repurchase its preferred equity or the debt securities of our operating partnership through cash purchases and/or exchanges for equity securities in open market purchases, privately negotiated transactions or otherwise. Such repurchases, redemptions or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions or other factors. The amounts involved may be material.

On November 9, 2010, our parent company distributed a Notice of Redemption to all holders of record of its outstanding 7.875% Series B Cumulative Redeemable Preferred Stock, or Series B Preferred Stock, regarding its redemption of all outstanding shares of its Series B Preferred Stock at a redemption price of \$25.37734 per share.

Table of Contents

The redemption price is equal to the original issuance price of \$25.00 per share, plus accrued and unpaid dividends. The redemption date is December 10, 2010. Our parent company intends to fund the redemption with borrowings under our operating partnership's revolving credit facility, which our operating partnership will distribute to our parent company in connection with our operating partnership's redemption of all 2,530,000 of its outstanding 7.875% Series B Cumulative Redeemable Preferred Units held by our parent company.

We are also subject to the commitments discussed below under Dividends and Distributions.

Dividends and Distributions

Our parent company is required to distribute 90% of its taxable income (excluding capital gains) on an annual basis in order for it to continue to qualify as a REIT for federal income tax purposes. Accordingly, our parent company intends to make, but is not contractually bound to make, regular quarterly distributions to its preferred stockholders and common stockholders from cash flow from our operating partnership's operating activities. All such distributions are at the discretion of our parent company's board of directors. Our parent company considers market factors and our operating partnership's performance in addition to REIT requirements in determining distribution levels. Our parent company has distributed 100% of its taxable income since inception to minimize corporate level federal income taxes. Amounts accumulated for distribution to stockholders are invested primarily in interest-bearing accounts and short-term interest-bearing securities, which are consistent with our intention to maintain our parent company's status as a REIT. The exchange rate on the 2026 debentures, the exchange rate on the 2029 debentures, the conversion rate on our parent company's series C cumulative convertible preferred stock and the conversion rate on our parent company's series D cumulative convertible preferred stock are each subject to adjustment for certain events, including, but not limited to, certain dividends on our parent company's common stock in excess of \$0.265 per share per quarter, \$0.33 per share per quarter, \$0.28625 per share per quarter and \$0.31 per share per quarter, respectively. Therefore, the declaration and payment of quarterly dividends by our parent company in excess of these thresholds may increase the dilutive impact of our operating partnership's exchangeable debentures and our parent company's convertible preferred stock on our parent company's common stockholders.

While historically our parent company has satisfied this distribution requirement by making cash distributions to its stockholders, it may choose to satisfy this requirement by making distributions of cash or other property, including, in limited circumstances, our parent company's own shares. As a result of this distribution requirement, our operating partnership cannot rely on retained earnings to fund its on-going operations to the same extent that other companies whose parent companies are not real estate investment trusts can. Our parent company may need to continue to raise capital in the equity markets to fund our operating partnership's working capital needs, as well as potential developments at new or existing properties, acquisitions or investments in existing or newly created joint ventures. In addition, our parent company may be required to use borrowings under our operating partnership's revolving credit facility, if necessary, to meet REIT distribution requirements and maintain our parent company's REIT status.

Table of Contents

In 2009, 2008 and 2007 and the first eleven months of 2010, our parent company declared the following dividends (in thousands):

Date dividend declared	Dividend payable date	Series A Preferred Stock ⁽¹⁾	Series B Preferred Stock ⁽²⁾	Series C Preferred Stock ⁽³⁾	Series D Preferred Stock ⁽⁴⁾	Common Stock
February 15, 2007	April 2, 2007	2,199	1,246			17,227 ⁽⁵⁾
May 2, 2007	July 2, 2007	2,199	1,246	1,722		17,376 ⁽⁵⁾
August 1, 2007	October 1, 2007	2,199	1,246	1,914		17,381 ⁽⁵⁾
November 1, 2007	December 31, 2007 for Series A, B and C Preferred Stock; January 14, 2008 for Common Stock	2,199	1,246	1,914		20,275 ⁽⁶⁾
Total 2007		\$ 8,796	\$ 4,984	\$ 5,550	\$	\$ 72,259
February 25, 2008	March 31, 2008	2,199	1,246	1,914	2,899	20,295 ⁽⁶⁾
May 5, 2008	June 30, 2008	2,199	1,246	1,914	4,744	20,512 ⁽⁶⁾
August 4, 2008	September 30, 2008	2,199	1,246	1,914	4,744	22,491 ⁽⁶⁾
November 4, 2008	December 31, 2008 for Series A, B, C and D Preferred Stock; January 7, 2009 for Common Stock	2,199	1,246	1,914	4,744	24,150 ⁽⁷⁾
Total 2008		\$ 8,796	\$ 4,984	\$ 7,656	\$ 17,131	\$ 87,448
February 24, 2009	March 31, 2009	2,199	1,246	1,914	4,742	25,077 ⁽⁷⁾
April 28, 2009	June 30, 2009	2,199	1,246	1,914	4,742	25,126 ⁽⁷⁾
July 28, 2009	September 30, 2009	2,199	1,246	1,914	4,742	27,502 ⁽⁸⁾
October 27, 2009	December 31, 2009 for Series A, B, C and D Preferred Stock; January 15, 2010 for Common Stock	2,199	1,246	1,914	4,742	34,561 ⁽⁹⁾
Total 2009		\$ 8,796	\$ 4,984	\$ 7,656	\$ 18,968	\$ 112,266
February 23, 2010	March 31, 2010	2,199	1,246	1,914	4,742	37,512 ⁽¹⁰⁾
April 27, 2010	June 30, 2010	2,199	1,246	1,914	4,742	41,783 ⁽¹⁰⁾
July 19, 2010	September 30, 2010	(11)	1,246	1,914	4,739	47,024 ⁽¹²⁾
November 2, 2010	December 31, 2010 ⁽¹³⁾		(14)	1,914	4,739	(15)

(1) \$2.125 annual rate of dividend per share.

(2) \$1.969 annual rate of dividend per share.

(3) \$1.094 annual rate of dividend per share.

(4) \$1.375 annual rate of dividend per share.

(5) \$1.145 annual rate of dividend per share.

(6) \$1.240 annual rate of dividend per share.

(7) \$1.320 annual rate of dividend per share.

(8) \$1.440 annual rate of dividend per share.

(9) \$1.800 annual rate of dividend per share.

(10) \$1.920 annual rate of dividend per share.

(11) Redeemed on August 24, 2010 for a redemption price of \$25.31285 per share, which equals the original issuance price of \$25.00 per share, plus accrued and unpaid dividends up to but not including the redemption date of approximately \$1.3 million.

(12) \$2.120 annual rate of dividend per share.

(13) The common stock dividend will be paid on January 14, 2011.

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- (14) Scheduled to be redeemed on December 10, 2010 for a redemption price of \$25.37734 per share, which equals the original issuance price of \$25.00 per share, plus accrued and unpaid dividends up to but not including the redemption date.
- (15) \$2.120 annual rate of dividend per share. The aggregate amount of the dividend will be determined based on the number of shares of common stock outstanding on the December 15, 2010 record date.

Table of Contents

Distributions out of our current or accumulated earnings and profits are generally classified as ordinary income whereas distributions in excess of our current and accumulated earnings and profits, to the extent of a stockholder's U.S. federal income tax basis in our parent company's stock, are generally classified as a return of capital. Distributions in excess of a stockholder's U.S. federal income tax basis in our parent company's stock are generally characterized as capital gain. Cash provided by operating activities has been sufficient to fund all distributions.

The tax treatment of distributions on common stock for 2009 is as follows: 100% ordinary income and 0% return of capital. The tax treatment of distributions on common stock for 2008 is as follows: approximately 100% ordinary income and 0% return of capital. The tax treatment of distributions on common stock for 2007 is as follows: approximately 78% ordinary income and 22% return of capital. All distributions paid on our preferred stock in 2009, 2008 and 2007 were classified as ordinary income for income tax purposes.

Liquidity and Capital Resources of the Operating Partnership

In this Liquidity and Capital Resources of the Operating Partnership section, the terms we, our and us refer to our operating partnership together with its consolidated subsidiaries or our operating partnership and our parent company together with their consolidated subsidiaries, as the text requires.

Analysis of Liquidity and Capital Resources

Our parent company is our sole general partner and consolidates our results of operations for financial reporting purposes. Because we operate on a consolidated basis with our parent company, the section entitled Liquidity and Capital Resources of the Parent Company should be read in conjunction with this section to understand our liquidity and capital resources on a consolidated basis.

As of September 30, 2010, we had \$66.5 million of cash and cash equivalents, excluding \$61.6 million of restricted cash. Restricted cash primarily consists of interest-bearing cash deposits required by the terms of several of our mortgage loans for a variety of purposes, including real estate taxes, insurance, anticipated or contractually obligated tenant improvements, as well as capital expenditures.

Our short-term liquidity requirements primarily consist of operating expenses, redevelopment costs and other expenditures associated with our properties, distributions to our parent company in order for it to make dividend payments on its preferred stock, distributions to our parent company in order for it to make dividend payments to its stockholders required to maintain its REIT status, distributions to the unitholders in our operating partnership, capital expenditures, debt service on our loans and, potentially, acquisitions. We expect to meet our short-term liquidity requirements through net cash provided by operations, restricted cash accounts established for certain future payments and by drawing upon our revolving credit facility.

As of September 30, 2010, our revolving credit facility had a total capacity of \$750.0 million. Effective August 31, 2010, we exercised the first of two one-year extension options to our revolving credit facility, which extends its maturity date from August 31, 2010 to August 31, 2011. The bank group is obligated to grant extension options provided we give proper notice, we make certain representations and warranties and no default exists under the revolving credit facility. As of September 30, 2010, borrowings under the revolving credit facility bore interest at a blended rate of 1.36% (U.S.), 1.72% (Euro) and 1.67% (GBP), which are based on 1-month LIBOR, 1-month EURIBOR and 1-month GBP LIBOR, respectively, plus a margin of 1.10%. The revolving credit facility has a \$515.0 million sub-facility for multicurrency advances in British Pound Sterling, Canadian Dollars, Euros, and Swiss Francs. We intend to use available borrowings under the revolving credit facility to, among other things, finance the acquisition of additional properties, fund tenant improvements and capital expenditures, fund development and redevelopment activities and to provide for working capital and other corporate purposes. As of September 30, 2010, approximately \$220.6 million was drawn under this facility, and \$16.8 million of letters of credit were issued, leaving approximately \$512.5 million available for use.

Table of Contents

On June 28, 2010, we completed an amendment to our revolving credit facility. The amendment to the revolving credit facility provides us with the ability to add eligible unencumbered international assets to the borrowing base in support of our outstanding unsecured debt. International assets include properties located in Canada, England, Ireland, Wales, France, Spain, the Netherlands, Singapore and Australia. Under the new amendment, international assets may comprise up to 25% of the borrowing base, with assets in Spain and Singapore limited to up to 10% of the borrowing base.

On June 30, 2010, we completed an amendment to our Prudential shelf facility, the terms of which are substantially the same as the amendment to our revolving credit facility described above.

For a discussion of the potential impact of current global economic and market conditions on our liquidity and capital resources, see **Factors Which May Influence Future Results of Operations** Global market and economic conditions above.

On January 20, 2010, we closed the sale of \$100.0 million aggregate principal amount of our senior unsecured term notes to Prudential Investment Management, Inc. and certain of its affiliates, or, collectively, Prudential, pursuant to the Prudential shelf facility. The notes were issued in two series referred to as the series D and series E notes. The series D notes have a principal amount of \$50.0 million, an interest-only rate of 4.57% per annum and a five-year maturity, and the series E notes have a principal amount of \$50.0 million, an interest-only rate of 5.73% per annum and a seven-year maturity. On February 3, 2010, we closed the sale of an additional \$17.0 million aggregate principal amount of our senior unsecured term notes, which we refer to as the series F notes, to Prudential pursuant to the Prudential shelf facility. The series F notes have an interest-only rate of 4.50% per annum and a five-year maturity. We used the proceeds of the series D, series E and series F notes to fund acquisitions, to temporarily repay borrowings under our revolving credit facility, to fund working capital and for general corporate purposes.

On January 22, 2010, our parent company entered into the Equity Distribution Agreements discussed under **Liquidity and Capital Resources** of the Parent Company above. From January 1, 2010 through September 30, 2010, our parent company generated net proceeds of approximately \$154.4 million from the issuance of approximately 2.8 million common shares under the Equity Distribution Agreements at an average price of \$56.35 per share after payment of approximately \$2.4 million of commissions to the sales agents. The proceeds from the issuances were contributed to us in exchange for the issuance of 2.8 million common units to our parent company.

On January 22, 2010, we completed the acquisition of the New England Portfolio, a three-property datacenter portfolio located in Massachusetts and Connecticut, from Sentinel Properties Needham, LLC, SP Needham I, LLC, Sentinel Properties Bedford LLC and Sentinel Properties Trumbull, LLC, or, collectively, the Sellers. The purchase price, which was determined through negotiations between us and the Sellers, was approximately \$375.0 million and was paid in cash funded with borrowings under our revolving credit facility.

On January 28, 2010, we closed the issuance of \$500.0 million aggregate principal amount of the 2020 notes. The purchase price paid by the initial purchasers was 98.296% of the principal amount thereof. The notes are our general unsecured senior obligations, rank equally in right of payment with all our other senior unsecured indebtedness and are fully and unconditionally guaranteed by our parent company. Interest on the notes is payable on February 1 and August 1 of each year, beginning on August 1, 2010. The net proceeds from the offering after deducting the original issue discount, underwriting commissions and estimated expenses was approximately \$487.1 million. We used the net proceeds from the offering to temporarily repay our borrowings under our revolving credit facility, fund development and redevelopment opportunities, fund working capital and for general corporate purposes.

