

CyrusOne Inc.
Form S-4
May 08, 2013
Table of Contents

As filed with the Securities and Exchange Commission on May 8, 2013

Registration No. 333-

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM S-4
REGISTRATION STATEMENT

UNDER

THE SECURITIES ACT OF 1933

CyrusOne LP

(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or Other Jurisdiction of)

6719
(Primary Standard Industrial

46-0982896
(IRS Employer

Edgar Filing: CyrusOne Inc. - Form S-4

Incorporation or Organization)	Classification Code Number)	Identification Number)
	1649 West Frankford Road	
	Carrollton, TX 75007	
	(972) 350-0060	

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

CyrusOne Finance Corp.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	6719	61-1697505
(State or Other Jurisdiction of	(Primary Standard Industrial	(IRS Employer
Incorporation or Organization)	Classification Code Number)	Identification Number)
	1649 West Frankford Road	
	Carrollton, TX 75007	
	(972) 350-0060	

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

CyrusOne Inc.

(Exact Name of Registrant as Specified in Its Charter)

Maryland	6798	46-0691837
(State or Other Jurisdiction of	(Primary Standard Industrial	(IRS Employer
Incorporation or Organization)	Classification Code Number)	Identification Number)
(See Table of Additional Registrant Guarantors for information regarding additional Registrants)		
	1649 West Frankford Road	
	Carrollton, TX 75007	
	(972) 350-0060	

(Address, including zip code, and telephone number, including area code, of registrant s principal executive offices)

Thomas W. Bosse Esq.

Vice President, General Counsel and Secretary

1649 West Frankford Road

Carrollton, TX 75007

(972) 350-0060

(Name, address, including zip code, and telephone number, including area code, of agent for service)

With a Copy to:

William V. Fogg, Esq.

Cravath, Swaine & Moore LLP

Worldwide Plaza

825 Eighth Avenue

New York, New York 10019

(212) 474-1000

Approximate date of commencement of proposed sale of the securities to the public:

As soon as practicable after the effective date of this registration statement.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, check the following box: "

Table of Contents

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. "

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

Large accelerated filer Accelerated filer
 Non-accelerated filer (Do not check if a smaller reporting company) Smaller reporting company
 If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13e-4(i) (Cross-Border Issuer Tender Offer)

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer)

CALCULATION OF REGISTRATION FEE

Title of each class of securities to be registered	Amount to be registered	Proposed maximum offering price per unit(1)	Proposed maximum aggregate offering price(1)	Amount of registration fee
6.375% Senior Notes due 2022	\$525,000,000	100%	\$525,000,000	\$71,610
Guarantees of 6.375% Senior Notes due 2022				(2)
Total	\$525,000,000	N/A	\$525,000,000	\$71,610

(1) Estimated in accordance with Rule 457(f) under the Securities Act of 1933, as amended (the Securities Act), solely for purposes of calculating the registration fee.

(2) Pursuant to Rule 457(n) under the Securities Act, no additional registration fee is payable with respect to the guarantees.

The registrants hereby amend this registration statement on such date or dates as may be necessary to delay its effective date until the registrants shall file a further amendment which specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

Table of Contents**Table of Additional Registrant Guarantors(1)(2)**

Exact Name of Additional Registrant Guarantor as Specified in its Charter	State or Other Jurisdiction of Incorporation or Organization	Primary Standard Industrial Classification Code Number	I.R.S. Employer Identification Number
CyrusOne GP	Maryland	6091	35-6993529
CyrusOne Foreign Holdings LLC	Delaware	6091	45-3026714
CyrusOne LLC	Delaware	7376	27-4286158
CyrusOne TRS Inc.	Delaware	7376	35-2458099

- (1) Address, including zip code, and telephone number, including area code, of each Additional Registrant Guarantor's Principal Executive Offices is 1649 West Frankford Road, Carrollton, TX 75007, (972) 350-0060.
- (2) Name, address, including zip code, and telephone number, including area code, of each Additional Registrant Guarantor's Agent for Service is Thomas W. Bosse Esq., 1649 West Frankford Road, Carrollton, TX 75007, (972) 350-0060

Table of Contents

The information in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED May 8, 2013

PROSPECTUS

CyrusOne LP
CyrusOne Finance Corp.

Offer to Exchange

Up to \$525,000,000 Principal Amount of

6.375% Senior Notes due 2022

for

a Like Principal Amount of

6.375% Senior Notes due 2022

which have been registered under the Securities Act of 1933

CyrusOne LP and CyrusOne Finance Corp. (the Issuers) are offering to exchange up to \$525,000,000 of their outstanding, unregistered 6.375% Senior Notes due 2022 (the Original Notes), for a like principal amount of registered 6.375% Senior Notes due 2022 (the Exchange Notes). The Original Notes and the Exchange Notes are sometimes referred to in this prospectus together as the Notes, and the transaction to exchange Original Notes for Exchange Notes is sometimes referred to in this prospectus as the Exchange Offer or this offer. The terms of the Exchange Notes are identical to the terms of the Original Notes, except that the Exchange Notes are registered under the Securities Act of 1933, as amended (the Securities Act), and the transfer restrictions, registration rights and related special interest provisions applicable to the Original Notes do not apply to the Exchange Notes. The Original Notes may only be tendered in an amount equal to \$2,000 in principal amount or in integral multiples of \$1,000 in excess thereof. **This offer is subject to certain customary conditions and will expire at 5:00 p.m., New York City time, on _____, 2013, unless we extend it.** The Exchange Notes will not be listed on any securities exchange or any automated dealer quotation system and there is currently no market for the Exchange Notes.

The Original Notes are, and the Exchange Notes will be, guaranteed on an unsecured and senior basis by CyrusOne Inc. (CyrusOne), a Maryland corporation and the sole beneficial owner and sole trustee of CyrusOne GP, which is the sole general partner of CyrusOne LP, CyrusOne GP and all of our existing domestic subsidiaries. In addition, each of our domestic restricted subsidiaries that guarantee any of our other indebtedness or other indebtedness of the guarantors will be required to guarantee the Notes in the future (together with CyrusOne Inc., CyrusOne GP and our existing domestic subsidiaries, the Guarantors). All references to the Notes include references to the related guarantors.

Edgar Filing: CyrusOne Inc. - Form S-4

For a more detailed description of the Exchange Notes, see Description of the Notes.

Each broker-dealer that receives Exchange Notes for its own account pursuant to the Exchange Offer must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any resale of such Exchange Notes. The letter of transmittal states that by so acknowledging and by delivering such a prospectus, a broker-dealer will not be deemed to admit that it is an underwriter within the meaning of 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 Original Notes where such Original Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities. We have agreed that, during the period described in Section 4(3) of the Securities Act and Rule 174 thereunder that is applicable to transactions by brokers or dealers with respect to Exchange Notes, we will use our commercially reasonable efforts to make this prospectus, as amended and supplemented, available to broker-dealers for use in connection with resales of Exchange Notes.

Investing in our securities involves a high degree of risk. See Risk Factors beginning on page 17 of this prospectus for a discussion of certain factors you should consider in connection with this Exchange Offer.

We are not asking for a proxy and you are requested not to send us a proxy.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION (THE SEC) NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus is _____, 2013

Table of Contents

You should rely only on the information contained in this prospectus. We have not authorized any person to provide you with any information or represent anything about us or this offer that is not contained in this prospectus. If given or made, any such other information or representation should not be relied upon as having been authorized by us. You should not assume that the information contained in this prospectus is accurate as of any date other than the date on the front of this prospectus.

We are not making this offer to, nor will we accept surrenders for exchange from, holders of outstanding Original Notes in any jurisdiction in which this offer would not be in compliance with the securities or blue sky laws of such jurisdiction or where it is otherwise unlawful.

Table of Contents

TABLE OF CONTENTS

	Page
<u>WHERE YOU CAN FIND MORE INFORMATION</u>	ii
<u>SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS</u>	iii
<u>PROSPECTUS SUMMARY</u>	1
<u>RISK FACTORS</u>	17
<u>RATIO OF EARNINGS TO COMBINED FIXED CHARGES FOR CYRUSONE INC. AND CYRUSONE LP</u>	39
<u>USE OF PROCEEDS</u>	40
<u>SELECTED FINANCIAL INFORMATION AND OTHER DATA OF CYRUSONE INC. AND CYRUSONE LP</u>	41
<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	43
<u>BUSINESS AND PROPERTIES</u>	67
<u>LEGAL PROCEEDINGS</u>	89
<u>MANAGEMENT</u>	90
<u>CORPORATE GOVERNANCE</u>	95
<u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u>	96
<u>EXECUTIVE COMPENSATION</u>	98
<u>CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS</u>	108
<u>INVESTMENT POLICIES AND POLICIES WITH RESPECT TO CERTAIN ACTIVITIES</u>	114
<u>DESCRIPTION OF OTHER INDEBTEDNESS</u>	118
<u>DESCRIPTION OF THE NOTES</u>	120
<u>THE EXCHANGE OFFER</u>	168
<u>BOOK-ENTRY, DELIVERY AND FORM</u>	177
<u>MATERIAL UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS</u>	180
<u>PLAN OF DISTRIBUTION</u>	184
<u>LEGAL MATTERS</u>	185
<u>EXPERTS</u>	185
<u>INDEX TO THE COMBINED FINANCIAL STATEMENTS AND SCHEDULES</u>	F-1

Except as otherwise indicated, this prospectus speaks as of the date of this prospectus. Neither the delivery of this prospectus at any time, nor the sale of any Notes shall, under any circumstances, create any implication that there has been no change in our affairs after the date of this prospectus.

This prospectus is based on information provided by us and other sources that we believe are reliable. We cannot assure you that the information from other sources is accurate or complete. In making an investment decision, you must rely on your own examination of our business and the terms of this offering and the Notes, including the merits and risks involved. You should contact us with any questions about this offering or for additional information to verify the information contained in this prospectus.

Edgar Filing: CyrusOne Inc. - Form S-4

You should not consider any information in this prospectus to be legal, business or tax advice. You should consult your own attorney, business advisor and tax advisor for legal, business and tax advice regarding an investment in the Notes.