On June 8, 2010, our parent company completed an offering of 6,900,000 shares of common stock for total net proceeds, after deducting discounts and estimated expenses, of approximately \$377.1 million. Our parent

Table of Contents

company contributed the net proceeds from this offering to us in exchange for 6,900,000 common units, as required by our partnership agreement. We used a portion of the net proceeds from the offering to fund a portion of the acquisition of the 365 Main Portfolio, described below, and the balance of the proceeds to acquire additional properties, to fund development and redevelopment opportunities and for general working capital purposes.

On June 14, 2010, our parent company issued 1,160,950 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an incentive fee equal to \$184,800 and accrued and unpaid interest equal to \$503,965 in exchange for \$36,960,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated June 14, 2010, by and among us, our parent company and such institutional investor.

On July 8, 2010, we closed the issuance of \$375.0 million aggregate principal amount of the 2015 notes. The purchase price paid by the initial purchasers was 99.697% of the principal amount thereof. The notes are our general unsecured senior obligations, rank equally in right of payment with all our other senior unsecured indebtedness and are fully and unconditionally guaranteed by our parent company. Interest on the notes is payable on January 15 and July 15 of each year, beginning on January 15, 2011. The net proceeds from the offering after deducting the original issue discount, underwriting commissions and estimated expenses was approximately \$370.8 million. We used the net proceeds from the offering to fund a portion of the acquisition of the 365 Main Portfolio, described below.

On July 13, 2010, we completed the acquisition of a five-property datacenter portfolio located in California, Arizona and Virginia, which we refer to as the Rockwood Capital/365 Main Portfolio. The purchase price was approximately \$725.0 million and was funded with proceeds from our parent company's common stock offering in June 2010 and our notes offering in July 2010 along with borrowings under our revolving credit facility.

On July 22, 2010, our parent company distributed a Notice of Redemption to all holders of record of its outstanding 8.50% Series A Cumulative Redeemable Preferred Stock, or the Series A Preferred Stock, regarding its redemption of all 4,140,000 outstanding shares of the Series A Preferred Stock at a redemption price of \$25.31285 per share. The redemption price was equal to the original issuance price of \$25.00 per share, plus accrued and unpaid dividends. The redemption date was August 24, 2010. We funded the redemption with borrowings under our revolving credit facility, which we distributed to our parent company in connection with our redemption of all 4,140,000 of our outstanding 8.50% Series A Cumulative Redeemable Preferred Units held by our parent company.

On July 27, 2010, our parent company issued 236,444 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an incentive fee equal to \$37,516 and accrued and unpaid interest equal to \$138,360 in exchange for \$7,500,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated July 27, 2010, by and among us, our parent company and such institutional investor.

On August 5, 2010, we acquired a 50% controlling interest in a joint venture that owns 800 Central Expressway, a vacant 150,000 square foot powered shell building that was added to our inventory of space held for redevelopment. Upon obtaining control of the joint venture, we consolidated the joint venture which included a property with an estimated fair value of \$27.1 million, \$2.1 million of restricted cash, and \$23.9 million of secured loans which were paid down to \$20.5 million in connection with our acquisition. In addition, each member subsequently contributed \$8.8 million to fund a lender required impound account to be used to fund future expected redevelopment costs.

On August 5, 2010, we acquired a 50% noncontrolling common interest in a joint venture for approximately \$6.0 million that owns 700 and 750 Central Expressway, two fully leased office buildings comprising approximately 300,000 square feet. The joint venture is encumbered by \$29.1 million of secured loans. We made a \$4.1 million preferred equity contribution to the joint venture which was used to pay down to secured loans to

Table of Contents

\$25 million. We have the option to put our common interest back to the other member, subject to certain conditions, at a price equal to our initial common interest contribution of \$6.0 million.

On August 19, 2010, we acquired two fully leased datacenter properties for a purchase price of \$50.3 million. The first property is 2950 Zanker Road, located in San Jose, California, and totals approximately 69,700 rentable square feet. The second property is 900 Dorothy Drive, located in Richardson, Texas, and totals over 56,000 rentable square feet. The acquisition was financed with cash on hand and borrowings under our revolving credit facility.

In two settlements on August 30, 2010 and September 1, 2010, our parent company issued an aggregate of 436,539 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an aggregate incentive fee equal to \$91,062 and aggregate accrued and unpaid interest equal to \$25,157 in exchange for \$13,847,000 in aggregate principal amount of the 2026 debentures held by an institution pursuant to an exchange agreement, dated August 30, 2010, by and among us, our parent company and such institution.

On September 17, 2010, our parent company issued 28,496 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an incentive fee equal to \$5,919 and accrued and unpaid interest equal to \$3,197 in exchange for \$900,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated September 17, 2010, by and among us, our parent company and such institutional investor.

On September 24, 2010, our parent company issued 94,990 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an incentive fee equal to \$19,500 and accrued and unpaid interest equal to \$13,406 in exchange for \$3,000,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated September 24, 2010, by and among us, our parent company and such institutional investor.

On November 16, 2010, our parent company issued 72,826 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an incentive fee equal to \$15,125 and accrued and unpaid interest equal to \$23,719 in exchange for \$2,300,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated November 16, 2010, by and among us, our parent company and such institutional investor.

On November 19, 2010, our parent company issued 601,127 privately issued shares of its common stock, par value \$0.01 per share, to us, and we delivered the shares and paid an incentive fee equal to \$189,889 and accrued and unpaid interest equal to \$204,484 in exchange for \$18,985,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated November 19, 2010, by and among us, our parent company and such institutional investor.

On November 23, 2010, we completed the acquisition of a datacenter in Singapore for approximately SGD174.4 million, or approximately \$134.5 million based on the exchange rate in effect on November 23, 2010. The acquisition was financed with borrowings under our revolving credit facility.

Construction

As of September 30, 2010 and December 31, 2009, work in progress, including the proportionate land and property costs related to current construction projects, amounted to \$192.6 million, or \$238.6 million including construction accruals and certain capitalized costs, and \$156.2 million, or \$187.1 million including construction accruals and certain capitalized costs, respectively. Separately, our redevelopment program included the proportionate land and building costs related to other targeted projects in the amount of \$119.9 million and \$88.6

Table of Contents

million as of September 30, 2010 and December 31, 2009, respectively. Work in progress related to non-redevelopment projects, primarily tenant and building improvements, amounted to \$1.5 million and \$0.4 million as of September 30, 2010 and December 31, 2009, respectively.

Future Uses of Cash

Our properties require periodic investments of capital for tenant-related capital expenditures and for general capital improvements. As of September 30, 2010, we had approximately 1.9 million square feet of redevelopment space and we also owned approximately 175,000 net rentable square feet of datacenter space with extensive installed tenant improvements that we may subdivide for Turn-Key Datacenter® use during the next two years rather than lease to large single tenants. Turn-Key Datacenter® space is move-in-ready space for the placement of computer and network equipment required to provide a datacenter environment. Depending on demand for additional Turn-Key Datacenter® space, we expect to incur significant tenant improvement costs to build out and redevelop these types of spaces. At September 30, 2010, approximately 209,000 square feet of our space held for redevelopment was under construction for Turn-Key Datacenter® space in five U.S. markets and two European markets. At September 30, 2010, we had commitments under construction contracts for approximately \$101.5 million. We currently expect to incur approximately \$100.0 million to \$150.0 million of capital expenditures for our redevelopment program during the three months ended December 31, 2010, although this amount may increase or decrease, potentially materially, based on numerous factors, including changes in demand, leasing results and availability of debt or equity capital.

We are also subject to the commitments discussed below under Commitments and Contingencies, Off-Balance Sheet Arrangements and Distributions.

Consistent with our growth strategy, we actively pursue opportunities for potential acquisitions, with due diligence and negotiations often at different stages at different times. The dollar value of additional acquisitions for the remainder of the year ending December 31, 2010 will be based on numerous factors, including tenant demand, leasing results, availability of debt or equity capital and acquisition opportunities.

We may from time to time seek to retire or repurchase our outstanding debt or the preferred equity of our parent company through cash purchases and/or exchanges for equity securities of our parent company in open market purchases, privately negotiated transactions or otherwise. Such repurchases or exchanges, if any, will depend on prevailing market conditions, our liquidity requirements, contractual restrictions or other factors. The amounts involved may be material.

On November 9, 2010, our parent company distributed a Notice of Redemption to all holders of record of its outstanding 7.875% Series B Cumulative Redeemable Preferred Stock, or Series B Preferred Stock, regarding its redemption of all outstanding shares of its Series B Preferred Stock at a redemption price of \$25.37734 per share. The redemption price is equal to the original issuance price of \$25.00 per share, plus accrued and unpaid dividends. The redemption date is December 10, 2010. Our parent company intends to fund the redemption with borrowings under our revolving credit facility, which we will distribute to our parent company in connection with our redemption of all 2,530,000 of our outstanding 7.875% Series B Cumulative Redeemable Preferred Units held by our parent company.

We expect to meet our short-and long-term liquidity requirements, including to pay for scheduled debt maturities and to fund property acquisitions and non-recurring capital improvements with net cash from operations, future long-term secured and unsecured indebtedness and the issuance of equity and debt securities and the proceeds of equity issuances by our parent company. We also may fund future short-and long-term liquidity requirements, including property acquisitions and non-recurring capital improvements using our revolving credit facility pending permanent financing. If we are not able to obtain additional financing on terms attractive to us, or at all, including as a result of the circumstances described above under Factors Which May Influence Future Results of Operations Global market and economic conditions , we may be required to reduce our acquisition or capital expenditure plans, which could have a material adverse effect upon our business and results of operations.

Table of Contents**Properties Acquired in 2009**

During the year ended December 31, 2009 we acquired or made investments in the following properties:

Location	Metropolitan Area	Date Acquired	Amount (in millions)
Loudoun Exchange II ⁽¹⁾	Northern Virginia	May 15, 2009	\$ 20.3
Digital Realty Trust Datacenter Park Dallas ⁽²⁾	Dallas	September 11, 2009	33.6
444 Toyama Drive	Silicon Valley	September 25, 2009	17.5
1350 Duane Avenue/3080 Raymond Street ⁽³⁾	Silicon Valley	October 30, 2009	90.5
Nokes Boulevard / Beaumeade Circle ⁽⁴⁾	Northern Virginia	December 17, 2009	63.3
Total Acquisitions Year Ended December 31, 2009			\$ 225.2

- (1) Represents vacant land which is not included in our operating property count.
- (2) In September 2009, we made an initial cash contribution of \$1.9 million to a joint venture formed to own and redevelop Digital Realty Trust Datacenter Park Dallas. The other member contributed seven vacant buildings with an estimated market value of \$33.6 million and a third-party non-recourse loan secured by these properties of \$17.0 million. We are committed to make an additional \$22.9 million of capital contributions needed to fund the redevelopment project. We have determined that the joint venture is a variable interest entity and we are the primary beneficiary. As a result, we have consolidated the joint venture and presented the member interests not owned by us of \$16.6 million as noncontrolling interests in consolidated joint venture. For operating property count purposes, we consider this to be one property.
- (3) Includes the assumption of a \$52.8 million loan.
- (4) A two-property data center portfolio consisting of four buildings located at 21561 and 21571 Beaumeade Circle in Ashburn, Virginia and 45901 and 45905 Nokes Boulevard in Sterling, Virginia, as well as certain vacant real property located at 21551 Beaumeade Circle in Ashburn, Virginia.

We financed the purchase of these properties primarily with borrowings under our revolving credit facility. We have repaid borrowings under our revolving credit facility with portions of the proceeds from our parent company's February 2009 common stock issuance, the issuance of the 2029 debentures, sales of common stock under our parent company's Equity Distribution Agreements, the issuance of notes under our Prudential shelf facility and the issuance of the 2020 notes.

Properties Acquired During the Nine Months Ended September 30, 2010

During the nine months ended September 30, 2010 we acquired or made investments in the following properties:

Acquisitions

Location	Metropolitan Area	Date Acquired	Amount (in millions)
New England Portfolio ⁽¹⁾	Various ⁽¹⁾	January 22, 2010	\$ 375.0
1725 Comstock Street ⁽²⁾	Silicon Valley	April 30, 2010	14.1
3105/3115 Alfred Street	Silicon Valley	May 24, 2010	10.0
Cateringweg 5 ⁽³⁾	Amsterdam	June 17, 2010	6.4
365 Main Portfolio ⁽⁴⁾	Various ⁽⁴⁾	July 13, 2010	725.0
800 Central Expressway ⁽⁵⁾	Silicon Valley	August 5, 2010	27.1
2950 Zanker Road / 900 Dorothy Drive	Silicon Valley / Dallas	August 19, 2010	50.3

\$ 1,207.9

Table of Contents**Investments**

Location	Metropolitan Area	Date Acquired	Amount (in millions)
700 / 750 Central Expressway ⁽⁶⁾	Silicon Valley	August 5, 2010	\$ 10.3

- (1) The New England Portfolio consists of 55 Middlesex Turnpike, Bedford, Massachusetts and a 100% condominium interest that represents 87.5% of the square footage of 128 First Avenue, Needham, Massachusetts, both located in the Boston metropolitan area, as well as 60-80 Merritt Boulevard, Trumbull, Connecticut, located in the New York Metro metropolitan area. The New England Portfolio is considered three properties for our property count.
- (2) As part of the acquisition, we have agreed with the seller to remit an earnout payment based on leasing activities in the building. The purchase price includes an accrual of \$4.3 million, which is the estimated fair value of the contingent purchase price per the agreement. As of June 30, 2010, the entire building was leased. The final payment to the seller of approximately \$4.3 million was made in July 2010 to fully settle the contingent purchase price amount.
- (3) A land parcel subject to a ground lease along with a vacant shell building.
- (4) The 365 Main Portfolio consists of 365 Main Street, San Francisco, California and 720 2nd Street, Oakland, California, both located in the San Francisco metropolitan area; 2260 East El Segundo Boulevard, El Segundo, California, located in the Los Angeles metropolitan area; 2121 South Price Road, Chandler, Arizona, located in the Phoenix metropolitan area; and 4030-4050 Lafayette Center Drive, Chantilly, Virginia, located in the Northern Virginia metropolitan area. The 365 Main Portfolio is considered five properties for our property count.
- (5) In August 2010, we acquired a 50% controlling interest in a joint venture formed to own and redevelop 800 Central Expressway. The other noncontrolling 50% member contributed land and a vacant building with a fair market value of approximately \$27.1 million, lender required impound accounts of approximately \$2.1 million, a mortgage loan of \$13.4 million and a mezzanine loan of approximately \$10.5 million. At close, the joint venture refinanced the assumed debt which included a principal paydown of approximately \$3.4 million. Since we have a controlling interest in the joint venture, we have consolidated the joint venture and presented the member interest not owned by us of approximately \$2.6 million as noncontrolling interest in consolidated joint venture.
- (6) In August 2010, we made an initial cash contribution of approximately \$6.0 million to acquire a 50% common interest in a joint venture formed to own and operate two fully leased office buildings located at 700 and 750 Central Expressway. The other 50% common member contributed the fully leased properties, mortgage loan of approximately \$24.1 million and a mezzanine loan of approximately \$5.0 million. At close, the joint venture refinanced the assumed debt which included a principal paydown of approximately \$4.1 million. The debt paydown was funded by our preferred equity contribution which is entitled to an 11% preferred return. Each member has guaranteed their proportionate share of the remaining debt balance of \$25.0 million. Subject to certain conditions in the joint venture's operating agreement, we have the right to put our common interest in the joint venture to the other member at a price equal to our initial contribution amount of \$6.0 million. We have concluded that the joint venture is a variable interest entity primarily due to the fact that we have participating voting rights through our common interest, but the common interest is not considered to be equity due to the fixed price put option. The other member explicitly and implicitly bears 100% of the common equity risk. In addition, the other member, as the manager of the joint venture has more power than the Operating Partnership to direct the activities that most significantly impact the joint venture's economic performance, and therefore was determined to be the primary beneficiary. Our maximum exposure to loss in the joint venture is our common and preferred investment totaling \$10.3 million and our share of the joint venture's debt of \$12.5 million. Upon our exercise of our put option, our exposure to loss will be limited to the remaining balance of our preferred interest in the joint venture. We have accounted for our variable interest in the joint venture under the equity method of accounting and is presented as an investment in unconsolidated joint venture in the accompanying condensed consolidated balance sheet.

Table of Contents

Distributions

All distributions on our units are at the discretion of our parent company's board of directors. In 2009, 2008 and 2007 and the first eleven months of 2010, our operating partnership declared the following distributions (in thousands):

Date		Series A Preferred Unit ⁽¹⁾	Series B Preferred Unit ⁽²⁾	Series C Preferred Unit ⁽³⁾	Series D Preferred Unit ⁽⁴⁾	Common Units
distribution declared	Distribution payable date					
February 15, 2007	April 2, 2007	2,199	1,246			19,442 ⁽⁵⁾
May 2, 2007	July 2, 2007	2,199	1,246	1,722		19,458 ⁽⁵⁾
August 1, 2007	October 1, 2007	2,199	1,246	1,914		19,465 ⁽⁵⁾
November 1, 2007	December 31, 2007 for Series A, B and C Preferred Units; January 14, 2008 for Common Units	2,199	1,246	1,914		22,345 ⁽⁶⁾
Total 2007		\$ 8,796	\$ 4,984	\$ 5,550	\$	\$ 80,710
February 25, 2008	March 31, 2008	2,199	1,246	1,914	2,899	22,418 ⁽⁶⁾
May 5, 2008	June 30, 2008	2,199	1,246	1,914	4,744	22,444 ⁽⁶⁾
August 4, 2008	September 30, 2008	2,199	1,246	1,914	4,744	24,258 ⁽⁶⁾
November 4, 2008	December 31, 2008 for Series A, B, C and D Preferred Units; January 7, 2009 for Common Units	2,199	1,246	1,914	4,744	26,102 ⁽⁷⁾
Total 2008		\$ 8,796	\$ 4,984	\$ 7,656	\$ 17,131	\$ 95,222
February 24, 2009	March 31, 2009	2,199	1,246	1,914	4,742	27,053 ⁽⁷⁾
April 28, 2009	June 30, 2009	2,199	1,246	1,914	4,742	27,064 ⁽⁷⁾
July 28, 2009	September 30, 2009	2,199	1,246	1,914	4,742	29,575 ⁽⁸⁾
October 27, 2009	December 31, 2009 for Series A, B, C and D Preferred Units; January 15, 2010 for Common Units	2,199	1,246	1,914	4,742	37,004 ⁽⁹⁾
Total 2009		\$ 8,796	\$ 4,984	\$ 7,656	\$ 18,968	\$ 120,696
February 23, 2010	March 31, 2010	2,199	1,246	1,914	4,742	40,143 ⁽¹⁰⁾
April 27, 2010	June 30, 2010	2,199	1,246	1,914	4,742	44,442 ⁽¹⁰⁾
July 19, 2010	September 30, 2010		⁽¹¹⁾ 1,246	1,914	4,739	49,935 ⁽¹²⁾
November 2, 2010	December 31, 2010 ⁽¹³⁾		⁽¹⁴⁾	1,914	4,739	⁽¹⁵⁾

(1) \$2.125 annual rate of distribution per unit.

(2) \$1.969 annual rate of distribution per unit.

(3) \$1.094 annual rate of distribution per unit.

(4) \$1.375 annual rate of distribution per unit.

(5) \$1.145 annual rate of distribution per unit.

(6) \$1.240 annual rate of distribution per unit.

(7) \$1.320 annual rate of distribution per unit.

(8) \$1.440 annual rate of distribution per unit.

(9) \$1.800 annual rate of distribution per unit.

(10) \$1.920 annual rate of distribution per unit.

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- (11) Redeemed on August 24, 2010 for a redemption price of \$25.31285 per unit, which equals the original issuance price of \$25.00 per unit, plus accrued and unpaid distributions up to but not including the redemption date of approximately \$1.3 million.

Table of Contents

- (12) \$2.120 annual rate of distribution per unit.
- (13) The common unit distribution will be paid on January 14, 2011.
- (14) Scheduled to be redeemed on December 10, 2010 for a redemption price of \$25.37734 per unit, which equals the original issuance price of \$25.00 per unit, plus accrued and unpaid distributions up to but not including the redemption date.
- (15) \$2.120 annual rate of distribution per unit. The aggregate amount of the distribution will be determined based on the number of common units outstanding on the December 15, 2010 record date.

Commitments and Contingencies

We have agreed with the seller of 350 East Cermak Road to share a portion, not to exceed \$135,000 per month, of rental revenue, adjusted for our costs to lease the premises, from the leases of the 192,000 square feet of space held for redevelopment. This revenue sharing agreement will terminate in May 2012. We made payments of approximately \$4.2 million and \$31,000 to the seller during the nine months ended September 30, 2010 and 2009, respectively. We have recorded approximately \$2.7 million and \$2.1 million for this contingent liability on our balance sheet at September 30, 2010 and December 31, 2009, respectively.

As part of the acquisition of Clonsaugh Industrial Estate, we entered into an agreement with the seller whereby the seller is entitled to receive 40% of the net rental income generated by the existing building, after we have received a 9% return on all capital invested in the property. As of February 6, 2006, the date we acquired this property, we have estimated the present value of these expected payments over the 10-year lease term to be approximately \$1.1 million and this value has been recorded as a component of the purchase price. Accounts payable and other liabilities include \$1.3 million for this liability as of September 30, 2010 and December 31, 2009. During the nine months ended September 30, 2010 and 2009, we paid approximately \$0.1 million and \$0.2 million, respectively, to the seller.

As of September 30, 2010, we were a party to interest rate cap and swap agreements which hedge variability in cash flows related to LIBOR, GBP LIBOR and EURIBOR based mortgage loans. Under these swaps, we pay variable-rate amounts in exchange for fixed-rate payments over the life of the agreements without exchange of the underlying principal amounts. See Quantitative and Qualitative Disclosures about Market Risk below.

The following table summarizes our debt, interest, lease and construction contract payments due by period as of December 31, 2009 (dollars in thousands):

Obligation	Total	2010	2011-2012	2013-2014	Thereafter
Debt principal payments ⁽¹⁾	\$ 1,789,853	\$ 236,875	\$ 476,536	\$ 670,866	\$ 405,576
Interest payable ⁽²⁾	401,224	91,739	151,508	105,924	52,053
Ground leases ⁽³⁾	25,977	536	1,073	1,073	23,295
Operating lease	39,467	6,777	12,494	9,224	10,972
Construction contracts ⁽⁴⁾	41,114	41,114			
	\$ 2,297,635	\$ 377,041	\$ 641,611	\$ 787,087	\$ 491,896

- (1) Includes \$205.5 million of borrowings under our revolving credit facility, which was due to mature in August 2010, and excludes \$1.3 million of net loan premiums related to assumed mortgage loans and \$6.7 million discount on the 2026 debentures. Effective August 31, 2010, we exercised the first of two one-year extension options to our revolving credit facility, which extends its maturity date from August 31, 2010 to August 31, 2011. This table assumes we did not exercise that option and will not exercise other available extension options.

Table of Contents

- (2) Interest payable is based on the interest rate in effect on December 31, 2009, including the effect of interest rate swaps. Interest payable excluding the effect of interest rate swaps is as follows (in thousands):

2010	\$ 84,495
2011-2012	140,194
2013-2014	101,000
Thereafter	52,053
	\$ 377,742

- (3) This is comprised of ground lease payments on 2010 East Centennial Circle, Chemin de l'Epinglier 2, Clonshaugh Industrial Estate, Paul van Vlissingenstraat 16, Gyrocoopweg 2E-2F and Naritaweg 52. After February 2036, rent for the remaining term of the 2010 East Centennial Circle ground lease will be determined based on a fair market value appraisal of the asset and, as a result, is excluded from the above information. After December 2036, rent for the remaining term of the Naritaweg 52 ground lease will be determined based on a fair market value appraisal of the asset and, as a result, is excluded from the above information. The Chemin de l'Epinglier 2 ground lease which expires in July 2074 contains potential inflation increases which are not reflected in the table above. The Paul van Vlissingenstraat 16, Chemin de l'Epinglier 2, Gyrocoopweg 2E-2F and Clonshaugh Industrial Estate amounts are translated at the December 31, 2009 exchange rate of \$1.43 to 1.00.
- (4) From time to time in the normal course of our business, we enter into various construction contracts with third parties that may obligate us to make payments. At December 31, 2009, we had open commitments related to construction contracts of \$41.1 million.

Outstanding Consolidated Indebtedness

The table below summarizes our debt maturities and principal payments as of September 30, 2010 (in thousands):

	Revolving Credit Facility ⁽¹⁾	Unsecured Senior Notes	Senior Notes	Exchangeable Senior Debentures	Mortgage Loans ⁽²⁾	Other Secured Loans	Total Debt
Remainder of 2010	\$	\$	\$	\$	\$ 3,650	\$	\$ 3,650
2011	220,565	25,000		110,043 ⁽³⁾	130,778		486,386
2012					159,778		159,778
2013		33,000			157,055	10,500	200,555
2014				266,400 ⁽⁴⁾	217,729		484,129
Thereafter		142,000	875,000		380,533		1,397,533
Subtotal	\$ 220,565	\$ 200,000	\$ 875,000	\$ 376,443	\$ 1,049,523	\$ 10,500	\$ 2,732,031
Unamortized discount			(9,183)	(2,389)			(11,572)
Unamortized premium					1,140		1,140
Total	\$ 220,565	\$ 200,000	\$ 865,817	\$ 374,054	\$ 1,050,663	\$ 10,500	\$ 2,721,599

- (1) Effective August 31, 2010, we exercised the first of two one-year extension options to our revolving credit facility, which extends its maturity date from August 31, 2010 to August 31, 2011. The bank group is obligated to grant extension options provided we give proper notice, we make certain representations and warranties and no default exists under the revolving credit facility.
- (2) Our mortgage loans are generally non-recourse to us, subject to carveouts for specified prohibited actions by us or specified undisclosed environmental liabilities. As of September 30, 2010, we had provided limited recourse guarantees with respect to approximately \$157.9 million principal amount of the outstanding mortgage indebtedness, and partial letter of credit support with respect to approximately an additional \$46.5 million of the outstanding mortgage indebtedness.
- (3) Assumes maturity of the 2026 debentures at first redemption date in August 2011.
- (4) Assumes maturity of the 2029 debentures at first redemption date in April 2014.

Table of Contents

The table below summarizes our debt, as of September 30, 2010 (in millions):

Debt Summary:	
Fixed rate	\$ 2,222.8
Variable rate debt subject to interest rate swaps and caps	278.2
 Total fixed rate debt (including interest rate swaps and caps)	 2,501.0
Variable rate unhedged	220.6
 Total	 \$ 2,721.6
Percent of Total Debt:	
Fixed rate (including swapped debt)	91.9%
Variable rate	8.1%
 Total	 100.0%
Effective Interest Rate as of September 30, 2010⁽¹⁾:	
Fixed rate (including hedged variable rate debt)	5.70%
Variable rate	1.39%
Effective interest rate	5.35%

(1) Excludes impact of deferred financing cost amortization.