You must comply with all applicable laws and regulations in effect in any applicable jurisdiction, and you must obtain, at your sole cost and expense, any consent, approval or permission required by you for the purchase, offer or sale of the Notes under the laws and regulations in effect in the jurisdictions to which you are subject or in which you make such purchase, offer or sale, and we will not have any responsibility therefor.

Table of Contents

WHERE YOU CAN FIND MORE INFORMATION

We have filed with the SEC a registration statement on Form S-4 under the Securities Act with respect to the Exchange Offer. This prospectus, which forms part of the registration statement, does not contain all the information included in the registration statement and the exhibits to the registration statement. For further information about us, the Exchange Offer and the Exchange Notes, you should refer to the registration statement and its exhibits. Copies of our SEC filings, including the exhibits to the registration statement, are available through us or from the SEC through the SEC's website or at its facilities described below.

We will be subject to the information requirements of the Exchange Act and the rules and regulations thereunder after the registration statement described above is declared effective by the SEC and, as a result, we will be required to file annual, quarterly and current reports and other information with the SEC. Our SEC filings will be available to the public over the Internet at the SEC's website at www.sec.gov. You may also read and copy any documents filed with the SEC by CyrusOne Inc. at the Public Reference Room of the SEC at 100 F Street, N.E., Washington, D.C. 20549. Information on the operation of the Public Reference Room may be obtained by calling the SEC at 1-800-SEC-0330. Our SEC filings will also be available through the investor relations section of CyrusOne Inc.'s website at www.cyrusone.com. The information contained on or linked to or from our website is not incorporated by reference into this prospectus and should not be considered part of this prospectus.

Table of Contents

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

The statements in this prospectus include certain forward-looking statements, including statements pertaining to our capital resources, portfolio performance and results of operations contain forward-looking statements. Likewise, all of our statements regarding anticipated growth in our funds from operations and 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, estimates or anticipates or the negative of these words and phrases or similar words or phrases which 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. Factors, that could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements include, but are not limited to:

loss of key customers;

defaults on or non-renewal or early termination of leases by customers;

economic downturn, natural disaster or oversupply of data centers in the limited geographic area that we serve;

inability to supply customers with adequate electrical power;

inability to renew leases on the data center buildings in our portfolio not owned by us;

risks related to natural disasters and inadequate insurance coverage;

risks related to the inability to obtain title insurance;

risks related to the failure of our physical infrastructure or services;

risks related to the development of our properties and our ability to successfully lease those properties;

risks related to third-party suppliers of power, Internet connectivity and other services;

loss of access to key third-party service providers and suppliers;

long sales cycle for data center services;

Edgar Filing: CyrusOne Inc. - Form S-4

risks related to our international activities, including expanding our international operations;

inability to identify and complete acquisitions and operate acquired properties;

customers choosing to develop their own data centers;

decrease in demand for data center services;

inability to manage growth;

our failure to obtain necessary outside financing on favorable terms, or at all;

our level of indebtedness or debt service obligations;

restrictions in the instruments governing our indebtedness;

risks related to litigation and environmental matters;

risks related to increased regulations;

Table of Contents

unknown or contingent liabilities related to our acquired properties;

management's inexperience operating CyrusOne as a real estate investment trust (REIT);

significant competition in our industry;

loss of key personnel;

obsolescence of our data center infrastructure;

risks related to assuming unknown liabilities;

failure to maintain CyrusOne's status as a REIT;

changes in U.S. tax law and other U.S. laws, whether or not specific to REITs;

insufficient cash available to meet distribution requirements;

risks related to the real estate industry;

risks related to Cincinnati Bell Inc.'s, an Ohio corporation (CBI), ownership of shares of CyrusOne's common stock and partnership units; and

risks related to our organizational structure.

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

Table of Contents

PROSPECTUS SUMMARY

You should read the following summary together with the more detailed information regarding our company and the historical financial statements appearing elsewhere in this prospectus, including under the caption Risk Factors. Except as otherwise indicated or required by the context, references in this prospectus to (i) we, our, us and our company refer to CyrusOne Inc., a Maryland corporation (CyrusOne), together with its combined subsidiaries, including CyrusOne LP, a Maryland limited partnership and a co-issuer of the Notes (the operating partnership or CyrusOne LP), CyrusOne Finance Corp., a Maryland corporation and a co-issuer of the Notes, and CyrusOne GP, a Maryland statutory trust of which CyrusOne is the sole beneficial owner and sole trustee and which is the sole general partner of the operating partnership, (ii) CBI refers to Cincinnati Bell Inc., an Ohio corporation, and its consolidated subsidiaries and (iii) Predecessor refers to the carve-out business that is comprised of the historical data center activities of CBI, the combined financial statements of which are included in this prospectus.

CyrusOne LP and CyrusOne Inc.

Our Company

We are an owner, operator and developer of enterprise-class, carrier-neutral data center properties. Enterprise-class, carrier-neutral data centers are purpose-built facilities with redundant power, cooling and telecommunications systems and that are not network-specific, enabling customer interconnectivity to a range of telecommunications carriers.

We provide mission-critical data center facilities that protect and ensure the continued operation of information technology (IT) infrastructure for over 500 customers. Our goal is to be the preferred global data center provider to the Fortune 1000. As of December 31, 2012, our customers included nine of the Fortune 20 and 115 of the Fortune 1000 or private or foreign enterprises of equivalent size. These 115 customers provided 76% of our annualized rent as of December 31, 2012. Additionally, as of December 31, 2012, our top 10 customers (including CBI) provided 45% of our annualized rent. We cultivate long-term strategic relationships with our customers and provide them with solutions for their data center facilities and IT infrastructure challenges. Our offerings provide flexibility, reliability and security and are delivered through a tailored, customer service-focused platform that is designed to foster long-term relationships. We focus on attracting customers that have not historically outsourced their data center needs. We believe our capabilities and reputation for serving the needs of large enterprises will allow us to capitalize on the growing demand for outsourced data center facilities in our markets and in new markets where our customers are located or plan to be located in the future.

Our History

Our business is comprised of the historical data center activities and holdings of CBI. CBI has operated its Cincinnati-based data center business for over 10 years; in addition, it acquired GramTel Inc. (GramTel), a data center operator in South Bend, Indiana and Chicago, Illinois, for approximately \$20 million in December 2007; and it acquired Cyrus Networks, LLC (Cyrus Networks), a data center operator based in Texas, for approximately \$526 million, net of cash acquired, in June 2010. As part of the formation transactions, certain subsidiaries of CBI contributed these assets and operations to the operating partnership.

Table of Contents

Our Portfolio

As of December 31, 2012, our property portfolio included 24 operating data centers in ten distinct markets (Austin, Chicago, Cincinnati, Dallas, Houston, London, Phoenix, San Antonio, Singapore and South Bend), collectively providing approximately 1,716,000 NRSF and powered by approximately 135 megawatts (MW) of utility power. We own ten of the buildings in which our data center facilities are located. We lease the remaining 14 buildings, which account for approximately 600,000 NRSF, or approximately 35% of our total operating NRSF. These leased buildings accounted for 37% of our total annualized rent as of December 31, 2012. Of these leased facilities, four are considered to be strategic, two of which have purchase options or rights of first refusal and the other two have lease terms in excess of 20 years including renewals. As of December 31, 2012, we have 238,000 NRSF under development at two data centers (Houston and Phoenix) and 803,000 NRSF of additional powered shell space under roof and available for development. In addition, we have approximately 140 acres of land that are available for future data center facility development. Along with our primary product offering, leasing of colocation space, our customers are increasingly interested in our ancillary office and other space, which is listed separately in the following table. We believe our existing operating portfolio and development pipeline will allow us to meet the evolving needs of our existing customers and continue to attract new customers.

Table of Contents

The following tables provide an overview of our operating and development properties as of December 31, 2012:

		Operating Net Rentable Square Feet (NRSF) ^(a)						Powered Shell Available for Future Development	Available Utility Power
								(NRSF) ^(h)	(MW) ⁽ⁱ⁾
Facilities	Metropolitan Area	Annualized Rent ^(b)	Colocation Space (CSF) ^(c)	Office & Other ^(d)	Supporting Infrastructure ^(e)	Total ^(f)	Percent Leased ^(g)		
South									
Southwest Fwy (Galleria)	Houston	\$ 43,986,744	63,469	17,247	23,202	103,918	92%		16
Westway Park Blvd. (Houston West)	Houston	\$ 36,018,192	112,133	8,749	35,674	156,556	82%	3,000	12
S. State Hwy 121 Business (Lewisville)*	Dallas	\$ 34,042,101	108,687	9,316	59,333	177,336	88%	2,000	8
Midway**	Dallas	\$ 6,387,262	9,782			9,782	100%		1
E. Ben White Blvd. (Austin 1)*	Austin	\$ 5,908,064	16,223	21,376	7,516	45,115	93%		5
Metropolis Drive (Austin 2)*	Austin	\$ 1,820,760	40,855	4,128	18,563	63,546	9%		10
Frankford Road (Carrollton)	Dallas	\$ 1,068,981	47,366	24,330	36,522	108,218	11%	518,000	10
North Fwy (Greenspoint)**	Houston	\$ 1,038,086	13,000	1,449		14,449	100%		1
Marsh Ln.**	Dallas	\$ 1,028,758	2,245			2,245	100%		1
Bryan St.**	Dallas	\$ 993,646	3,020			3,020	58%		1
Westover Hills Blvd. (San Antonio)	San Antonio	\$ 964,983	35,765	172	25,777	61,714	17%	35,000	10
South Ellis Street (Phoenix)	Arizona	\$	36,222		20,916	57,138	0%	45,000	10
South Total		\$ 133,257,577	488,767	86,767	227,503	803,037	62%	603,000	83
Midwest									
West Seventh Street (7th St.)***	Cincinnati	\$ 31,494,515	208,918	5,744	161,023	375,685	96%	52,000	13
Fujitec Drive (Lebanon)	Cincinnati	\$ 17,281,558	60,556	32,484	44,506	137,546	81%	90,000	12
Industrial Road (Florence)*	Cincinnati	\$ 14,564,657	52,698	46,848	40,374	139,920	94%		10
Knightsbridge Drive (Hamilton)*	Cincinnati	\$ 9,562,185	46,565	1,077	35,336	82,978	90%		5
Parkway (Mason)	Cincinnati	\$ 5,891,008	34,072	26,458	17,193	77,723	99%		3
Springer Street (Lombard)*	Chicago	\$ 2,146,900	13,560	4,115	12,231	29,906	54%	29,000	3
E. Monroe Street (Monroe St.)	South Bend	\$ 1,363,289	6,350		6,478	12,828	81%	4,000	1
Goldcoast Drive (Goldcoast)	Cincinnati	\$ 1,390,140	2,728	5,280	16,481	24,489	100%	14,000	1
Crescent Circle (Blackthorn)*	South Bend	\$ 851,544	3,368		5,125	8,493	47%	11,000	1
McAuley Place (Blue Ash)*	Cincinnati	\$ 533,866	6,193	6,950	2,166	15,309	71%		1
Midwest Total		\$ 85,079,662	435,008	128,956	340,913	904,877	91%	200,000	50
International									
Kestral Way (London)**	London	\$ 1,325,128	5,000			5,000	78%		1
Jurong East (Singapore)**	Singapore	\$ 303,601	3,200			3,200	12%		1
International Total		\$ 1,628,729	8,200			8,200	52%		2
Total		\$ 219,965,968	931,975	215,723	568,416	1,716,114	76%	803,000	135

Table of Contents

- * Indicates properties in which we hold a leasehold interest in the building shell and land. All data center infrastructure has been constructed by us and owned by us.
- ** Indicates properties in which we hold a leasehold interest in the building shell, land, and all data center infrastructure.
- *** The information provided for West Seventh Street (7th St.) property includes data for two facilities, one of which we lease and one of which we own.
- (a) Represents the total square feet of a building under lease or available for lease based on engineers' drawings and estimates but does not include space held for development or space used by us.
- (b) Represents monthly contractual rent (defined as cash rent including customer reimbursements for metered power) under existing customer leases as of December 31, 2012, multiplied by 12. For the month of December 31, 2012, customer reimbursements were \$20.8 million annualized and consisted of reimbursements by customers across all facilities with separately metered power. Customer reimbursements under leases with separately metered power vary from month-to-month based on factors such as our customers' utilization of power and the suppliers' pricing of power. From January 1, 2011 through December 31, 2012, customer reimbursements under leases with separately metered power constituted between 7.2% and 9.7% of annualized rent. After giving effect to abatements, free rent and other straight-line adjustments, our annualized effective rent as of December 31, 2012 was \$231,232,980. Our annualized effective rent was greater than our annualized rent as of December 31, 2012 because our positive straight-line and other adjustments and amortization of deferred revenue exceeded our negative straight-line adjustments due to factors such as the timing of contractual rent escalations and customer prepayments for services.
- (c) CSF represents the NRSF at an operating facility that is currently leased or readily available for lease as colocation space, where customers locate their servers and other IT equipment.
- (d) Represents the NRSF at an operating facility that is currently leased or readily available for lease as space other than CSF, which is typically office and other space.
- (e) Represents infrastructure support space, including mechanical, telecommunications and utility rooms, as well as building common areas.
- (f) Represents the NRSF at an operating facility that is currently leased or readily available for lease. This excludes existing vacant space held for development.
- (g) Percent leased is determined based on NRSF being billed to customers under signed leases as of December 31, 2012 divided by total NRSF. Leases signed but not commenced as of December 31, 2012 are not included. Supporting infrastructure has been allocated to leased NRSF on a proportionate basis for purposes of this calculation.
- (h) Represents space that is under roof that could be developed in the future for operating NRSF, rounded to the nearest 1,000.
- (i) Represents installed power capacity that can be delivered to the facility by the local utility provider. Does not sum to total due to rounding.

(Square feet rounded to nearest 1,000; dollars in millions)

Facilities	NRSF Under Development ^(a)						Under Development Costs ^(b)		
	Metropolitan Area	Colocation Space (CSF)	Office & Other	Under Development			Actual to Date	Estimated Costs to Completion	Total
				Supporting Infrastructure	Powered Shell ^(c)	Total			
South Ellis Street (Phoenix)	Arizona		21,000		60,000	81,000	\$ 10	\$ 3	\$ 13
Westway Park Blvd. (Houston West)	Houston	42,000	30,000	42,000	43,000	157,000	\$ 9	\$ 22	\$ 31
Total		42,000	51,000	42,000	103,000	238,000	\$ 19	\$ 25	\$ 44

- (a) Represents NRSF at a facility for which substantial activities have commenced to prepare the space for its intended use.
- (b) Represents management's estimate of the total costs required to complete the current NRSF under development. There may be an increase in costs if customers require greater power density.
- (c) Represents NRSF under construction that, upon completion, will be powered shell available for future development into operating NRSF.

Our Competitive Strengths

We believe the following competitive strengths distinguish us from other data center operators and will enable us to continue to grow our operations.

High Quality Customer Base. The high quality of our assets combined with our reputation for serving the needs of large enterprises has enabled us to focus on the Fortune 1000 to build a quality customer base. We currently have over 500 customers from a broad spectrum of industries, with a particular expertise serving the

Table of Contents

energy industry, which comprises 37% of our annualized rent as of December 31, 2012. As of December 31, 2012, we have nine of the Fortune 20 and 115 of the Fortune 1000 or private or foreign enterprises of equivalent size as customers, including five of the six supermajor oil and gas companies. Our revenue is generated by a stable enterprise customer base, as evidenced by the following as of December 31, 2012:

76% of our annualized rent comes from the Fortune 1000 or private or foreign enterprises of equivalent size.

57% of our annualized rent comes from investment grade companies or their affiliates, based on the parent company's corporate credit rating by Standard & Poor's Ratings Services (S&P).

39% of our annualized rent comes from the Fortune 100 or private or foreign enterprises of equivalent size.

As of December 31, 2012, CBI represented 9% of our annualized rent under contracts, which is largely comprised of two customers to whom we provide services through contracts entered into between those customers and Cincinnati Bell Technology Solutions Inc., a subsidiary of CBI (CBTS). Customer consent is required in order to assign those contracts to us, and while we expect those contracts to be assigned to us, such consent has not yet been obtained. Excluding these customers, CBI represented 3% of our annualized rent as of December 31, 2012. As of December 31, 2012, no single other customer represented more than 8% of our annualized rent, and our top 10 customers (including CBI) represented 45% of our annualized rent.

Strategically Located Portfolio. Our portfolio is located in several domestic and international markets possessing attractive characteristics for enterprise-focused data center operations. We have domestic properties in five of the top 10 largest U.S. cities by population (Chicago, Dallas, Houston, Phoenix and San Antonio), according to the U.S. Census Bureau, and four of the top 10 cities for Fortune 500 headquarters (Chicago, Cincinnati, Dallas and Houston), according to *Forbes*. We believe cities with large populations or a large number of corporate headquarters are likely to produce incremental demand for IT infrastructure. In addition, being located close to our current and potential customers provides chief information officers (CIOs) with additional confidence when outsourcing their data center infrastructure to us.

Modern, High Quality Facilities. Our portfolio includes highly efficient, reliable facilities with advanced cooling capabilities and the security systems necessary to provide an environment suitable for some of our clients' most vital technology infrastructure. To optimize the delivery of power, our properties include modern engineering technologies designed to minimize unnecessary power usage and, in our newest facilities, we are able to provide power utilization efficiency ratios we believe to be among the best in the multi-customer data center industry. In our newest facilities, we take a Massively ModularSM approach to site selection, design and construction such that we are able to deliver a range of power densities to our customers within a single facility. Our Massively ModularSM design principles allow us to efficiently stage construction on a large scale and deliver colocation square feet (CSF) in a timeframe that we believe is one of the best in the industry. We acquire or build a large powered shell capable of scaling with our customers' power and colocation space needs.

The powered shell can be acquired or constructed for a relatively inexpensive capital cost. Once the building shell is ready, we can build individual data center halls in portions of the building space to meet the needs of customers on a modular basis. This modular data center hall construction can be completed in less than 16 weeks to meet our customers' immediate needs. This short construction timeframe ensures a very high utilization of the assets and minimizes the time between our capital investment and the receipt of customer revenue, favorably impacting our return on investment while also translating into lower costs for our customers. Our design principles also allow us to add incremental equipment to increase power densities as our customers' power needs increase, which provides our customers with a significant amount of flexibility to manage their IT demands. We believe this Massively ModularSM approach allows us to respond to rapidly evolving customer needs, to commit capital toward the highest return projects and to develop state-of-the-art data center facilities.

Table of Contents

Significant Leasing Capability and Low Recurring Rent Churn. Our focus on the customer, our ability to scale with its needs, and our operational excellence provides us with two key benefits: embedded future growth from our customer base and low recurring rent churn. Our total annualized rent increased by approximately 20%, and our existing customer base provided approximately 65% of such increase, between December 31, 2011 and December 31, 2012. Since December 31, 2011, we have increased net rentable square feet (NRSF) by 22%, while maintaining a high percentage of NRSF leased of 76% at December 31, 2012.

Our management team focuses on minimizing recurring rent churn. We define recurring rent churn as any reduction in recurring rent due to customer terminations, net pricing reductions or service reductions as a percentage of the annualized rent at the beginning of the applicable period, excluding any impact from metered power reimbursements. For 2012, our recurring rent churn was 4.6%, which includes the termination of one lease for legacy data center space that had been utilized for over 20 years. The legacy data center space has been decommissioned and is expected to be developed into data center space that we believe will generate higher amounts of revenue than the prior lease. Excluding this lease, the recurring rent churn for 2012 would have been 3.6%. In 2011, we experienced a recurring rent churn of 3%, approximately half of which was attributable to customers that ceased using our facilities.

Significant, Attractive Expansion Opportunities. Our current development properties and available acreage were selected based on extensive site selection criteria and the collective industry knowledge and experience of our management team. As a result, we believe that our development portfolio contains properties that are located in markets with attractive supply and demand conditions and that possess suitable physical characteristics to support data center infrastructure. In addition to our operating NRSF of approximately 1,716,000 as of December 31, 2012, we were developing vacant properties and new facilities to create approximately 238,000 NRSF under construction, 803,000 NRSF of powered shell available for future development, and approximately 140 acres of land that are available for future data center facility development.