As of September 30, 2010, we had approximately \$2.7 billion of outstanding consolidated long-term debt as set forth in the table above. Our ratio of debt to total enterprise value was approximately 30% (based on the closing price of Digital Realty Trust, Inc.'s common stock on September 30, 2010 of \$61.70). For this purpose, our total enterprise value is defined as the sum of the market value of Digital Realty Trust, Inc.'s outstanding common stock (which may decrease, thereby increasing our debt to total enterprise value ratio), excluding options issued under our company's incentive award plan, plus the liquidation value of Digital Realty Trust, Inc.'s preferred stock, plus the aggregate value of our operating partnership's units not held by Digital Realty Trust, Inc. (with the per unit value equal to the market value of one share of its common stock and excluding long-term incentive units and Class C Units), plus the book value of its total consolidated indebtedness.

The variable rate debt shown above bears interest at interest rates based on various LIBOR, GBP LIBOR and EURIBOR rates ranging from one to twelve months, depending on the respective agreement governing the debt. Assuming maturity of the 2026 debentures and the 2029 debentures at their first redemption dates in August 2011 and April 2014, respectively, as of September 30, 2010, our debt had a weighted average term to initial maturity of approximately 4.7 years (approximately 4.9 years assuming exercise of extension options).

Off-Balance Sheet Arrangements

As of September 30, 2010, we were party to interest rate swap and cap agreements related to \$278.2 million of outstanding principal on our variable rate debt. See Quantitative and Qualitative Disclosures about Market Risk below.

The 2026 debentures provide for excess exchange value to be paid in cash and/or shares of Digital Realty Trust, Inc.'s common stock if the stock price exceeds a certain amount. If such debentures were exchanged in full on September 30, 2010, we would owe approximately \$110.0 million to the holders of such debentures, payable in cash equal to the principal balance plus \$103.2 million, equal to the excess exchange value, payable in cash and/or shares of Digital Realty Trust, Inc.'s common stock. See note 6 to our condensed consolidated financial statements as of September 30, 2010 included elsewhere in this prospectus for a further description of the 2026 debentures.

Table of Contents**Cash Flows**

The following summary discussion of our cash flows is based on the consolidated statements of cash flows and is not meant to be an all-inclusive discussion of the changes in our cash flows for the periods presented below.

Comparison of Nine Months Ended September 30, 2010 to Nine Months Ended September 30, 2009

The following table shows cash flows and ending cash and cash equivalent balances for the nine months ended September 30, 2010 and 2009, respectively (in thousands):

	Nine Months Ended September 30,		
	2010	2009	Change
Net cash provided by operating activities	\$ 240,321	\$ 218,724	\$ 21,597
Net cash used in investing activities	(1,459,372)	(359,490)	(1,099,882)
Net cash provided by financing activities	1,213,224	108,584	1,104,640
Net decrease in cash and cash equivalents	\$ (5,827)	\$ (32,182)	\$ 26,355

The increase in net cash provided by operating activities was primarily due to increased operating and interest expenses partially offset by increased cash flows from new leasing at our same store properties, completed and leased redevelopment space and our acquisition of new operating properties. Net cash used in investing activities increased for the nine months ended September 30, 2010, as we had an increase in cash paid for acquisitions for the nine months ended September 30, 2010 (\$1,182 million) as compared to in the same period in 2009 (\$37.4 million) offset by a decrease in cash paid for capital expenditures for the nine months ended September 30, 2010 (\$248.7 million) as compared to the same period in 2009 (\$323.2 million).

Net cash flows from financing activities consisted of the following amounts (in thousands):

	Nine Months Ended September 30,		
	2010	2009	Change
Proceeds from borrowings, net of repayments	\$ 112,383	\$ (88,116)	\$ 200,499
Net proceeds from issuance of common/preferred stock, including exercise of stock options	536,381	87,469	448,912
Redemption of series A preferred stock	(103,500)		(103,500)
Net proceeds from unsecured senior notes due 2020	486,601		486,601
Net proceeds from unsecured senior notes due 2015	370,943		370,943
Net proceeds from 2029 exchangeable senior debentures		258,949	(258,949)
Dividend and distribution payments	(200,945)	(140,087)	(60,858)
Other	11,361	(9,631)	20,992
Net cash provided by financing activities	\$ 1,213,224	\$ 108,584	\$ 1,104,640

The increase in net cash provided by financing activities was primarily due to the issuance of our 2015 notes (net proceeds of \$370.9 million), 2020 notes (net proceeds of \$486.6 million) and common stock (net proceeds of \$536.4 million during the nine months ended September 30, 2010) as compared to the issuance of the 2029 debentures (net proceeds of \$258.9 million) in April 2009. The increase in dividend and distribution payments for the nine months ended September 30, 2010 as compared to the same period in 2009 was a result of an increase in shares outstanding and dividend amount per share in 2010 as compared to 2009.

Table of Contents**Comparison of Year Ended December 31, 2009 to Year Ended December 31, 2008 and Comparison of Year Ended December 31, 2008 to Year Ended December 31, 2007**

The following table shows cash flows and ending cash and cash equivalent balances for the years ended December 31, 2009, 2008 and 2007, respectively. Cash flows include the cash flows of 100 Technology Center Drive (sold in March 2007), 4055 Valley View Lane (sold in March 2007) (in thousands).

	Year Ended December 31,			Increase / (Decrease)	
	2009	2008	2007	2009 v 2008	2008 v 2007
Net cash provided by operating activities (including discontinued operations)	\$ 283,809	\$ 217,808	\$ 105,655	\$ 66,001	\$ 112,153
Net cash used in investing activities	(519,909)	(647,751)	(537,427)	127,842	(110,324)
Net cash provided by financing activities	235,086	471,925	440,863	(236,839)	31,062
Net (decrease) increase in cash and cash equivalents	\$ (1,014)	\$ 41,982	\$ 9,091	\$ (42,996)	\$ 32,891

The increases in net cash provided by operating activities from 2008 to 2009 and from 2007 to 2008 were primarily due to increased cash flows from new leasing at our same store properties, completed and leased redevelopment space and our acquisition of new operating properties which was partially offset by increased operating and interest expenses. We acquired 6, 5 and 13 properties during the years ended December 31, 2009, 2008 and 2007 respectively.

Net cash used in investing activities decreased in 2009 as compared to 2008, as we had a decrease in cash paid for capital expenditures for the year ended December 31, 2009 (\$392.4 million) as compared to the same period in 2008 (\$545.2 million) offset by an increase in cash paid for acquisitions for the year ended December 31, 2009 (\$138.0 million) as compared to the same period in 2008 (\$79.2 million).

Net cash used in investing activities increased from 2007 to 2008, as we had an increase in cash payments for our redevelopment program offset by a decrease in cash paid for acquisitions in 2008 (\$79.2 million) as compared to 2007 (\$359.8 million) and the receipt of proceeds from the sales of 100 Technology Center Drive and 4055 Valley View Lane in March 2007.

Net cash flows from financing activities for the company consisted of the following amounts (in thousands).

	Year Ended December 31,			Increase / (Decrease)	
	2009	2008	2007	2009 v 2008	2008 v 2007
Proceeds from borrowings, net of repayments	\$ 46,657	\$ 46,703	\$ 216,006	\$ (46)	\$ (169,303)
Net proceeds from 5.50% exchangeable senior debentures	258,949			258,949	
Net proceeds from issuance of common/preferred stock, including exercise of stock options	89,184	549,210	320,751	(460,026)	228,459
Dividend and distribution payments	(150,188)	(130,040)	(97,081)	(20,148)	(32,959)
Other	(9,516)	6,052	1,187	(15,568)	4,865
Net cash provided by financing activities	\$ 235,086	\$ 471,925	\$ 440,863	\$ (236,839)	\$ 31,062

Net proceeds from issuance of stock were primarily related to our common stock offerings in February 2009 (net proceeds of \$82.9 million), July 2008 (\$211.6 million) and October 2007 (\$150.4 million) and preferred stock offerings in February 2008 (\$333.6 million) and April 2007 (\$169.1 million). Proceeds from mortgage loans were approximately \$122.0 million, \$174.9 million and \$121.3 million for the years ended December 31, 2009, 2008 and 2007, respectively. We issued \$266.4 million of the 2029 debentures on April 20, 2009. The increase in dividend and distribution payments for the year ended December 31, 2009 as compared to the same

Table of Contents

period in 2008 was a result of an increase in shares outstanding and dividend amount per share in 2009 as compared to 2008 and dividends on our series D preferred stock being paid for a full year in 2009, whereas this series of preferred stock was outstanding for only a portion of 2008. The increase in dividend and distribution payments for the year ended December 31, 2008 as compared to the same period in 2007 was a result of an increase in shares outstanding in 2008 as compared to 2007 and dividends on our series D preferred stock being paid in 2008, whereas this series of preferred stock was not outstanding in 2007.

Net cash flows from financing activities for the operating partnership consisted of the following amounts (in thousands).

	Year Ended December 31,			Increase / (Decrease)	
	2009	2008	2007	2009 v 2008	2008 v 2007
Proceeds from borrowings, net of repayments	\$ 46,657	\$ 46,703	\$ 216,006	\$ (46)	\$ (169,303)
Net proceeds from 5.50% exchangeable senior debentures	258,949			258,949	
General partner contributions	89,184	549,210	320,751	(460,026)	228,459
Distribution payments	(150,188)	(130,040)	(97,081)	(20,148)	(32,959)
Other	(9,516)	6,052	1,187	(15,568)	4,865
Net cash provided by financing activities	\$ 235,086	\$ 471,925	\$ 440,863	\$ (236,839)	\$ 31,062

General partner contributions were primarily related to the issuance of our operating partnership's units to the company in connection with the company's common stock offerings in February 2009 (net proceeds of \$82.9 million), July 2008 (\$211.6 million) and October 2007 (\$150.4 million) and preferred stock offerings in February 2008 (\$333.6 million) and April 2007 (\$169.1 million). Proceeds from mortgage loans were approximately \$122.0 million, \$174.9 million and \$121.3 million for the years ended December 31, 2009, 2008 and 2007, respectively. We issued \$266.4 million of the 2029 debentures on April 20, 2009. The increase in distribution payments for the year ended December 31, 2009 as compared to the same period in 2008 was a result of an increase in units outstanding and distribution amount per unit in 2009 as compared to 2008 and distributions on our series D preferred units being paid for a full year in 2009, whereas this series of preferred units was outstanding for only a portion of 2008. The increase in distribution payments for the year ended December 31, 2008 as compared to the same period in 2007 was a result of an increase in units outstanding in 2008 as compared to 2007 and distributions on our series D preferred units being paid in 2008, whereas this series of preferred units was not outstanding in 2007.

Noncontrolling Interests in Operating Partnership

Noncontrolling interests relate to the common units in our operating partnership that are not owned by us, which, as of September 30, 2010, amounted to 5.8% of our operating partnership common units. In conjunction with our formation, GI Partners received common units, in exchange for contributing ownership interests in properties to our operating partnership. Also, our operating partnership issued common units to third party sellers in connection with our acquisition of real estate interests from such third parties.

Limited partners who acquired common units in connection with our formation have the right to require our operating partnership to redeem part or all of their common units for cash based upon the fair market value of an equivalent number of shares of our common stock at the time of the redemption. Alternatively, we may elect to acquire those common units in exchange for shares of our common stock on a one-for-one basis, subject to adjustment in the event of stock splits, stock dividends, issuance of stock rights, specified extraordinary distributions and similar events. Pursuant to registration rights agreements we entered into with GI Partners and the other third party contributors, we filed a shelf registration statement covering the issuance of the shares of our common stock issuable upon redemption of the common units, and the resale of those shares of common stock by the holders. As of March 31, 2007, GI Partners no longer had an ownership interest in our operating partnership.

Table of Contents**Inflation**

Many of our leases provide for separate real estate tax and operating expense escalations. In addition, many of the leases provide for fixed base rent increases. We believe that inflationary increases may be at least partially offset by the contractual rent increases and expense escalations described above.

Quantitative and Qualitative Disclosures About Market Risk

Our future income, cash flows and fair values relevant to financial instruments depend upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates. We do not use derivatives for trading or speculative purposes and only enter into contracts with major financial institutions based on their credit rating and other factors.

Analysis of Debt between Fixed and Variable Rate

We use interest rate swap and cap agreements and fixed rate debt to reduce our exposure to interest rate movements. As of September 30, 2010, our consolidated debt was as follows (in millions):

	Carrying Value	Estimated Fair Value
Fixed rate debt	\$2,222.8	\$ 2,582.0
Variable rate debt subject to interest rate swaps and caps	278.2	279.7
Total fixed rate debt (including interest rate swaps and caps)	2,501.0	2,861.7
Variable rate debt	220.6	220.6
Total outstanding debt	\$2,721.6	\$ 3,082.3

Interest rate swaps included in this table and their fair values as of September 30, 2010 and December 31, 2009 were as follows (in thousands):

Notional Amount						Fair Value at Significant Other	
As of September 30, 2010	As of December 31, 2009	Type of Derivative	Strike Rate	Effective Date	Expiration Date	Observable Inputs (Level 2) As of September 30, 2010	As of December 31, 2009
\$ 19,802 ⁽¹⁾	\$ 20,831 ⁽¹⁾	Swap	4.944	Jul. 10, 2006	Apr. 10, 2011	\$ (424)	\$ (952)
67,304 ⁽¹⁾	69,154 ⁽¹⁾	Swap	2.980	April 6, 2009	Nov. 30, 2013	(3,389)	(299)
14,297 ⁽²⁾	15,208 ⁽²⁾	Swap	3.981	May 17, 2006	Jul. 18, 2013	(981)	(889)
10,343 ⁽²⁾	11,003 ⁽²⁾	Swap	4.070	Jun. 23, 2006	Jul. 18, 2013	(734)	(675)
9,102 ⁽²⁾	9,682 ⁽²⁾	Swap	3.989	Jul. 27, 2006	Oct. 18, 2013	(668)	(579)
42,372 ⁽²⁾	45,067 ⁽²⁾	Swap	3.776	Dec. 5, 2006	Jan. 18, 2012	(1,408)	(1,887)
36,429 ⁽²⁾	38,746 ⁽²⁾	Swap	4.000	Dec. 20, 2006	Jan. 18, 2012	(1,315)	(1,794)
40,902 ⁽²⁾	42,993 ⁽²⁾	Swap	2.703	Dec. 3, 2009	Sep. 4, 2014	(1,660)	(453)
17,171	17,737	Cap	4.000	June 24, 2009	June 25, 2012	1	70
20,500		Cap	4.000	Aug. 4, 2010	June 15, 2013	16	
\$ 278,222	\$ 270,421					\$ (10,562)	\$ (7,458)

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- (1) Translation to U.S. dollars is based on exchange rate of \$1.57 to £1.00 as of September 30, 2010 and \$1.61 to £1.00 as of December 31, 2009.
- (2) Translation to U.S. dollars is based on exchange rate of \$1.36 to 1.00 as of September 30, 2010 and \$1.43 to 1.00 as of December 31, 2009.

Table of Contents***Sensitivity to Changes in Interest Rates.***

The following table shows the effect if assumed changes in interest rates occurred:

Assumed event	Interest rate change (basis points)	Change (\$ millions)
Increase in fair value of interest rate swaps and caps following an assumed 10% increase in interest rates	11	\$ 0.6
Decrease in fair value of interest rate swaps and caps following an assumed 10% decrease in interest rates	(11)	(0.6)
Increase in annual interest expense on our debt that is variable rate and not subject to swapped or capped interest following a 10% increase in interest rates	11	0.2
Decrease in annual interest expense on our debt that is variable rate and not subject to swapped or capped interest following a 10% decrease in interest rates	(11)	(0.2)
Increase in fair value of fixed rate debt following a 10% decrease in interest rates	(11)	10.6
Decrease in fair value of fixed rate debt following a 10% increase in interest rates	11	

(9.8)

Interest risk amounts were determined by considering the impact of hypothetical interest rates on our financial instruments. These analyses do not consider the effect of any change in overall economic activity that could occur in that environment. Further, in the event of a change of that magnitude, we may take actions to further mitigate our exposure to the change. However, due to the uncertainty of the specific actions that would be taken and their possible effects, these analyses assume no changes in our financial structure.

Foreign Currency Exchange Risk

For the nine months ended September 30, 2010 and 2009, we had foreign operations in the United Kingdom, Ireland, France, The Netherlands, Switzerland and Canada and, as such, are subject to risk from the effects of exchange rate movements of foreign currencies, which may affect future costs and cash flows. Our foreign operations are conducted in the British Pound, Euro and the Swiss Franc, except for our Canadian property for which the functional currency is the U.S. dollar. Our primary currency exposures are to the Euro and the British Pound. We attempt to mitigate a portion of the risk of currency fluctuation by financing our properties in the local currency denominations, although there can be no assurance that this will be effective. As a result, changes in the relation of any such foreign currency to U.S. dollars may affect our revenues, operating margins and distributions and may also affect the book value of our assets and the amount of stockholders' equity. For the three months ended September 30, 2010 and 2009, operating revenues from properties outside the United States contributed \$23.9 million and \$20.7 million, respectively, which represented 10.1% and 12.7% of our operating revenues, respectively, and for the nine months ended September 30, 2010 and 2009, operating revenues from properties outside the United States contributed \$69.4 million and \$60.1 million, respectively, which represented 11.1% and 12.9% of our operating revenues, respectively.

Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not Applicable.

Table of Contents

BUSINESS AND PROPERTIES

Business

General

We target high-quality, strategically located properties containing applications and operations critical to the day-to-day operations of technology industry tenants and corporate enterprise datacenter users, including the information technology, or IT, departments of Fortune 100 and financial services companies. Our tenant base is diversified within the technology industry and reflects a broad spectrum of regional, national and international tenants that are leaders in their respective areas. Digital Realty Trust, L.P., a Maryland limited partnership, is the entity through which Digital Realty Trust, Inc., a Maryland corporation, conducts its business and owns its assets. Digital Realty Trust, Inc. operates as a REIT for federal income tax purposes.

At September 30, 2010, we owned 95 properties, excluding two properties held as investments in unconsolidated joint ventures. Our properties are primarily located throughout North America with 14 properties in Europe. Our properties contain a total of approximately 16.4 million net rentable square feet, including approximately 1.9 million square feet held for redevelopment. A significant component of our current and future internal growth is anticipated through the development of our existing space held for redevelopment and through acquisitions of new properties. Our operations and acquisition activities are focused on a limited number of markets where technology industry tenants and corporate datacenter users are concentrated, including the Boston, Chicago, Dallas, Los Angeles, New York Metro, Northern Virginia, Phoenix, San Francisco and Silicon Valley metropolitan areas in the U.S. and the Amsterdam, Dublin, London and Paris markets in Europe. As of September 30, 2010, our portfolio, excluding space held for redevelopment, was approximately 95.0% leased. The types of properties within our focus include:

Internet gateway datacenters, which serve as hubs for Internet and data communications within and between major metropolitan areas;

Corporate datacenters, which provide secure, continuously available environments for the storage and processing of critical electronic information. Data centers are used for disaster recovery purposes, transaction processing and to house corporate IT operations;

Technology manufacturing properties, which contain highly specialized manufacturing environments for such purposes as disk drive manufacturing, semiconductor manufacturing and specialty pharmaceutical manufacturing; and

Regional or national offices of technology companies that are located in our target markets.

Unlike traditional office and flex/research and development space, the location of and improvements to our facilities are generally essential to our tenants' businesses, which we believe results in high occupancy levels, long lease terms and low tenant turnover. In addition, many of our properties have tenant improvements that have been installed at our tenants' expense. The tenant improvements in our facilities are generally readily adaptable for use by similar tenants. We also had approximately 1.9 million square feet available for redevelopment at September 30, 2010.

Digital Realty Trust, Inc. was incorporated in the state of Maryland on March 9, 2004. Digital Realty Trust, L.P. was organized in the state of Maryland on July 21, 2004. Our principal executive offices are located at 560 Mission Street, Suite 2900, San Francisco, California 94105. Our telephone number at that location is (415) 738-6500. Our website is located at www.digitalrealtytrust.com. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this prospectus or any other report or document we file with or furnish to the SEC.

Recent Developments

On November 23, 2010, we completed the acquisition of a datacenter in Singapore for approximately SGD174.4 million, or approximately \$134.5 million based on the exchange rate in effect on November 23, 2010. The acquisition was financed with borrowings under our revolving credit facility.

Table of Contents

On November 19, 2010, Digital Realty Trust, Inc. issued 601,127 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$189,889 and accrued and unpaid interest equal to \$204,484 in exchange for \$18,985,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated November 19, 2010, by and among Digital Realty Trust, Inc., our operating partnership and such institutional investor.

On November 16, 2010, Digital Realty Trust, Inc. issued 72,826 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$15,125 and accrued and unpaid interest equal to \$23,719 in exchange for \$2,300,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated November 16, 2010, by and among Digital Realty Trust, Inc., our operating partnership and such institutional investor.

On September 24, 2010, Digital Realty Trust, Inc. issued 94,990 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$19,500 and accrued and unpaid interest equal to \$13,406 in exchange for \$3,000,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated September 24, 2010, by and among Digital Realty Trust, Inc., our operating partnership and such institutional investor.

On September 17, 2010, Digital Realty Trust, Inc. issued 28,496 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$5,919 and accrued and unpaid interest equal to \$3,197 in exchange for \$900,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated September 17, 2010, by and among Digital Realty Trust, Inc., our operating partnership and such institutional investor.

In two settlements on August 30, 2010 and September 1, 2010, Digital Realty Trust, Inc. issued an aggregate of 436,539 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an aggregate incentive fee equal to \$91,062 and aggregate accrued and unpaid interest equal to \$25,157 in exchange for \$13,847,000 in aggregate principal amount of the 2026 debentures held by an institution pursuant to an exchange agreement, dated August 30, 2010, by and among Digital Realty Trust, Inc., our operating partnership and such institution.

On August 19, 2010, we acquired two fully leased datacenter properties for a purchase price of \$50.3 million. The first property is 2950 Zanker Road, located in San Jose, California, and totals approximately 69,700 rentable square feet. The second property is 900 Dorothy Drive, located in Richardson, Texas, and totals over 56,000 rentable square feet. The acquisition was financed with cash on hand and borrowings under our revolving credit facility.

On August 5, 2010, we acquired a 50% controlling interest in a joint venture that owns 800 Central Expressway, a vacant 150,000 square foot powered shell building that was added to our inventory of space held for redevelopment. Upon obtaining control of the joint venture, we consolidated the joint venture which included a property with an estimated fair value of \$27.1 million, \$2.1 million of restricted cash, and \$23.9 million of secured loans which were paid down to \$20.5 million in connection with our acquisition. In addition, each member subsequently contributed \$8.8 million to fund a lender required impound account to be used to fund future expected redevelopment costs.

Table of Contents

On August 5, 2010, we acquired a 50% noncontrolling common interest in a joint venture for approximately \$6.0 million that owns 700 and 750 Central Expressway, two fully leased office buildings comprising approximately 300,000 square feet. The joint venture is encumbered by \$29.1 million of secured loans. We made a \$4.1 million preferred equity contribution to the joint venture which was used to pay down to secured loans to \$25 million. We have the option to put our common interest back to the other member, subject to certain conditions, at a price equal to our initial common interest contribution of \$6.0 million.

On July 27, 2010, Digital Realty Trust, Inc. issued 236,444 privately issued shares of its common stock, par value \$0.01 per share, to our operating partnership, and our operating partnership delivered the shares and paid an incentive fee equal to \$37,516 and accrued and unpaid interest equal to \$138,360 in exchange for \$7,500,000 in aggregate principal amount of the 2026 debentures held by an institutional investor pursuant to an exchange agreement, dated July 27, 2010, by and among Digital Realty Trust, Inc., our operating partnership and such institutional investor.

On July 22, 2010, Digital Realty Trust, Inc. distributed a Notice of Redemption to all holders of record of its outstanding 8.50% Series A Cumulative Redeemable Preferred Stock, or the Series A Preferred Stock, regarding its redemption of all 4,140,000 outstanding shares of the Series A Preferred Stock at a redemption price of \$25.31285 per share. The redemption price was equal to the original issuance price of \$25.00 per share, plus accrued and unpaid dividends. The redemption date was August 24, 2010. Digital Realty Trust, Inc. funded the redemption with borrowings under our revolving credit facility, which our operating partnership distributed to Digital Realty Trust, Inc. in connection with our operating partnership's redemption of all 4,140,000 of its outstanding 8.50% Series A Cumulative Redeemable Preferred Units held by Digital Realty Trust, Inc.

On July 13, 2010, we completed the acquisition of the Rockwood Capital/365 Main Portfolio. The purchase price was approximately \$725.0 million and was funded with proceeds from our common stock offering in June 2010 and notes offering in July 2010 along with borrowings under our revolving credit facility. The Rockwood Capital/365 Main Portfolio, which comprises a total of approximately 919,000 square feet and consists of: 365 Main Street, San Francisco, California; 2260 East El Segundo Boulevard, El Segundo, California; 720 2nd Street, Oakland, California; 2121 South Price Road, Chandler, Arizona; and 4030-4050 Lafayette Center Drive, Chantilly, Virginia, was purchased from joint ventures that are majority-owned by affiliates of Rockwood Capital, LLC and managed by 365 Main, Inc. All data centers in the Rockwood Capital/365 Main Portfolio were developed in 2000 or later. The Rockwood Capital/365 Main Portfolio is leased to a diverse roster of over 200 tenants in various industries. Based on information provided by the sellers, we believe that, as of March 31, 2010, approximately 94% of the total square feet available for lease at the buildings in the Rockwood Capital/365 Main Portfolio was occupied. The total square feet available for lease in the Rockwood Capital/365 Main Portfolio is based on a number of factors in addition to contractually leased square feet, including available power, required support space and common area. Our estimate of the percentage of occupied rentable square feet in the Rockwood Capital/365 Main Portfolio may change based on our experience operating the properties. The Rockwood Capital/365 Main Portfolio includes approximately 250,000 square feet of additional new datacenter development potential at 2121 South Price Road in Chandler, Arizona and approximately \$13.0 million of uninstalled datacenter infrastructure improvements.

On July 8, 2010, we closed the issuance of \$375.0 million in aggregate principal amount of the 2015 notes. The purchase price paid by the initial purchasers was 99.697% of the principal amount thereof. The notes are general unsecured senior obligations of our operating partnership, rank equally in right of payment with all other senior unsecured indebtedness of our operating partnership and are fully and unconditionally guaranteed by us. Interest on the notes is payable on January 15 and July 15 of each year, beginning on January 15, 2011. The net proceeds from the offering after deducting the original issue discount, underwriting commissions and estimated expenses was approximately \$370.6 million. We used the net proceeds from the offering to fund a portion of the acquisition of the Rockwood Capital/365 Main Portfolio.

Table of Contents

Our Competitive Strengths

We believe we distinguish ourselves from other owners, acquirors and managers of technology-related real estate through our competitive strengths, which include:

High-Quality Portfolio that is Difficult to Replicate. Our portfolio contains state-of-the-art data center facilities with extensive tenant improvements. Based on current market rents and the estimated replacement costs of our properties and their improvements, we believe that they could not be replicated today on a cost-competitive basis. Our portfolio of corporate and Internet gateway data center facilities is equipped to meet the power and cooling requirements for the most demanding corporate IT applications. Many of the properties in our portfolio are located on major aggregation points formed by the physical presence of multiple major telecommunications service providers, which reduces our tenants' costs and operational risks and increases the attractiveness of our buildings.