Differentiated Reputation for Service. We believe that the decision CIOs make to outsource their data center infrastructure has material implications for their businesses, and, as such, CIOs look to third-party data center providers that have a reputation for serving similar organizations and that are able to deliver a customized solution. We take a consultative approach to understanding the unique requirements of our customers, and our design principles allow us to deliver robust flexibility in the scale, power and location of our data center infrastructure. We believe that this approach has helped fuel our growth. Our current customers are also often the source of new contracts, with referrals being an important source of new customers.

Experienced Management Team. Our management team is comprised of individuals drawing on diverse knowledge and skill sets acquired through extensive experiences in the real estate, telecommunications and mission-critical infrastructure industries. In the aggregate, CyrusOne's executive management team of seven individuals has an average of approximately fifteen years of experience in the data center and communications industries.

Business and Growth Strategies

Our objective is to grow our revenue and earnings by continuing to expand our data center infrastructure outsourcing business.

Increasing Revenue from Existing Customers and Properties. We have historically generated a significant portion of our revenue growth from our existing customers. Our total annualized rent increased by approximately 20%, and our existing customer base provided approximately 65% of such increase, between December 31, 2011 and December 31, 2012. We plan to continue to target our existing customers, because we believe that many have significant data center infrastructure that has not yet been outsourced, and many will require additional data center space to support their growth and their increasing reliance on technology infrastructure in their operations.

Table of Contents

To address new demand, as of December 31, 2012, we have approximately 413,000 NRSF available for lease, 238,000 NRSF under development and 803,000 NRSF of additional powered shell available for future development. Our portfolio also contains approximately 140 acres of land that are available for future data center facility development.

Attracting and Retaining New Customers. Increasingly, enterprises are beginning to recognize the complexities of managing data center infrastructure in the midst of rapid technological development and innovation. We believe that these complexities, brought about by the rapidly increasing levels of Internet traffic and data, obsolete existing corporate data center infrastructure, increased power and cooling requirements and increased regulatory requirements, are driving the need for companies to outsource their data center facility requirements. Consequently, this will significantly increase the percentage of companies that use third-party data center colocation services over the next several years. We believe that our high quality assets and reputation for serving large enterprises have been, and will be, key differentiators for us in attracting customers that are outsourcing their data center infrastructure needs. Since 2010, we have signed more than 100 new customers, many of whom were outsourcing data center infrastructure for the first time. We have historically managed our sales process through a direct-to-the-customer model but have recently begun utilizing third-party leasing agents to expand our universe of potential new customers. Regardless of how a potential customer lead is generated, every opportunity undergoes a rigorous review process designed to maximize cash flow generation and customer retention. Additionally, throughout the life cycle of a customer's interaction with us, we maintain a disciplined approach to monitoring their experience, with the goal of providing the highest level of customer service. We plan to continue to pursue large enterprise customers by leveraging our relationships and reputation, and by developing our existing pipeline of inventory to meet their needs.

Expanding into New Domestic and International Markets. Our expansion strategy focuses on developing new data centers in markets where our customers are located and in markets where our customers want to be located. We regularly meet with our customers to understand their business strategies and potential data center needs. We also conduct extensive analysis to ensure an identified market displays strong data center fundamentals, independent of the demand presented by any particular customer. We believe that this approach significantly reduces the risk associated with expansion into new markets because it provides strong visibility into our anticipated cash flow and helps to ensure targeted returns on new developments. Our strategy for entering a new market will vary based on in-place real estate and data center infrastructure and could include greenfield construction projects as well as acquisitions.

Growing Interconnection Business. Our customers are increasingly seeking to connect to one another via private peering, cross connects and/or public switching environments. Interconnection allows our customers to share information and conduct commerce in a highly efficient manner not requiring a third-party intermediary and at a fraction of the cost normally required to establish such a connection between two enterprises. The demand for interconnection creates additional rental and revenue growth opportunities for us, and we believe that customer interconnections increase our likelihood of customer retention by providing an environment not easily replicated by competitors. Interconnections are made possible by our customers' common location in our facilities and our provisioning of the infrastructure necessary to interconnect within our facilities, and, as a result, we believe that it would require significant coordination and capital for our customers to move their interconnection to a different location. Since many of our facilities currently have the infrastructure necessary to provide interconnection, we plan to market this capability to our existing customers, and we will incorporate interconnection into our current and future developments. We anticipate implementing interconnection infrastructure in our existing facilities that do not currently have it. Compared to the capital required to build a data center, the capital required for interconnection is minimal, which we believe creates the potential to create attractive capital returns. We act as the trusted neutral party that enterprises, carriers and content companies utilize to connect to each other. We believe that the reputation and industry relationships of our executive management team place us in an ongoing trusted provider role.

Table of Contents

Selectively Pursuing Property Acquisition Opportunities. We intend to seek opportunities to acquire existing or potential data center properties in key strategic markets. In addition, we currently lease certain of our data center properties and, to the extent economically attractive, we may opportunistically seek to purchase those properties. We take a disciplined approach in evaluating potential business, property and site acquisitions, including expected demand from existing and new customers, the current competitive environment, a site's geographic attributes, availability of telecommunications providers, access to power, expected costs for development and potential barriers to entry for other third-party data center providers.

Our principal executive offices are located at 1649 West Frankford Road, Carrollton, TX 75007. Our telephone number is (972) 350-0060.

Structure and Formation of Our Company

Our business is comprised of the historical data center activities and holdings of CBI. CBI has operated its Cincinnati-based data center business for over 10 years; in addition, it acquired GramTel, a data center operator in South Bend, Indiana and Chicago, Illinois, for approximately \$20 million in December 2007; and it acquired Cyrus Networks, a data center operator based in Texas, for approximately \$526 million, net of cash acquired, in June 2010.

On November 20, 2012, certain subsidiaries of CBI contributed certain assets and operations including assets and operations acquired through the GramTel and Cyrus Networks acquisitions to the operating partnership. The transactions described below were designed to consolidate the ownership of a portfolio of properties owned by CBI into the operating partnership enabling CyrusOne to raise the necessary capital to repay indebtedness owed to CBI and enabling CyrusOne to qualify as a REIT for U.S. federal income tax purposes commencing with its taxable year ending December 31, 2013. Pursuant to the formation transactions:

CyrusOne Inc. was formed as a Maryland corporation on July 31, 2012.

The operating partnership, and co-issuer of the Notes, CyrusOne LP, was formed as a Maryland limited partnership on July 31, 2012.

CyrusOne GP, the general partner of the operating partnership, was formed as a Maryland statutory trust on July 31, 2012.

CyrusOne Finance Corp., the co-issuer of the Notes was formed as a Maryland corporation on October 31, 2012.

On November 20, 2012, the operating partnership, together with CyrusOne Finance Corp. issued the Original Notes, from which net proceeds received were approximately \$512 million. On November 20, 2012, the operating partnership also entered into a \$225 million revolving credit facility that is secured by substantially all of our assets.

On November 20, 2012, the operating partnership received a contribution of direct and indirect interests in a portfolio of properties owned by CBI and certain of its subsidiaries in exchange for operating partnership units, as adjusted to reflect a unit split immediately prior to the completion of CyrusOne's initial public offering. Certain of the properties were directly contributed to CyrusOne LP and certain properties were contributed through the contribution of the equity interests of the entity that directly owned those properties.

The operating partnership used the net proceeds of the issuance of the Original Notes to repay approximately \$480 million of indebtedness owed to CBI.

On various dates throughout 2012, we entered into transition services, registration rights and other commercial agreements with CBI and certain of its subsidiaries. See Management's Discussion and Analysis of Financial Condition and Results of Operations Related

Party Transactions .

8

Table of Contents

As of December 31, 2012, we had a total combined indebtedness, including capital lease obligations, of approximately \$557 million and other financing arrangements of approximately \$61 million, and the ability to incur an additional \$225 million of indebtedness through the availability under our revolving credit facility.

As of May 1, 2013, CBI owned 8.5% of CyrusOne's outstanding shares of common stock and 66.1% of the outstanding operating partnership units, which, if exchanged for CyrusOne common stock, would represent an additional approximately 60.4% interest in CyrusOne common stock.

As of May 1, 2013, CyrusOne's directors, executive officers, and employees owned shares of restricted stock representing approximately 5.1% of CyrusOne's outstanding shares of common stock, or 1.7% of the total operating partnership units and shares of common stock.

All the properties and other interests transferred to the operating partnership were contributed by wholly-owned subsidiaries of CBI. Because both the operating partnership and the subsidiaries of CBI that contributed the properties comprising our portfolio (the Contributors) were under the common control of CBI up to the completion of CyrusOne's initial public offering and were under common control at the time of the formation transactions, the transfer of assets and liabilities of each of these entities was accounted for at historical cost in a manner similar to a pooling of interests.

CyrusOne's Initial Public Offering

On January 24, 2013, CyrusOne completed the initial public offering of its common stock, issuing approximately 19.0 million shares for \$337.1 million, net of underwriters' discount. On the same date, CyrusOne purchased approximately 19.0 million of the operating partnership's operating partnership units. In addition, CBI exchanged approximately 1.5 million of CyrusOne LP's partnership units for CyrusOne common stock, and CBI was issued 0.4 million of CyrusOne's shares of common stock as repayment for transaction costs paid by CBI in connection with CyrusOne's initial public offering. CyrusOne also issued approximately 1.0 million of its common shares to directors and employees. Vesting of these shares is contingent upon completion of service. Following the completion of these transactions, CyrusOne and CyrusOne GP held a combined 33.9% interest in the operating partnership, with the remaining 66.1% interest held by CBI.

Table of Contents

The following diagram depicts our ownership structure as of May 1, 2013:

- 1 Includes CyrusOne LLC and CyrusOne Foreign Holdings LLC.

10

Table of Contents

Summary of the Terms of the Exchange Offer

Background

On November 20, 2012, we completed a private placement of \$525,000,000 of our 6.375% Senior Notes due 2022. In connection with this private placement, we entered into a registration rights agreement in which we agreed, among other things, to complete this Exchange Offer.