Presence in Key Markets. Our portfolio is located in 28 metropolitan areas, including the Chicago, Dallas, Los Angeles, New York/New Jersey, Northern Virginia, Phoenix, San Francisco and Silicon Valley metropolitan areas in the U.S. and the Amsterdam, Dublin, London and Paris markets in Europe, and is diversified so that no one market represented more than 13.7% of the aggregate annualized rent of our portfolio as of September 30, 2010.

Proven Ability To Sign New Leases. We have considerable experience in identifying and leasing to new tenants. The combination of our specialized data center leasing team and customer referrals continues to provide a robust pipeline of new tenants. During the year ended December 31, 2009, we commenced new leases totaling approximately 757,000 square feet, which represent approximately \$80.1 million in annualized GAAP rent. During the nine months ended September 30, 2010, we commenced new leases totaling approximately 509,000 square feet, which represent approximately \$51.0 million in annualized GAAP rent. These leases were comprised of Powered Base Buildings®, Turn-Key Datacenters®, and ancillary office and other uses.

Demonstrated Acquisition Capability. As of September 30, 2010, our portfolio consisted of 95 technology-related real estate properties, excluding two properties held through investments in unconsolidated joint ventures, that we or our predecessor acquired beginning in 2002, for an aggregate of 16.4 million net rentable square feet, including approximately 1.9 million square feet held for redevelopment. We have developed detailed, standardized procedures for evaluating acquisitions, including income producing assets and vacant properties suitable for redevelopment, to ensure that they meet our financial, technical and other criteria. These procedures and our in-depth knowledge of the technology and data center industries allow us to identify strategically located properties and evaluate investment opportunities efficiently and, as appropriate, commit and close quickly. Our broad network of contacts within a highly fragmented universe of sellers and brokers of technology-related real estate enables us to capitalize on acquisition opportunities. As a result, we acquired more than half of our properties before they were broadly marketed by real estate brokers.

Flexible Datacenter Solutions. We provide flexible, customer oriented solutions designed to meet the needs of technology and corporate data center users, including Turn-Key Datacenter®, Powered Base Building® and build-to-suit options. Our Turn-Key Datacenters® are move-in ready, physically secure facilities with the power and cooling capabilities to support mission-critical IT enterprise applications. We believe our Turn-Key Datacenters® are effective solutions for tenants that lack the expertise, capital budget or desire to provide their own extensive data center infrastructure, management and security. For tenants that possess the ability to build and operate their own facility, our Powered Base Building® solution provides the physical location, required power and network access necessary to support a state-of-the-art data center. Our in-house engineering and design and construction professionals can also provide tenants with customized build-to-suit solutions to meet their unique specifications. Our Critical Facilities Management® services and team of technical engineers and data center operations experts provide 24/7 support for these mission-critical facilities.

Table of Contents

Differentiating Development Advantages. Our extensive development activity, operating scale and process-based approach to data center design, construction and operations result in significant cost savings and added value for our tenants. We have leveraged our purchasing power by securing global purchasing agreements and developing relationships with major equipment manufacturers, reducing costs and shortening delivery timeframes on key components, including major mechanical and electrical equipment. Utilizing our innovative modular data center design referred to as POD Architecture®, we deliver what we believe to be a technically superior data center environment at significant cost savings. In addition, by utilizing our POD Architecture® to develop new Turn-Key Datacenters® in our existing Powered Base Buildings®, on average we are able to deliver a fully commissioned facility in just under 30 weeks. Finally, our access to capital allows us to provide financing options for tenants that do not want to invest their own capital.

Diverse Tenant Base Across a Variety of Industry Sectors. We use our in-depth knowledge of the requirements and trends for Internet and data communications and corporate data center users to market our properties to domestic and international tenants with specific technology needs. At September 30, 2010, we had approximately 530 tenants across a variety of industry sectors, ranging from information technology and Internet enterprises to financial services, energy and manufacturing companies. Our largest tenant accounted for only approximately 8.0% of the aggregate annualized rent of our portfolio as of September 30, 2010 and no other single tenant accounted for more than approximately 4.3% of the aggregate annualized rent of our portfolio.

Experienced and Committed Management Team and Organization. Our senior management team, including our Chairman, has an average of over 25 years of experience in the technology or real estate industries, including experience as investors in, advisors to and founders of technology companies. We believe that our company's senior management team's extensive knowledge of both the real estate and the technology industries provides us with a key competitive advantage. At September 30, 2010, our senior management team collectively owned common equity interests in our company of approximately 1.4%, which aligns management's interests with those of our stockholders.

Long-Term Leases That Complement Our Growth. We have long-term leases with stable cash flows. As of September 30, 2010, our weighted-average lease term was approximately 14 years, with a weighted-average of approximately seven years remaining, excluding renewal options. Our lease expirations through December 31, 2011 are 10.3% of our net rentable square feet excluding space held for redevelopment as of September 30, 2010.

Business and Growth Strategies

Our primary business objectives are to maximize sustainable long-term growth in earnings, funds from operations and cash flow per share and unit and to maximize returns to our stockholders and our operating partnership's unitholders. Our business strategies to achieve these objectives are:

Achieve Superior Returns on Redevelopment Inventory. At September 30, 2010, we had approximately 1.9 million square feet held for redevelopment. At September 30, 2010, approximately 209,000 square feet of our space held for redevelopment was undergoing construction for Turn-Key Datacenter® space in five U.S. markets and two European markets. These projects have sufficient power capacity to meet the power and cooling requirements of today's advanced data centers. We will continue to build-out our redevelopment portfolio when justified by anticipated returns.

Capitalize on Acquisition Opportunities. We believe that acquisitions enable us to increase cash flow and create long-term stockholder value. Our relationships with corporate information technology groups, technology tenants and real estate brokers who are dedicated to serving these tenants provide us with ongoing access to potential acquisitions and often enable us to avoid competitive bidding. Furthermore, the specialized nature of technology-related real estate makes it more difficult for traditional real estate investors to understand, which results in reduced competition for acquisitions relative to other property types. We believe this dynamic creates an opportunity for us to obtain better risk-adjusted returns on our capital.

Table of Contents

Access and Use Capital Efficiently. We believe we can increase stockholder returns by effectively accessing and deploying capital. Since Digital Realty Trust, Inc.'s initial public offering in 2004, our company has raised over \$5.9 billion of capital through common, preferred and convertible preferred equity offerings, two exchangeable debt offerings, two non-exchangeable bond offerings, our revolving credit facility, secured mortgage financings and refinancings and sales of non-core assets. We will endeavor to maintain financial flexibility while using our liquidity and access to capital to support operations, including our acquisition, leasing, development and redevelopment programs, which are important sources of our growth.

Maximize the Cash Flow of our Properties. We aggressively manage and lease our assets to increase their cash flow. We often acquire properties with substantial in-place cash flow and some vacancy, which enables us to create upside through lease-up. Moreover, many of our properties contain extensive in-place infrastructure or buildout that may result in higher rents when leased to tenants seeking these improvements. We control our costs by negotiating expense pass-through provisions in tenant leases for operating expenses, including power costs and certain capital expenditures. Leases covering approximately 73% of the leased net rentable square feet in our portfolio as of September 30, 2010 required tenants to pay all or a portion of increases in operating expenses, including real estate taxes, insurance, common area charges and other expenses.

Leverage Strong Industry Relationships. We use our strong industry relationships with national and regional corporate enterprise information technology groups and technology-intensive companies to identify and comprehensively respond to their real estate needs. Our company's leasing and sales professionals are real estate and technology industry specialists who can develop complex facility solutions for the most demanding corporate data center and other technology tenants.

Competition

We compete with numerous developers, owners and operators of real estate and datacenters, many of which own properties similar to ours in the same markets in which our properties are located, including DuPont Fabros Technology, Inc., CoreSite and various local developers in the U.S., and Global Switch, Centrum and various regional operators in Europe. If our competitors offer space that our tenants or potential tenants perceive to be superior to ours based on numerous factors, including available power, security considerations, location, or connectivity, or if they offer rental rates below current market rates, or below the rental rates we are offering, we may lose tenants or potential tenants or be required to incur costs to improve our properties or reduce our rental rates. In addition, recently many of our competitors have developed or redeveloped additional datacenter space. If the supply of datacenter space continues to increase as a result of these activities or otherwise, rental rates may be reduced or we may face delays in or be unable to lease our vacant space, including space that we develop or redevelop. Finally, if tenants or potential tenants desire services that we do not offer, we may not be able to lease our space to those tenants. Our financial condition, results of operations, cash flow, cash available for distribution and ability to satisfy our debt service obligations could be materially adversely affected as a result of any or all of these factors.

Regulation

General

Office properties in our submarkets are subject to various laws, ordinances and regulations, including regulations relating to common areas. We believe that each of our properties as of September 30, 2010 has the necessary permits and approvals to operate its business.

Americans With Disabilities Act

Our properties must comply with Title III of the ADA to the extent that such properties are public accommodations as defined by the ADA. The ADA may require removal of structural barriers to access by persons with disabilities in certain public areas of our properties where such removal is readily achievable. We

Table of Contents

believe that our properties are in substantial compliance with the ADA and that we will not be required to make substantial capital expenditures to address the requirements of the ADA. However, noncompliance with the ADA could result in imposition of fines or an award of damages to private litigants. The obligation to make readily achievable accommodations is an ongoing one, and we will continue to assess our properties and to make alterations as appropriate in this respect.

Environmental Matters

Under various laws relating to the protection of the environment, a current or previous owner or operator of real estate may be liable for contamination resulting from the presence or discharge of hazardous or toxic substances at that property, and may be required to investigate and clean up such contamination at that property or emanating from that property. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of the contaminants, and the liability may be joint and several. Previous owners used some of our properties for industrial and retail purposes, so those properties may contain some level of environmental contamination. The presence of contamination or the failure to remediate contamination at our properties may expose us to third-party liability or materially adversely affect our ability to sell, lease or develop the real estate or to borrow using the real estate as collateral.

Some of the properties may contain asbestos-containing building materials. Environmental laws require that asbestos-containing building materials be properly managed and maintained, and may impose fines and penalties on building owners or operators for failure to comply with these requirements. These laws may also allow third parties to seek recovery from owners or operators for personal injury associated with exposure to asbestos-containing building materials.

In addition, some of our tenants, particularly those in the biotechnology and life sciences industry and those in the technology manufacturing industry, routinely handle hazardous substances and wastes as part of their operations at our properties, including chemical solvents, medical waste, hydrocarbons, batteries and pesticides. Environmental laws and regulations subject our tenants, and potentially us, to liability resulting from these activities or from previous industrial or retail uses of those properties. Environmental liabilities could also affect a tenant's ability to make rental payments to us. We require our tenants to comply with these environmental laws and regulations and to indemnify us for any related liabilities.

Independent environmental consultants have conducted Phase I or similar environmental site assessments on all of the properties in our portfolio. Site assessments are intended to discover and evaluate information regarding the environmental condition of the surveyed property and surrounding properties. These assessments do not generally include soil samplings, subsurface investigations or an asbestos survey. None of the recent site assessments revealed any past or present environmental liability that we believe would have a material adverse effect on our business, assets or results of operations. However, the assessments may have failed to reveal all environmental conditions, liabilities or compliance concerns. Material environmental conditions, liabilities or compliance concerns may have arisen after the review was completed or may arise in the future; and future laws, ordinances or regulations may impose material additional environmental liability.

Insurance

We carry comprehensive liability, fire, extended coverage, earthquake, business interruption and rental loss insurance covering all of the properties in our portfolio under a blanket policy. We select policy specifications and insured limits which we believe to be appropriate given the relative risk of loss, the cost of the coverage and industry practice and, in the opinion of our company's management, the properties in our portfolio are currently adequately insured. We do not carry insurance for generally uninsured losses such as loss from war, or nuclear reaction. In addition, we carry earthquake insurance on our properties in an amount and with deductibles which we believe are commercially reasonable. Certain of the properties in our portfolio are located in areas known to be seismically active. See **Risk Factors** **Risks Related to Our Business and Operations** Potential losses may not be covered by insurance.

Table of Contents

Employees

As of September 30, 2010, we had 420 employees. None of these employees are represented by a labor union.

How to Obtain Our SEC Filings

All reports we file with the SEC will be available free of charge via EDGAR through the SEC website at www.sec.gov. In addition, the public may read and copy materials we file with the SEC at the SEC's public reference room located at 100 F Street, N.E., Washington, D.C. 20549. We will also provide copies of our Forms 8-K, 10-K, 10-Q, Proxy Statement, Annual Report and amendments to those documents at no charge to investors upon request and make electronic copies of such reports available through our website at www.digitalrealtytrust.com as soon as reasonably practicable after filing such material with the SEC. The information found on, or otherwise accessible through, our website is not incorporated by reference into, nor does it form a part of, this prospectus, or any other document that we file with the SEC.

Offices

Our headquarters are located in San Francisco. We have regional offices in Boston, Chicago, Dallas, Los Angeles, New York, Northern Virginia and Phoenix and international offices in Dublin, London and Paris.

Reports to Security Holders

Digital Realty Trust, Inc. is required to send an annual report to its securityholders and to our operating partnership's unitholders.

Legal Proceedings

In the ordinary course of our business, we may become subject to tort claims, breach of contract and other claims and administrative proceedings. As of September 30, 2010, we were not a party to any legal proceedings which we believe would have a material effect on us.