The Exchange Offer

We are offering to exchange the unregistered Original Notes for a like principal amount of 6.375% Senior Notes due 2022, which have been registered under the Securities Act. The Original Notes may only be tendered in an amount equal to \$2,000 in principal amount or in integral multiples of \$1,000 in excess thereof. See The Exchange Offer Terms of the Exchange Offer.

In order to exchange the Original Notes, you must follow the required procedures, and we must accept the Original Notes for exchange. We will exchange all Original Notes validly tendered and not validly withdrawn prior to the expiration date. See The Exchange Offer.

Resale of Exchange Notes

Based on interpretations of the SEC staff, as described in previous no-action letters, we believe that Exchange Notes issued pursuant to the Exchange Offer in exchange for Original Notes may be offered for resale, resold and otherwise transferred without compliance with the registration and prospectus delivery provisions of the Securities Act, provided that:

you are acquiring the Exchange Notes issued in this offer in the ordinary course of your business;

you have not engaged in, do not intend to engage in, and have no arrangement or understanding with any person to participate in a distribution, (within the meaning of the Securities Act) of the Exchange Notes to be issued in the Exchange Offer; and

you are not an affiliate of ours, as defined in Rule 405 of the Securities Act.

By tendering your Original Notes as described in The Exchange Offer Procedures for Tendering, you will be making representations to this effect. If you fail to satisfy any of these conditions, you cannot rely on the position of the SEC set forth in the no-action letters referred to above and you must comply with the registration and prospectus delivery requirements of the Securities Act in connection with a resale of the Exchange Notes.

We base our belief on interpretations by the SEC staff in no-action letters issued to other issuers in exchange offers like ours. We cannot guarantee that the SEC would make a similar decision about our Exchange Offer. If our belief is wrong, you could incur liability under the Securities Act. We will not protect you against any loss incurred as a result of this liability under the Securities Act.

Table of Contents

Each broker-dealer that receives Exchange Notes for its own account in exchange for Original Notes, where such Original Notes were acquired by such broker-dealer as a result of market-making activities or other trading activities, must acknowledge that it will deliver a prospectus meeting the requirements of the Securities Act in connection with any offer to resell, resale or other transfer of Exchange Notes in the Exchange Offer. See Plan of Distribution.

Consequences if You Do Not Exchange Your Original Notes

Original Notes that are not tendered in the Exchange Offer or are not accepted for exchange will continue to bear legends restricting their transfer. You will not be able to offer or sell such Original Notes unless you are able to rely on an exemption from the requirements of the Securities Act or the Original Notes are registered under the Securities Act.

After the Exchange Offer is completed, we will no longer have an obligation to register the Original Notes, except under limited circumstances. To the extent that Original Notes are tendered and accepted in the Exchange Offer, the market for any remaining Original Notes will be adversely affected. See Risk Factors Risks Relating to the Notes and the Exchange Offer If you fail to exchange your Original Notes, they will continue to be restricted securities and may become less liquid.

Expiration Date

The Exchange Offer expires at 5:00 p.m., New York City time, on _____, 2013, unless we extend such Exchange Offer. See The Exchange Offer Expiration Date; Extensions; Amendments.

Issuance of Exchange Notes

We will issue Exchange Notes in exchange for Original Notes tendered and accepted in the Exchange Offer promptly following the expiration date (unless amended as described in this prospectus). See The Exchange Offer Terms of the Exchange Offer.

Conditions to the Exchange Offer

The Exchange Offer is subject to certain customary conditions, which we may amend or waive. The Exchange Offer is not conditioned upon any minimum principal amount of outstanding Original Notes being tendered. See The Exchange Offer Conditions to the Exchange Offer.

Procedures for Tendering Original Notes

To participate in the Exchange Offer, you must (i) complete, sign and date the accompanying letter of transmittal, or a facsimile copy of such letter, in accordance with its instructions and the instructions of this prospectus, and (ii) mail or otherwise deliver the executed letter of transmittal, together with the Original Notes and any other required documentation to the exchange agent at the address set forth in the letter of transmittal. If you are a broker, dealer, commercial bank, trust company or other nominee and you hold Original Notes through the Depository Trust Company (DTC), and wish to accept this offer, you must do so pursuant to DTC s automated tender offer program. See The Exchange Offer Procedures for Tendering.

Table of Contents

Special Procedures for Beneficial Holders

If you beneficially own Original Notes which are registered in the name of a broker, dealer, commercial bank, trust company or other nominee and you wish to tender in the Exchange Offer, you should contact the registered holder promptly and instruct such person to tender on your behalf. If you wish to tender in this offer on your own behalf, you must, prior to completing and executing the letter of transmittal and delivering your Original Notes, either arrange to have the Original Notes registered in your name or obtain a properly completed bond power from the registered holder. The transfer of registered ownership may take a considerable amount of time. See The Exchange Offer Procedures for Tendering.

Withdrawal Rights

You may withdraw your tender of Original Notes at any time before the expiration date for this offer. See The Exchange Offer Withdrawal of Tenders.

Regulatory Requirements

We do not believe that the receipt of any material federal or state regulatory approval will be necessary in connection with either Exchange Offer, other than the notice of effectiveness under the Securities Act of the registration statement pursuant to which the Exchange Offer is being made.

Accounting Treatment

We will not recognize any gain or loss for accounting purposes upon the completion of the Exchange Offer. The expenses of the Exchange Offer that we pay will increase our deferred financing costs in accordance with accounting principles generally accepted in the United States (GAAP). See The Exchange Offer Accounting Treatment.

Federal Income Tax Consequences

The exchange of Original Notes for Exchange Notes pursuant to the Exchange Offer generally will not be a taxable event for U.S. federal income tax purposes. See Material United States Federal Income Tax Considerations.

Use of Proceeds

We will not receive any cash proceeds from the exchange or issuance of Exchange Notes in connection with the Exchange Offer.

Exchange Agent

Wells Fargo Bank, N.A. is serving as exchange agent in connection with the Exchange Offer. The address and telephone number of the Exchange Agent are set forth under The Exchange Offer Exchange Agent. Wells Fargo Bank, N.A. is also the trustee under the indenture governing the Notes.

Table of Contents

Summary of the Terms of the Exchange Notes

Unless specifically indicated, the summary below describes the principal terms of the Notes (including the Exchange Notes). This summary is not intended to be complete. For a more complete understanding of the Notes, please refer to the section entitled "Description of the Notes" in this prospectus. Other than the restrictions on transfer, registration rights and special interest provisions, the Exchange Notes will have the same financial terms and covenants as the Original Notes, which are summarized as follows:

Issuers	CyrusOne LP and CyrusOne Finance Corp.
Notes Offered	\$525,000,000 in aggregate principal amount of 6.375% Senior Notes due 2022.
Maturity Date	November 15, 2022.
Interest	The Notes bear interest at a rate of 6.375% per year, payable semi-annually in cash in arrears on May 15 and November 15 of each year, beginning on May 15, 2013.
Guarantees	The Notes are fully, jointly and severally and unconditionally guaranteed on a senior basis by CyrusOne Inc., the sole beneficial owner and sole trustee of CyrusOne GP, which is the sole general partner of CyrusOne LP, CyrusOne GP and all of CyrusOne LP's existing domestic subsidiaries. Each of the guarantors under the Notes also guarantees our revolving credit facility. Each domestic subsidiary that guarantees indebtedness of CyrusOne LP or any guarantor in the future will also guarantee the Notes. Domestic subsidiaries include CyrusOne LLC, CyrusOne TRS Inc. and CyrusOne Foreign Holdings LLC.
Ranking	<p>The Exchange Notes will be:</p> <ul style="list-style-type: none"> senior unsecured obligations of the issuers; <i>pari passu</i> in right of payment with any existing and future unsecured senior indebtedness of the issuers; senior in right of payment to any future subordinated indebtedness of the issuers, if any; effectively subordinated in right of payment to all existing and future secured indebtedness of the issuers, including indebtedness under the revolving credit facility, to the extent of the value of the collateral securing such indebtedness; and structurally subordinated in right of payment to all indebtedness and other liabilities, including trade payables, of the operating partnership's non-guarantor subsidiaries.

Each guarantee of the Exchange Notes will be:

a senior unsecured obligation of such guarantor;

pari passu in right of payment with any senior unsecured indebtedness of such guarantor;

senior in right of payment to any future subordinated indebtedness of such guarantor, if any; and

Table of Contents

effectively subordinated in right of payment to all secured indebtedness of such guarantor, including such guarantor's guarantee, if any, of the operating partnership's obligations under the revolving credit facility, to the extent of the value of the collateral securing that indebtedness.

As of December 31, 2012, we had no debt outstanding, other than the Original Notes, approximately \$32.2 million of capital leases and \$60.8 million of other financing arrangements.

The non-guarantor subsidiaries generated less than 1% of our combined revenues for the year ended December 31, 2012, and held approximately 3.3% of our combined assets and approximately 5.6% of our combined liabilities as of December 31, 2012.

Optional Redemption

Prior to November 15, 2017, we may redeem the Notes, in whole or in part, at any time at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to the redemption date, plus the applicable make-whole premium set forth in this prospectus. We may redeem the Notes, in whole or in part, at any time on or after November 15, 2017, at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest to the redemption date, plus a premium declining over time as set forth in this prospectus. In addition, at any time on or prior to November 15, 2015, we may redeem up to 35% of the aggregate principal amount of the Notes with the proceeds of certain equity offerings, as described in this prospectus. See Description of the Notes Optional Redemption.

Change of Control

If a Change of Control occurs, Noteholders may require us to repurchase all or part of their Notes at 101% of the principal amount of the Notes, plus accrued and unpaid interest to the repurchase date. The term Change of Control is defined under Description of the Notes Certain Definitions.

Certain Covenants

The indenture governing the Notes contains covenants that, among other things, limit the operating partnership's ability and the ability of its restricted subsidiaries to:

incur secured or unsecured indebtedness;

pay dividends or distributions on its equity interests, or redeem or repurchase equity interests of CyrusOne or CyrusOne LP;

make certain investments or other restricted payments;

enter into transactions with affiliates;

enter into agreements limiting the ability of CyrusOne LP's restricted subsidiaries to pay dividends or make certain transfers and other payments to CyrusOne LP or to other restricted subsidiaries;

Table of Contents

sell assets; and

merge, consolidate or transfer all or substantially all of their assets.

CyrusOne LP and its restricted subsidiaries are also required to maintain total unencumbered assets of at least 150% of their unsecured debt on a consolidated basis.

These covenants contain important exceptions, limitations and qualifications. For so long as the Notes are rated investment grade by each of Moody's Investors Service, Inc. (Moody's) and S&P, certain covenants will be suspended with respect to the Notes and the subsidiary guarantees will be released. For more details, see Description of the Notes.

Activities of CyrusOne, CyrusOne GP and CyrusOne Finance Corp.

The indenture governing the Notes requires the activities of CyrusOne, CyrusOne GP and CyrusOne Finance Corp. to be restricted. See Description of the Notes Covenants Limitation on Activities of Holdings and CyrusOne GP and Description of the Notes Covenants Limitation on Activities of Finance Corp.

No Public Trading Market

The Exchange Notes will not be listed on any securities exchange or any automated dealer quotation system and there is currently no market for the Exchange Notes. Accordingly, there can be no assurance that a market for the Exchange Notes will develop upon the completion of this offer or, if developed, that such market will be sustained or as to the liquidity of any market.

Risk Factors

Please see Risk Factors beginning on page 17 for a discussion of certain factors you should consider prior to deciding to participate in the Exchange Offer.

Table of Contents

RISK FACTORS

*In considering whether to participate in this Exchange Offer, you should carefully consider all of the information we have included in this prospectus. In particular, you should carefully consider the Risk Factors described below before making a decision to participate in this Exchange Offer. Any or all of these risks could have a material adverse effect on our businesses, reputation, financial condition, results of operations and cash flows, the trading price of the Notes and on our ability to make payments on the Notes. Some statements in this prospectus, including statements in the following risk factors, constitute forward-looking statements. Please refer to the section entitled *Special Note Regarding Forward-Looking Statements*.*

Risks Related to the Notes and the Exchange Offer

We have significant outstanding indebtedness that involves significant debt service obligations, limits our operational and financial flexibility, exposes us to interest rate fluctuations and exposes us to the risk of default under our debt obligations.

As of December 31, 2012, we had a total combined indebtedness, of \$557.2 million including capital lease obligations of approximately \$32.2 million and other financing arrangements of \$60.8 million. We also had the ability to borrow up to an additional \$225.0 million under the revolving credit facility, subject to satisfying certain financial tests. There are no limits on the amount of indebtedness we may incur other than limits contained in the indenture governing the Notes, our revolving credit facility, future agreements that we may enter into or as may be set forth in any policy limiting the amount of indebtedness we may incur adopted by CyrusOne's board of directors. A substantial level of indebtedness could have adverse consequences for our business, financial condition and results of operations because it could, among other things:

require us to dedicate a substantial portion of our cash flow from operations to make principal and interest payments on our indebtedness, thereby reducing our cash flow available to fund working capital, capital expenditures and other general corporate purposes, including to pay dividends on CyrusOne's common stock as necessary to maintain CyrusOne's qualification as a REIT;

require us to maintain certain debt coverage and other financial ratios at specified levels, thereby reducing our financial flexibility;

make it more difficult for us to satisfy our financial obligations, including borrowings under the revolving credit facility;

increase our vulnerability to general adverse economic and industry conditions;

expose us to increases in interest rates for our variable rate debt;

limit our ability to borrow additional funds on favorable terms or at all to expand our business or ease liquidity constraints;

limit our ability to refinance all or a portion of our indebtedness on or before maturity on the same or more favorable terms or at all;

limit our flexibility in planning for, or reacting to, changes in our business and our industry;

place us at a competitive disadvantage relative to competitors that have less indebtedness;

Edgar Filing: CyrusOne Inc. - Form S-4

increase our risk of property losses as the result of foreclosure actions initiated by lenders in the event we should incur mortgage or other secured debt obligations; and

require us to dispose of one or more of our properties at disadvantageous prices in order to service our indebtedness or to raise funds to pay such indebtedness at maturity.

Table of Contents

Despite our current indebtedness levels, we may still be able to incur substantially more debt, including secured debt. This could exacerbate further the risks associated with our substantial leverage.

We may be able to incur substantial additional indebtedness in the future, including debt under our revolving credit facility and future credit facilities, some or all of which may be secured and therefore would rank effectively senior to the Notes. For example, as of the date hereof we have \$225.0 million of availability under the revolving credit facility. In addition, the indenture governing the Notes does not restrict the incurrence of indebtedness by CyrusOne and restricts, but does not completely prohibit, the operating partnership and its restricted subsidiaries from incurring additional debt. The indenture governing the Notes also allows the operating partnership and its restricted subsidiaries to incur certain secured debt which would be effectively senior to the Notes. In addition, the indenture does not prevent the operating partnership or its restricted subsidiaries from incurring other liabilities that do not constitute indebtedness. See Description of Other Indebtedness. If new debt or other liabilities are added to our current debt levels, the related risks that we now face could intensify.

The Notes and the related guarantees are unsecured and are and will continue to be effectively junior in right of payment to any secured indebtedness of the issuers or the guarantors.

The Notes and the related guarantees are the issuers' and the guarantors' unsecured obligations. The Notes and the guarantees are and will continue to be effectively junior in right of payment to all of the issuers' existing and future secured debt, including our revolving credit facility, and that of the guarantors, including any such guarantors' guarantee of the operating partnership's obligations under our revolving credit facility, to the extent of the value of the assets securing such obligations. As of December 31, 2012, we had no debt outstanding, other than \$525.0 million related to the Original Notes, \$32.2 million of capital leases and \$60.8 million of other financing arrangements. Under the terms of the indenture governing the Notes, subject to satisfaction of certain other requirements, the operating partnership and its restricted subsidiaries may incur additional debt secured by their respective assets. For a discussion of the operating partnership's ability to incur such secured debt, see Description of the Notes' Covenants' Limitation on Indebtedness. Because the Notes are unsecured obligations, your right of repayment may be compromised if:

the issuers or the guarantors enter into bankruptcy, liquidation, reorganization or other winding-up;

there is a default in payment under any of the issuers' or the guarantors' secured debt; or

there is an acceleration of any of the issuers' or the guarantors' secured debt.

If any of these events occurs, the secured lenders could foreclose on the assets of the issuers or the guarantors in which they have been granted a security interest, in each case to your exclusion, even if an event of default exists under the indenture governing the Notes at such time. As a result, upon the occurrence of any of these events, it is possible that there would be no assets remaining from which your claims could be satisfied or, if any assets remained, they might be insufficient to fully satisfy your claims. You may therefore not be fully repaid if the issuers or the guarantors become insolvent or otherwise fail to make payment on the Notes.

The Notes are and will continue to be effectively junior in right of payment to the liabilities of any of the issuers' non-guarantor subsidiaries.

CyrusOne Inc., CyrusOne GP and CyrusOne LP's wholly-owned existing domestic subsidiaries guarantee the Notes and revolving credit facility. In addition, a new domestic subsidiary of the operating partnership will not be required to guarantee the issuers' obligations under the Notes if it does not guarantee any other debt of the operating partnership or any other subsidiary guarantor. The Notes are effectively junior in right of payment to the indebtedness and other liabilities the issuers' non-guarantor subsidiaries. These non-guarantor subsidiaries are separate and distinct legal entities and have no obligation, contingent or otherwise, to pay any amounts due pursuant to the Notes, or to make any funds available therefor, whether by dividends, loans, distributions or other payments. Any right that the issuers or the subsidiary guarantors have to receive any

Table of Contents

assets of any of the non-guarantor subsidiaries upon the bankruptcy, liquidation or reorganization of those subsidiaries, and the consequent rights of holders of Notes to realize proceeds from the sale of any of such non-guarantor subsidiaries' assets, will be effectively subordinated to the claims of such non-guarantor subsidiaries' creditors, including trade creditors, mortgage holders and holders of preferred equity interests of those subsidiaries. Accordingly, in the event of a bankruptcy, liquidation or reorganization or any of our non-guarantor subsidiaries, these non-guarantors subsidiaries will pay the holders of their debts, holders of preferred equity interests and their trade creditors before distributing any of their Notes to us. The non-guarantor subsidiaries generated less than 1% of our combined revenues for the year ended December 31, 2012, and held approximately 3.3% of our combined assets and approximately 5.6% of our combined liabilities as of December 31, 2012.

The agreements governing our indebtedness place restrictions on us, reducing our operational flexibility and creating default risks.

The agreements governing our indebtedness contain covenants that place restrictions on us and our subsidiaries. These covenants restrict, among other things, our and our subsidiaries' ability to:

incur or guarantee additional indebtedness;

pay dividends and make other restricted payments;

incur restrictions on the payment of dividends or other distributions from our restricted subsidiaries;

create or incur certain liens;

make certain investments;

transfer or sell assets;

engage in transactions with affiliates; and

merge or consolidate with other companies or transfer all or substantially all of our assets.

These covenants could impair our ability to grow our business, take advantage of attractive business opportunities or successfully compete. In addition, the indenture governing the Notes and our revolving credit facility require us to maintain specified financial ratios and satisfy financial condition tests. Our ability to comply with these ratios or tests may be affected by events beyond our control, including prevailing economic, financial and industry conditions. A breach of any of these covenants or covenants under any other agreements governing our indebtedness could result in an event of default. Cross-default provisions in our debt agreements could cause an event of default under one debt agreement to trigger an event of default under our other debt agreements. Upon the occurrence of an event of default under any of our debt agreements, the lenders could elect to declare all outstanding debt under such agreements to be immediately due and payable. If we were unable to repay or refinance the accelerated debt, the lenders could proceed against any assets pledged to secure that debt, including foreclosing on or requiring the sale of our data centers, and our assets may not be sufficient to repay such debt in full. For a detailed description of the covenants and restrictions imposed by the documents governing our indebtedness, see "Description of Other Indebtedness" and "Description of the Notes."

The documents that govern our outstanding indebtedness require that we maintain certain financial ratios and, if we fail to do so, we will be in default under the applicable debt instrument, which in turn could trigger defaults under our other debt instruments, which could result in the maturities of all of our debt obligations being accelerated.