Table of Contents**Properties*****Our Portfolio***

As of September 30, 2010, we owned 95 properties, excluding two properties held as investments in unconsolidated joint ventures. These properties are primarily located throughout North America, with 14 properties located in Europe, and contain a total of approximately 16.4 million net rentable square feet, including 1.9 million square feet held for redevelopment. The following table presents an overview of our portfolio of properties, excluding the two properties held as investments in unconsolidated joint ventures, based on information as of September 30, 2010. All properties are held in fee except as otherwise indicated. Please refer to note 5 to our condensed consolidated financial statements as of September 30, 2010 included elsewhere in this prospectus for a description of all applicable encumbrances as of September 30, 2010.

Property ⁽¹⁾	Acquisition date	Metropolitan Area	Net Rentable Square Feet Excluding		Annualized		Annualized
			Redevelopment Space ⁽²⁾	Redevelopment Space ⁽³⁾	Rent (\$000) ⁽⁴⁾	Percent Leased ⁽⁵⁾	Foot (\$) ⁽⁶⁾
Internet Gateways							
350 East Cermak Road	May-05	Chicago	1,129,226	4,513	61,770	96.3%	56.78
200 Paul Avenue 1-4	Nov-04	San Francisco	458,708	68,972	25,728	96.3%	58.21
120 E. Van Buren Street	Jul-06	Phoenix	254,497	33,017	21,437	97.5%	86.40
111 Eighth Avenue ⁽⁷⁾	Mar-07	New York/New Jersey	116,843		18,494	100.0%	158.28
600 West Seventh Street	May-04	Los Angeles	482,089	7,633	17,674	95.8%	38.27
114 Rue Ambroise Croizat ⁽⁸⁾	Dec-06	Paris, France	332,300	19,846	17,260	91.9%	56.51
2323 Bryan Street	Jan-02	Dallas	457,217	19,890	14,567	74.5%	42.79
1100 Space Park Drive	Nov-04	Silicon Valley	165,297		7,890	100.0%	47.73
600-780 S. Federal	Sep-05	Chicago	161,547		6,067	65.8%	57.07
36 NE 2nd Street	Jan-02	Miami	162,140		5,333	95.9%	34.32
6 Braham Street ⁽⁹⁾	Jul-02	London, England	63,233		4,479	100.0%	70.83
900 Walnut Street	Aug-07	St Louis	112,266		3,722	90.6%	36.60
125 North Myers	Aug-05	Charlotte	25,402		1,282	100.0%	50.45
731 East Trade Street	Aug-05	Charlotte	40,879		1,236	100.0%	30.24
113 North Myers	Aug-05	Charlotte	29,218		780	100.0%	26.70
			3,990,862	153,871	207,719	92.5%	56.29
Corporate Datacenters							
2121 South Price Road	Jul-10	Phoenix	293,479		31,194	97.3%	109.23
365 Main Street	Jul-10	San Francisco	226,981		26,916	86.1%	137.79
128 First Avenue CDO	Jan-10	Boston	274,750		20,424	99.6%	74.65
720 Second Street	Jul-10	San Francisco	121,220		18,403	97.5%	155.66
43881 Devon Shafron Drive	Mar-07	Northern Virginia	180,000		17,978	98.5%	101.44
3 Corporate Place	Dec-05	New York/New Jersey	276,931		15,932	96.1%	59.85
300 Boulevard East	Nov-02	New York/New Jersey	311,950		14,730	100.0%	47.22
2440 Marsh Lane	Jan-03	Dallas	135,250		14,218	100.0%	105.13
60 & 80 Merritt Boulevard	Jan-10	New York/ New Jersey	169,540		12,073	100.0%	71.21
833 Chestnut Street	Mar-05	Philadelphia	588,770	65,988	11,469	85.7%	22.73
43915 Devin Shafron Drive	May-09	Northern Virginia	123,051	9,229	11,118	75.6%	119.54
2260 East El Segundo Boulevard	Jul-10	Los Angeles	132,240		10,774	100.0%	81.47
43791 Devon Shafron Drive	Mar-07	Northern Virginia	132,806	2,194	10,045	100.0%	75.63
55 Middlesex Turnpike	Jan-10	Boston	106,000		10,031	87.9%	107.63
1350 Duane & 3080 Raymond	Oct-09	Silicon Valley	185,000		9,693	100.0%	52.40
3011 Lafayette Street	Jan-07	Silicon Valley	90,780		9,658	100.0%	106.39
Unit 9, Blanchardstown Corporate Park ⁽⁸⁾	Dec-06	Dublin, Ireland	111,691	8,309	9,036	99.0%	81.71
Clonsaugh Industrial Estate II ⁽⁸⁾	Feb-06	Dublin, Ireland	124,500		8,855	100.0%	71.12
365 S. Randolphville Road	Feb-08	New York/ New Jersey	77,085	187,707	8,833	74.5%	153.75
1500 Space Park Drive	Sep-07	Silicon Valley	51,615		8,790	100.0%	170.29

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1525 Comstock Street	Sep-09	Silicon Valley	42,385		8,682	100.0%	204.83
4025 Midway Road	Jan-06	Dallas	90,058	10,532	8,497	100.0%	94.35
2055 East Technology Circle ⁽¹¹⁾	Oct-06	Phoenix	76,350		7,785	100.0%	101.96

Table of Contents

Property ⁽¹⁾	Acquisition date	Metropolitan Area	Net Rentable Square Feet Excluding		Annualized		Annualized Rent per Occupied Square Foot
			Redevelopment Space ⁽²⁾	Redevelopment Space ⁽³⁾	Rent (\$000) ⁽⁴⁾	Percent Leased ⁽⁵⁾	
Mundells Roundabout ⁽⁹⁾	Apr-07	London, England	113,464		7,334	100.0%	64.64
375 Riverside Parkway	Jun-03	Atlanta	248,268	1,923	7,146	100.0%	28.78
Cressex 1 ⁽⁹⁾	Dec-07	London, England	50,847		6,720	100.0%	132.17
2045 & 2055 LaFayette Street	May-04	Silicon Valley	300,000		6,660	100.0%	22.20
150 South First Street	Sep-04	Silicon Valley	179,761		6,644	98.3%	37.60
11830 Webb Chapel Road	Aug-04	Dallas	365,647		6,228	96.6%	17.63
3 St. Anne s Boulevard ⁽⁹⁾	Dec-07	London, England	36,668	59,716	6,129	79.5%	210.14
4030 Lafayette Center Drive	Jul-10	Northern Virginia	72,696		5,745	100.0%	79.03
14901 FAA Boulevard	Jun-06	Dallas	263,700		4,817	100.0%	18.27
2334 Lundy Place	Dec-02	Silicon Valley	130,752		4,784	100.0%	36.59
45901 & 45845 Nokes Blvd	Dec-09	Northern Virginia	167,160		4,347	100.0%	26.01
1201 Comstock Street	Jun-08	Silicon Valley	24,000		4,323	100.0%	180.12
1232 Alma Road	Sep-09	Dallas	71,579	34,147	4,115	100.0%	57.49
44470 Chillum Place	Feb-07	Northern Virginia	95,440		4,103	100.0%	42.99
12001 North Freeway	Apr-06	Houston	280,483	20,222	4,019	75.4%	18.99
115 Second Avenue	Oct-05	Boston	66,730		3,540	100.0%	53.05
2401 Walsh Street	Jun-05	Silicon Valley	167,932		3,509	100.0%	20.90
8534 Concord Center Drive	Jun-05	Denver	85,660		3,463	100.0%	40.43
4849 Alpha Road	Apr-04	Dallas	84,552	40,986	2,860	100.0%	33.82
2950 Zanker Road	Aug-10	Silicon Valley	69,700		2,800	100.0%	40.17
21110 Ridgeway Circle	Jan-07	Northern Virginia	135,513		2,739	100.0%	20.22
21561 & 21571 Beaumeade Cir	Dec-09	Northern Virginia	164,453		2,682	100.0%	16.31
Naritaweg 52 ⁽⁸⁾⁽¹⁰⁾	Dec-07	Amsterdam, Netherlands	63,260		2,613	100.0%	41.31
1807 Michael Faraday Court	Oct-06	Northern Virginia	19,237		2,613	100.0%	135.85
210 N Tucker Boulevard	Aug-07	St Louis	153,588	48,000	2,448	82.0%	19.44
200 North Nash Street	Jun-05	Los Angeles	113,606		2,374	100.0%	20.90
Paul van Vlissingenstraat 16 ⁽⁸⁾	Aug-05	Amsterdam, Netherlands	77,472	35,000	2,213	58.8%	48.58
2403 Walsh Street	Jun-05	Silicon Valley	103,940		2,172	100.0%	20.90
Manchester Technopark, Plot C1 ⁽⁹⁾	Jun-08	Manchester, England	38,016		1,995	100.0%	52.48
4700 Old Ironsides Drive	Jun-05	Silicon Valley	90,139		1,884	100.0%	20.90
444 Toyama Drive	Sep-09	Silicon Valley	42,083		1,777	100.0%	42.22
4650 Old Ironsides Drive	Jun-05	Silicon Valley	84,383		1,763	100.0%	20.90
7505 Mason King Court	Nov-08	Northern Virginia	109,650		1,735	100.0%	15.82
3015 Winona Avenue	Dec-04	Los Angeles	82,911		1,640	100.0%	19.77
Chemin de l Epinglier ⁽⁸⁾	Nov-05	Geneva, Switzerland	59,190		1,628	100.0%	27.50
6800 Millcreek Drive	Apr-06	Toronto, Canada	83,758		1,576	100.0%	18.81
251 Exchange Place	Nov-05	Northern Virginia	70,982		1,547	100.0%	21.79
900 Dorothy Drive	Aug-10	Dallas	56,176		1,475	100.0%	26.27
Clonshaugh Industrial Estate ⁽⁸⁾	Feb-06	Dublin, Ireland	20,000		1,472	100.0%	73.52
43831 Devon Shafron Drive	Mar-07	Northern Virginia	117,071		1,472	100.0%	12.57
3300 East Birch Street	Aug-03	Los Angeles	68,807		1,458	100.0%	21.19
1125 Energy Park Drive	Mar-05	Minneapolis/St. Paul	112,827		1,437	100.0%	12.73
101 Aquila Way	Apr-06	Atlanta	313,581		1,411	100.0%	4.50
Gyroscoopweg 2E-2F ⁽⁸⁾	Jul-06	Amsterdam, Netherlands	55,585		1,199	100.0%	21.57
8100 Boone Boulevard ⁽⁷⁾	Oct-06	Northern Virginia	17,015		929	100.0%	54.62
600 Winter Street	Sep-06	Boston	30,400		810	100.0%	26.63
2300 NW 89th Place	Sep-06	Miami	64,174		635	100.0%	9.89
7620 Metro Center Drive	Dec-05	Austin	45,000		605	100.0%	13.44
4040 Lafayette Center Drive	Jul-10	Northern Virginia	30,333		376	100.0%	12.38
3065 Gold Camp Drive	Oct-04	Sacramento	62,957		272	21.1%	20.45
1 St. Anne s Boulevard ⁽⁹⁾	Dec-07	London, England	20,219		260	100.0%	12.86
1301 International Parkway	Sep-09	Dallas		20,500		0.0%	
1400 N Bowser Way	Sep-09	Dallas		246,940		0.0%	
1725 Comstock Street	Apr-10	Silicon Valley		39,643		0.0%	

Table of Contents

Property ⁽¹⁾	Acquisition date	Metropolitan Area	Net Rentable Square Feet Excluding Redevelopment Space ⁽²⁾	Redevelopment Space ⁽³⁾	Annualized Rent (\$000) ⁽⁴⁾	Percent Leased ⁽⁵⁾	Annualized Rent per Occupied Square Foot (\$) ⁽⁶⁾
3105 & 3115 Alfred Street	May-10	Silicon Valley		49,858		0.0%	
4050 Lafayette Center Drive	Jul-10	Northern Virginia		42,374		0.0%	
650 Randolph Road	Jun-08	New York/ New Jersey		127,790		0.0%	
7500 Metro Center Drive	Dec-05	Austin		74,962		0.0%	
800 Central Expressway	Aug-10	Silicon Valley		150,000		0.0%	
900 Quality Way	Sep-09	Dallas		112,253		0.0%	
904 Quality Way	Sep-09	Dallas		46,750		0.0%	
905 Security Row	Sep-09	Dallas		249,657		0.0%	
Cateringweg 5 ⁽⁸⁾	Jun-10	Amsterdam, Netherlands		55,972		0.0%	
			9,303,797	1,740,652	453,630	95.6%	50.98
Technology Manufacturing							
34551 Ardenwood Boulevard 1-4	Jan-03	Silicon Valley	307,657		9,035	100.0%	29.37
47700 Kato Road & 1055 Page Avenue	Sep-03	Silicon Valley	183,050		3,908	100.0%	21.35
2010 East Centennial Circle ⁽¹²⁾	May-03	Phoenix	113,405		2,852	100.0%	25.15
2 St. Anne s Boulevard	Dec-07	London, England		30,612		0.0%	
			604,112	30,612	15,795	100.0%	26.14
Technology Office							
100 & 200 Quannapowitt Parkway	Jun-04	Boston	386,956		7,222	94.9%	19.68
1 Savvis Parkway	Aug-07	St Louis	156,000		2,644	100.0%	16.95
908 Quality Way	Sep-09	Dallas	14,400		24	100.0%	1.67
			557,356		9,890	96.4%	18.40
Portfolio Total/Weighted Average			14,456,127 (4)	1,925,135	\$ 687,034	95.0%	50.04

(1) We have categorized the properties in our portfolio by their principal use based on annualized rent. However, many of our properties support multiple uses.