Each of our significant debt instruments require that we maintain certain financial ratios. The revolving credit facility provides that the total indebtedness of the operating partnership and its subsidiaries shall not exceed 55% of the value of the assets of the operating partnership and its

Edgar Filing: CyrusOne Inc. - Form S-4

subsidiaries as of the last day of any fiscal quarter through December 31, 2014, and 50% thereafter, determined based on the capitalized value of the

Table of Contents

stabilized properties of the operating partnership and its subsidiaries, the book value of development properties and construction in process on land owned by the operating partnership and its subsidiaries and unrestricted cash and cash equivalents held by the operating partnership and its subsidiaries. The revolving credit facility also requires that the operating partnership maintain a minimum fixed charge coverage ratio of not less than 2.00 to 1.00 and a maximum ratio of secured indebtedness to consolidated EBITDA of 2.50 to 1.00 for any period of four consecutive fiscal quarters ending on or prior to December 31, 2014, and 2.00 to 1.00 thereafter.

In addition, the indenture that governs the Notes requires that the operating partnership and its restricted subsidiaries maintain total unencumbered assets of at least 150% of the aggregate principal amount of all of their outstanding unsecured indebtedness.

If we do not continue to satisfy these covenant ratios, we will be in default under the applicable debt instrument, which in turn would trigger defaults under our other debt instruments, which could result in the maturities of all of our debt obligations being accelerated. These events would have a material adverse effect on our liquidity.

Certain exceptions under the indenture permit the operating partnership and its restricted subsidiaries to make distributions to maintain the REIT status of CyrusOne even when they cannot otherwise make restricted payments under the indenture.

Under the indenture, the operating partnership and its restricted subsidiaries are allowed to make restricted payments only if, at the time they make such a restricted payment, the operating partnership is able to incur at least \$1.00 of indebtedness under certain provisions of the Limitation on Indebtedness covenant, including that the operating partnership has a consolidated EBITDA to consolidated interest expense coverage ratio of at least 2.0 to 1.0 and its indebtedness is not greater than 60% of adjusted total assets. For a more complete discussion of the restricted payment and debt incurrence covenants of the indenture applicable to the Notes, see Description of the Notes Covenants Limitation on Restricted Payments and Description of the Notes Covenants Limitation on Indebtedness.

Even when the operating partnership and its restricted subsidiaries are unable to make restricted payments during a period in which they are unable to incur \$1.00 of indebtedness, so long as no default or event of default under the indenture shall have occurred and be continuing, the indenture permits the operating partnership and its restricted subsidiaries to declare or pay any dividend or make any distribution to their equity holders to fund a dividend or distribution by them, so long as CyrusOne believes in good faith that it qualifies as a REIT under the Internal Revenue Code of 1986, as amended (the Code), and the declaration or payment of any such dividend or the making of any such distribution is necessary either to maintain CyrusOne's status as a REIT under the Code for any calendar year or to enable CyrusOne to avoid payment of any tax for any calendar year that could be avoided by reason of a distribution by CyrusOne to its shareholders, with such distribution to be made as and when determined by CyrusOne, whether during or after the end of the relevant calendar year.

We may not have the ability to raise the funds necessary to finance the change of control offer required by the indenture.

Upon the occurrence of certain change of control events, we will be required to offer to repurchase the Notes offered hereby at 101% of the principal amount thereof, plus accrued and unpaid interest to the date of repurchase. However, it is possible that we will not have sufficient funds at the time of the change of control to make the required repurchase of the Notes, especially if the change of control also constitutes a change of control under our revolving credit facility. Under the revolving credit facility, a change of control will constitute an event of default, which could result in our obligation to repay any outstanding borrowings under the revolving credit facility and repurchase these Notes at the same time. Our failure to repay or repurchase the Notes would constitute an event of default under the indenture.

Table of Contents

The trading prices of the Notes will be directly affected by our credit rating.

The Original Notes and the Exchange Notes will be publicly rated by Moody's, S&P and other independent rating agencies. A security rating is not a recommendation to buy, sell or hold securities. These public debt ratings may affect our ability to raise debt. Any future downgrading of the Notes by Moody's, S&P or another rating agency may affect the cost and terms and conditions of our financings and could adversely affect the value and trading price of the Notes.

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

If a bankruptcy case or lawsuit is initiated by unpaid creditors of any guarantor, the debt represented by the guarantees entered into by the guarantor may be reviewed under the federal bankruptcy law and comparable provisions of state fraudulent transfer laws. Under these laws, a guarantee could be voided, or claims in respect of the guarantee could be subordinated to certain obligations of a guarantor if, among other things, the guarantor, at the time it entered into the guarantee, received less than reasonably equivalent value or fair consideration for entering into the guarantee and was one of the following:

insolvent or rendered insolvent by reason of entering into a guarantee;

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 or contingent liabilities beyond its ability to pay them as they became due. In addition, any payment by a guarantor could be voided and required to be returned to the guarantor or to a fund for the benefit of the guarantor's creditors under those circumstances.

If a guarantee of a subsidiary were voided as a fraudulent conveyance or held unenforceable for any other reason, holders of the Notes would be solely creditors of CyrusOne, the issuers and creditors of the operating partnership's subsidiaries that have validly guaranteed the Notes. The Notes then would be effectively subordinated to all liabilities of the subsidiary whose guarantee was voided.

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, were greater than the fair saleable value of all of its assets;

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

it could not pay its debts or contingent liabilities as they become due.

The indenture requires that future domestic subsidiaries of the operating partnership guarantee the Notes under certain circumstances. These considerations will also apply to those guarantees.

If an active trading market does not develop for the Exchange Notes, the holder may be unable to sell them or to sell them at a price the holder deems sufficient.

The Exchange Notes are a new issue of securities for which there is currently no public trading market. We do not intend to list the Exchange Notes on any national securities exchange or automated quotation system. Accordingly, there can be no assurances that an active market will develop upon completion of the Exchange Offer or, if it develops, that such market will be sustained, or as to the liquidity of any such market. If

an active

Table of Contents

market does not develop or is not sustained, the market price and the liquidity of the Exchange Notes may be adversely affected. In addition, the liquidity of the trading market for the Exchange Notes, if it develops, and the market price quoted for the Exchange Notes, may be adversely affected by changes in the overall market for those securities and by changes in our financial performance or prospects or in the prospects for companies in our industry generally.

Any Original Notes that are not exchanged will continue to be restricted securities and may become less liquid.

Original Notes that are not tendered or that we do not accept for exchange will, following this offer, continue to be restricted securities, and the holder may not offer to sell them except pursuant to an exemption from, or in a transaction not subject to, the Securities Act and applicable state securities laws. We will issue Exchange Notes in exchange for the Original Notes pursuant to this offer only following the satisfaction of the procedures and conditions set forth in The Exchange Offer Procedures for Tendering. Such procedures and conditions include timely receipt by the exchange agent of such Original Notes (or a confirmation of book entry transfer) and of a properly completed and duly executed letter of transmittal (or an agent's message from DTC). Because we anticipate that most holders of Original Notes will elect to exchange their Original Notes, we expect that the liquidity of the market for the Original Notes remaining after the completion of the Exchange Offer will be substantially limited. Any Original Notes tendered and exchanged in this offer will reduce the aggregate principal amount of Original Notes outstanding. Following the Exchange Offer, Original Notes generally will not have any further registration rights, and such Original Notes will continue to be subject to certain transfer restrictions. Accordingly, the liquidity of the market for the Original Notes could be adversely affected.

The ability of a broker-dealer to transfer the Exchange Notes may be restricted.

A broker-dealer that acquired the Original Notes for its own account as a result of market-making activities or other trading activities must comply with the prospectus delivery requirements of the Securities Act in connection with any resale of the Exchange Notes. Our obligation to make this prospectus available to broker-dealers is limited. Consequently, we cannot guarantee that a proper prospectus will be available to broker-dealers wishing to resell their Exchange Notes.

Risks Related to Our Business and Operations

A small number of customers account for a significant portion of our revenue. The loss or significant reduction in business from one or more of our large customers could significantly harm our business, financial condition and results of operations, and impact our ability to service our indebtedness, including the Notes.

We currently depend, and expect to continue to depend, upon a relatively small number of customers for a significant percentage of our revenue. Our top 20 customers collectively accounted for approximately 60% of our total annualized rent as of December 31, 2012. As a result of this customer concentration, our business, financial condition and results of operations, could be adversely affected if we lose one or more of our larger customers, if such customers significantly reduce their business with us or if we choose not to enforce, or to enforce less vigorously, any rights that we may have now or in the future against these significant customers because of our desire to maintain our relationship with them.

A significant percentage of our customer base is also concentrated in industry sectors that may from time to time experience volatility including, in particular, the oil and gas sector. Enterprises in the energy industry comprised approximately 37% of our annualized rent as of December 31, 2012. A downturn in the oil and gas industry could negatively impact the financial condition of one or more of our oil and gas company customers, including several of our larger customers. In an industry downturn, those customers could default on their obligations to us, delay the purchase of new services from us or decline to renew expiring leases, any of which could have an adverse effect on our business, financial condition and results of operations.

Table of Contents

Additionally, if any customer becomes a debtor in a case under the U.S. Bankruptcy Code, applicable bankruptcy laws may limit our ability to terminate our contract with such customer solely because of the bankruptcy or recover any amounts owed to us under our agreements with such customer. In addition, applicable bankruptcy laws could allow the customer to reject and terminate its agreement with us, with limited ability for us to collect the full amount of our damages. Our business, including our revenue and cash available to service our indebtedness, could be adversely affected if any of our significant customers were to become bankrupt or insolvent.

A significant percentage of our customer leases expire each year or are on a month-to-month basis, and most of our leases contain early termination provisions. If leases with our customers are not renewed on the same or more favorable terms or are terminated early by our customers, our business, financial condition and results of operations could be substantially harmed.

Our customers may not renew their leases following expiration. This risk is increased by the significant percentage of our customer leases that expire every year. As of December 31, 2012, leases representing 36%, 14% and 13% of the annualized rent for our portfolio will expire during 2013, 2014 and 2015, respectively, and an additional 8% of the annualized rent for our portfolio was from month-to-month leases. While historically we have retained a significant number of our customers, including those leasing from us on a month-to-month basis, upon expiration our customers may elect not to renew their leases or renew their leases at lower rates, for fewer services or for shorter terms. If we are unable to successfully renew or continue our customer leases on the same or more favorable terms or subsequently re-lease available data center space when such leases expire, our business, financial condition and results of operations could be adversely affected.