(2) Net rentable square feet at a building represents the current square feet at that building under lease as specified in the lease agreements plus management's estimate of space available for lease based on engineering drawings. Net rentable square feet includes tenants' proportional share of common areas but excludes space held for redevelopment.

(3) Redevelopment space is unoccupied space that requires significant capital investment in order to develop datacenter facilities that are ready for use. Most often this is shell space. However, in certain circumstances this may include partially built datacenter space that was not completed by previous ownership or tenants and requires a large capital investment in order to build out the space.

(4) Annualized rent represents the monthly contractual rent under existing leases as of September 30, 2010 multiplied by 12.

(5) Excludes space held for redevelopment. Includes unoccupied space for which we are receiving rent and excludes space for which leases had been executed as of September 30, 2010, but for which we are not receiving rent. We estimate the total square feet available for lease based on a number of factors in addition to contractually leased square feet, including available power, required support space and common area.

(6) Annualized rent per square foot represents annualized rent as computed above, divided by the total square footage under lease as of the same date.

(7) 111 Eighth Avenue (2nd and 6th floors), 8100 Boone Boulevard and 111 Eighth Avenue (3rd and 7th floors) are leased by us pursuant to leases that expire in June 2014, September 2017 and February 2022, respectively.

(8) Rental amounts for Unit 9, Blanchardstown Corporate Park, 114 Rue Ambroise Croizat, Naritaweg 52, Paul van Vlissingenstraat 16, Chemin de l'Epinglier 2, Clonsaugh Industrial Estate, Clonsaugh Industrial Estate II, Gyrocoopweg 2E-2F and Cateringweg 5 were calculated based on the exchange rate in effect on September 30, 2010 of \$1.36 to 1.00. Paul Van Vlissingenstraat 16, Chemin de l'Epinglier 2, Clonsaugh Industrial Estate and Cateringweg 5 are subject to ground leases, which expire in the years 2054, 2074, 2981 and 2059, respectively.

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- (9) Rental amounts for 6 Braham Street, Mundells Roundabout, Cressex 1, Manchester Technopark, 1 St. Anne's Boulevard and 3 St. Anne's Boulevard were calculated based on the exchange rate in effect on September 30, 2010 of \$1.57 to £1.00. Manchester Technopark is subject to a ground lease, which expires in the year 2125.
- (10) We are party to a ground sublease for this property. This is a perpetual ground sublease. Lease payments were prepaid by the prior owner of this property through December 2036.
- (11) We are party to a ground sublease for this property. The term of the ground sublease expires in September 2083. All of the lease payments were prepaid by the prior owner of this property.
- (12) We are party to a ground sublease for this property. The term of the ground sublease expires in the year 2082.

Table of Contents**Tenant Diversification**

As of September 30, 2010, our portfolio was leased to approximately 530 companies, many of which are nationally recognized firms. The following table sets forth information regarding the 20 largest tenants in our portfolio based on annualized rent as of September 30, 2010 (dollar amounts in thousands).

	Tenant	Number of Locations	Total Occupied Square Feet ⁽¹⁾	Percentage of Net Rentable Square Feet	Annualized Rent ⁽²⁾	Percentage of Annualized Rent	Weighted Average Remaining Lease Term in Months
1	Savvis Communications	19	2,000,638	13.8%	\$ 54,794	8.0%	104
2	Equinix Operating Company, Inc.	8	736,950	5.1%	29,714	4.3%	90
3	Facebook, Inc.	4	198,963	1.4%	25,903	3.8%	92
4	Morgan Stanley	5	155,481	1.1%	22,961	3.3%	46
5	Qwest Communications International, Inc.	17	637,801	4.4%	21,082	3.1%	72
6	TelX Group, Inc.	11	166,717	1.2%	20,732	3.0%	193
7	NTT Communications Company	5	307,887	2.1%	18,521	2.7%	56
8	AT&T	18	610,384	4.2%	16,396	2.4%	97
9	JPMorgan Chase & Co.	3	149,935	1.0%	14,701	2.1%	111
10	Level 3 Communications, LLC	25	327,090	2.3%	11,990	1.7%	99
11	Pfizer, Inc.	1	87,049	0.6%	10,568	1.5%	87
12	Yahoo! Inc.	2	110,847	0.8%	10,056	1.5%	85
13	TATA Communications (UK)	2	105,366	0.7%	9,875	1.4%	87
14	Microsoft Corporation	3	329,254	2.3%	9,848	1.4%	59
15	Sprint Communications Co., LP	6	173,319	1.2%	9,148	1.3%	48
16	BT Americas, Inc.	3	47,286	0.3%	9,128	1.3%	87
17	eircom Limited	1	124,500	0.9%	8,854	1.3%	106
18	T-Systems North America, Inc.	2	77,610	0.5%	8,145	1.2%	42
19	Internap	4	56,801	0.4%	8,023	1.2%	36
20	Carpathia Hosting	3	51,784	0.4%	8,000	1.2%	80
Total/Weighted Average			6,455,662	44.7%	\$ 328,439	47.7%	90

- (1) Occupied square footage is defined as leases that have commenced on or before September 30, 2010. For some of our properties, we calculate occupancy based on factors in addition to contractually leased square feet, including available power, required support space and common area.
- (2) Annualized rent represents the monthly contractual rent under existing leases as of September 30, 2010 multiplied by 12. We estimate the total net rentable square feet available for lease based on a number of factors in addition to contractually leased square feet, including available power, required support space and common area.

Lease Distribution

The following table sets forth information relating to the distribution of leases in the properties in our portfolio, based on net rentable square feet (excluding approximately 1.9 million square feet held for redevelopment at September 30, 2010) under lease as of September 30, 2010.

Square Feet Under Lease	Number of Leases ⁽¹⁾	Percentage of All Leases	Total Net Rentable Square Feet ⁽²⁾	Percentage of Net Rentable Square Feet ⁽²⁾	Annualized Rent(000) ⁽³⁾	Percentage of Annualized Rent
Available			726,783	5.0%		0.0%
2,500 or less	1,026	66.6%	537,415	3.7%	64,933	9.5%
2,501 - 10,000	254	16.5%	1,490,101	10.3%	123,788	18.0%

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10,001 - 20,000	105	6.8%	1,808,009	12.5%	123,848	18.0%
20,001 - 40,000	74	4.8%	2,173,702	15.0%	136,882	19.9%
40,001 - 100,000	53	3.4%	3,459,421	23.9%	130,137	18.9%
Greater than 100,000	29	1.9%	4,260,696	29.6%	107,444	15.7%
Portfolio Total	1,541	100.0%	14,456,127	100.0%	\$ 687,032	100.0%

Table of Contents

- (1) Includes license and similar agreements that upon expiration will be automatically renewed, primarily on a month-to-month basis. Number of leases represents the leased-unit count; a lease could include multiple units.
- (2) For some of our properties, we calculate square footage based on factors in addition to contractually leased square feet, including available power, required support space and common area.
- (3) Annualized rent represents the monthly contractual rent under existing leases as of September 30, 2010 multiplied by 12. We estimate the total net rentable square feet available for lease based on a number of factors in addition to contractually leased square feet, including available power, required support space and common area.

Lease Expirations

The following table sets forth a summary schedule of the lease expirations for leases in place as of September 30, 2010 plus available space for ten calendar years at the properties in our portfolio, excluding approximately 1.9 million square feet held for redevelopment at September 30, 2010. Unless otherwise stated in the footnotes, the information set forth in the table assumes that tenants exercise no renewal options and all early termination rights.

Year	Number of Leases Expiring ⁽¹⁾	Square Footage of Expiring Leases ⁽²⁾	Percentage of Net Rentable Square Feet ⁽²⁾	Annualized Rent(000) ⁽³⁾	Percentage of Annualized Rent	Annualized Rent Per Occupied Square Foot at Expiration		
						Annualized Rent Per Occupied Square Foot	Annualized Rent at Expiration	Annualized Rent at Expiration(000)
Available		726,783	5.0%		0.0%			
2010	120	92,613	0.6%	\$ 13,331	1.9%	\$ 143.94	\$ 144.02	\$ 13,338
2011	336	1,394,386	9.7%	55,220	8.0%	39.60	39.06	54,470
2012	198	257,643	1.8%	27,354	4.0%	106.17	110.82	28,551
2013	162	1,241,754	8.6%	76,398	11.1%	61.52	65.58	81,438
2014	150	1,291,606	8.9%	83,404	12.2%	64.57	68.64	88,657
2015	114	2,096,720	14.5%	85,110	12.4%	40.59	42.74	89,612
2016	78	1,100,276	7.6%	45,235	6.6%	41.11	47.75	52,536
2017	46	750,613	5.2%	30,149	4.4%	40.17	47.81	35,884
2018	71	805,241	5.6%	40,705	5.9%	50.55	64.73	52,127
2019	69	1,572,493	10.9%	92,354	13.4%	58.73	72.45	113,933
Thereafter	197	3,125,999	21.6%	137,772	20.1%	44.07	61.77	193,084
Portfolio Total /								
Weighted								
Average	1,541	14,456,127	100.0%	\$ 687,032	100.0%	\$ 50.04	\$ 58.53	\$ 803,630

- (1) Includes license and similar agreements that upon expiration will be automatically renewed, primarily on a month-to-month basis. Number of expiring leases represents the expiring leased-unit count; a lease could include multiple units.
- (2) For some of our properties, we calculate square footage based on factors in addition to contractually leased square feet, including available power, required support space and common area.
- (3) Annualized rent represents the monthly contractual rent under existing leases as of September 30, 2010 multiplied by 12. We estimate the total net rentable square feet available for lease based on a number of factors in addition to contractually leased square feet, including available power, required support space and common area.

350 East Cermak Road, Chicago, Illinois

350 East Cermak Road is an eight-story telecommunications carrier facility and data center located in the south loop area of the Chicago central business district. The building contains 1,122,749 rentable square feet, excluding 4,513 square feet of space held for redevelopment, and is on the historic register. This noted Chicago landmark was completely renovated in 1999-2000 to create a state-of-the-art datacenter and Internet gateway facility. The property is a premier Internet gateway facility in the Midwestern region of the country, and it houses numerous carriers, including AT&T, Deutsche Telekom, Qwest Communications International, XO

Table of Contents

Communications, 360 Networks, Verio and Verizon. Additionally, the property provides mission critical data center space for several large enterprise tenants, including Computer Sciences Corporation and Fidelity Information Services. Most of these tenants have invested significant amounts of their own capital into improving their spaces within the building.

The aggregation of service providers in this building creates a cost-effective operating environment for cross connections and passing traffic (voice, data and Internet) between networks without costly local access charges. Both long-haul, backbone networks and local/regional metropolitan area networks operate in the building, and several have a point-of-presence in the building-managed colocation facility. The abundance of bandwidth and telecom carriers operating in the building also attracts large-scale data center users requiring cost-efficient bandwidth solutions from multiple providers.

The facility offers tenants superior electrical and mechanical systems infrastructure, including abundant electrical power and UPS/backup power generation, telecommunications quality HVAC capacity and distribution, ample telecommunications and electrical riser and conduit capacity, and multiple telecommunications networks that provide service to, and interconnect within, the building. Because it was initially constructed as an RR Donnelley book publishing and printing plant, the building also features heavy floor loading capacity which is well suited to data center users. Cooling capacity is provided via an adjacent chilled water plant operated by the Metropolitan Pier Expo Authority (MPEA).

We acquired a fee simple interest in this property from an unrelated party in May 2005. We have agreed with the seller to share a portion, not to exceed \$135,000 per month, of rental revenue, adjusted for our costs to lease the premises, from the lease of the 192,000 square feet of space held for redevelopment. This revenue sharing agreement will terminate in May 2012.

The property is currently 96.3% leased, excluding 4,513 square feet held for redevelopment, to 37 tenants, primarily as telecommunications or data center/colocation facilities. The following table summarizes information regarding the primary tenants of the property as of September 30, 2010:

Principal Nature of Business	Lease Expiration	Renewal Options	Annualized Rent	Percentage of Property Annualized Rent
Data Centers	Dec. 2019	2 x 5 yrs	\$ 6,408,600	10.4%
Data Centers			10,896,392	17.6
	Mar. 2015	1x 5 yrs	4,013,144	6.5
	Jul. 2021	1x 5 yrs	6,883,248	11.1
Data Centers	Nov. 2026	2 x 10 yrs	6,687,434	10.8

Table of Contents

The following table sets forth the lease expirations for leases in place at the property as of September 30, 2010 plus available space for each of the ten full or partial calendar years beginning October 1, 2010, assuming that tenants exercise no renewal options and all early termination options. As of September 30, 2010, the weighted average lease term remaining in the building was 5.9 years.

Year of Lease Expiration	Number of Leases Expiring	Square Footage of Expiring Leases ⁽¹⁾	Percentage of Property Square Feet	Annualized Rent	Percentage of Property Annualized Rent	Annualized Rent Per Leased Square Foot	Annualized Rent Per Leased Square Foot at Expiration
Available		45,827	4.0%	\$	%	\$	\$
2010	3		0.0		0.0		
2011	7	3,924	0.3	435,155	0.7	110.90	113.28
2012	8	43,549	3.8	1,944,811	3.1	44.66	46.04
2013	13	110,516	9.7	9,493,545	15.4	85.90	91.55
2014	11	163,085	14.4	9,453,731	15.3	57.97	61.29
2015	10	431,495	38.1	11,644,945	18.9	26.99	19.92
2016	7	20,367	1.8	649,038	1.1	31.87	37.07
2017	6	42,622	3.8	441,505	0.7	10.36	12.39
2018	3	50,770	4.5	2,795,125	4.5	55.05	67.71
2019	2	58,429	5.2	6,408,600	10.4	109.68	118.89
Thereafter	20	163,155	14.4	18,503,326	29.9	113.41	154.07
Total/Weighted Average	90	1,133,739					