In addition, most of our leases contain early termination provisions that allow our customers to reduce the term of their leases subject to payment of an early termination charge that is often a specified portion of the remaining rent payable on such leases. Leases representing approximately 19% of our annualized rent as of December 31, 2012 require payment of less than 50% of the remaining rental payment due on the applicable lease. The exercise by customers of early termination options could have an adverse effect on our business, financial condition and results of operations. See [Business and Properties](#) Lease Expirations.

We generate a substantial portion of our revenue by servicing a limited geographic area, which makes us more susceptible to regional economic downturns.

Our portfolio of properties consists primarily of data centers geographically concentrated in cities in Ohio and Texas. These markets comprised 37% and 61%, respectively, of our annualized rent as of December 31, 2012. As such, we are susceptible to local economic conditions and the supply of, and demand for, data center space in these markets. If there is a downturn in the economy, a natural disaster or an oversupply of, or decrease in demand for, data centers in these markets, our business could be adversely affected to a greater extent than if we owned a real estate portfolio that was more diversified in terms of both geography and industry focus.

Even if we have additional space available for lease at any one of our data centers, our ability to lease this space to existing or new customers could be constrained by our ability to provide sufficient electrical power.

Customers are increasing their use of high-density electrical power equipment in our data centers, which has significantly increased the demand for power. As current and future customers increase their power footprint in our facilities over time, the corresponding reduction in available power could limit our ability to increase occupancy rates or network density within our existing facilities. In addition, our power and cooling systems are difficult and expensive to upgrade. Accordingly, we may not be able to efficiently upgrade or change these systems to meet new demands without incurring significant costs that we may not be able to pass on to our customers.

Table of Contents

We do not own all of the buildings in which our data centers are located. Instead, we lease or sublease certain of our data center spaces and the ability to retain these leases or subleases could be a significant risk to our ongoing operations.

We do not own 14 buildings that account for approximately 600,000 NRSF, or approximately 35% of our total operating NRSF. These leased buildings accounted for 37% of our total annualized rent as of December 31, 2012. Our business could be harmed if we are unable to renew the leases for these data centers on favorable terms or at all. Additionally, in several of our smaller facilities we sublease our space, and our rights under these subleases are dependent on our sublandlord retaining its rights under the prime lease. The weighted average remaining term for such leases and subleases is approximately nine years, or approximately 20 years after giving effect to our contractual renewal rights. When the primary terms of our existing leases expire, we generally have the right to extend the terms of our leases for one or more renewal periods, subject to, in the case of several of our subleases, our sublandlord renewing its term under the prime lease. For four of these leases and subleases, the renewal rent will be determined based on the fair market value of rental rates for the property, and the then prevailing rental rates may be higher than the current rental rates under the applicable lease. The rent for the remaining leases and subleases will be based on a fixed percentage increase over the base rent during the year immediately prior to expiration. Several of our data centers are leased or subleased from other data center companies, which may increase our risk of non-renewal or renewal on less than favorable terms. If renewal rates are less favorable than those we currently have, we may be required to increase revenues within existing data centers to offset such increase in lease payments. Failure to increase revenues to sufficiently offset these projected higher costs would adversely impact our operating income. Upon the end of our renewal options, we would have to renegotiate our lease terms with the applicable landlords. See Business and Properties Facility Leasing Arrangements.

Additionally, if we are unable to renew the lease at any of our data centers, we could lose customers due to the disruptions in their operations caused by the relocation. We could also lose those customers that choose our data centers based on their locations. In addition, it is not typical for us to relocate data center infrastructure equipment, such as generators, power distribution units and cooling units, from their initial installation. The costs of relocating such equipment to a different data centers could be prohibitive and, as such, we could lose the value of this equipment. For these reasons, any lease that cannot be renewed could adversely affect our business, financial condition and results of operations.

Any losses to our properties that are not covered by insurance, or that exceed our policy coverage limits, could adversely affect our business, financial condition and results of operations.

The properties in our portfolio are subject to casualty risks, including from causes related to riots, war, terrorism or acts of God. For example, our properties located in Texas are generally subject to risks related to tropical storms, hurricanes and other severe weather and floods, and our properties located in the Midwest are generally subject to risks related to earthquakes, tornados and other severe weather. While we carry commercial liability, fire, extended coverage, earthquake, business interruption and rental loss insurance covering all of the properties in our portfolio under a blanket policy, the amount of insurance coverage may not be sufficient to fully cover the losses we suffer.

If we experience a loss that is uninsured or that exceeds our policy coverage 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 were subject to recourse indebtedness, we could continue to be liable for the indebtedness even if these properties were irreparably damaged.

In addition, even if damage to our properties is covered by insurance, a disruption of our business caused by a casualty event may result in the loss of business or customers. The business interruption insurance we carry may not fully compensate us for the loss of business or customers due to an interruption caused by a casualty event.

Table of Contents

A disruption in the financial markets may make it more difficult to evaluate the stability, net assets and capitalization of insurance companies and any insurer's ability to meet its claim payment obligations. A failure of an insurance company to make payments to us upon an event of loss covered by an insurance policy could adversely affect our business, financial condition and results of operations.

Our properties may not be adequately covered by title insurance.

We generally intend to seek title insurance policies on material properties of our portfolio, and we are obligated to have title insurance policies in connection with our revolving credit facility. Any title insurance coverage we do obtain may not insure certain properties. We do not intend to increase our title insurance coverage if the market value of our portfolio increases. A failure to obtain title insurance in sufficient amounts could adversely affect our business, financial condition and results of operations.

Any failure of our physical infrastructure or services could lead to significant costs and disruptions that could reduce our revenues and harm our brand and reputation.

Our business depends on providing customers with a highly reliable data center environment. We may fail to provide such service as a result of numerous factors, including:

human error;

unexpected equipment failure;

power loss or telecommunications failures;

improper building maintenance by our landlords in the buildings that we lease;

physical or electronic security breaches;

fire, tropical storm, hurricane, tornado, flood, earthquake and other natural disasters;

water damage;

war, terrorism and any related conflicts or similar events worldwide; and

sabotage and vandalism.

Problems at one or more of our data centers, whether or not within our control, could result in service interruptions or equipment damage. Substantially all of our leases include terms requiring us to meet certain service level commitments primarily in terms of electrical output to, and maintenance of environmental conditions in, the data center raised floor space leased by customers. Any failure to meet these commitments or any equipment damage in our data centers, including as a result of mechanical failure, power outage, human error on our part or other reasons, could subject us to liability under our lease terms, including service level credits against customer rent payments, or, in certain cases of repeated failures, the right by the customer to terminate the lease. For example, although our data center facilities are engineered to reliably power and cool our customers' computing equipment, it is possible that an outage could adversely affect a facility's power and cooling capabilities. Depending on the frequency and duration of these outages, the affected customers may have the right to terminate their lease, which could have a negative impact on our business. We may also be required to expend significant financial resources to protect against physical or cyber

Edgar Filing: CyrusOne Inc. - Form S-4

security breaches that could result in the misappropriation of our proprietary information or the information of our customers. We may not be able to implement security measures in a timely manner or, if and when implemented, these measures might be circumvented. Service interruptions, equipment failures or security breaches may also expose us to additional legal liability and damage our brand and reputation, and could cause our customers to terminate or not renew their leases. In addition, we may be unable to attract new customers if we have a reputation for significant or frequent service disruptions, equipment failures or physical or cyber security breaches in our data centers. Any such failures could adversely affect our business, financial condition and results of operations.

Table of Contents

Our growth depends on the development of our properties and our ability to successfully lease those properties, and any delays or unexpected costs associated with such projects or the ability to lease such properties may harm our growth prospects, future business, financial condition and results of operations.

Our growth depends in part upon successfully developing properties into operating data center space. Current and future development projects will involve substantial planning, allocation of significant company resources and certain risks, including risks related to financing, zoning, regulatory approvals, construction costs and delays. These projects will also require us to carefully select and rely on the experience of one or more general contractors and associated subcontractors during the construction process. Should a general contractor or significant subcontractor experience financial or other problems during the construction process, we could experience significant delays, increased costs to complete the project and other negative impacts to our expected returns.

Site selection is also a critical factor in our expansion plans, and there may not be suitable properties available in our markets at a location that is attractive to our customers and has the necessary combination of access to multiple network providers, a significant supply of electrical power, high ceilings and the ability to sustain heavy floor loading. Furthermore, while we may prefer to locate new data centers adjacent to our existing data centers, we may be limited by the inventory and location of suitable properties.

In addition, in developing new properties, we will be required to secure an adequate supply of power from local utilities, which may include unanticipated costs. For example, we could incur increased costs to develop utility substations on our properties in order to accommodate our power needs. Any inability to secure an appropriate power supply on a timely basis or on acceptable financial terms could adversely affect our ability to develop the property on an economically feasible basis, or at all.

These and other risks could result in delays or increased costs or prevent the completion of our development projects and growth of our business, which could adversely affect our business, financial condition and results of operations.

In addition, we have in the past undertaken development projects prior to obtaining commitments from customers to lease the related data center space. We will likely choose to undertake future development projects under similar terms. Such development involves the risk that we will be unable to attract customers to the relevant properties on a timely basis or at all. If we are unable to attract customers and our properties remain vacant or underutilized for a significant amount of time, our business, financial condition and results of operations could be adversely affected.

We are dependent upon third-party suppliers for power and certain other services, and we are vulnerable to service failures of our third-party suppliers and to price increases by such suppliers.

We rely on third party local utilities to provide power to our data centers. We are therefore subject to an inherent risk that such local utilities may fail to deliver such power in adequate quantities or on a consistent basis, and our recourse against the utility and ability to control such failures may be limited. If power delivered from the local utility is insufficient or interrupted, we would be required to provide power through the operation of our on-site generators, generally at a significantly higher operating cost than we would pay for an equivalent amount of power from the local utility. We may not be able to pass on the higher cost to our customers. In addition, if the generator power were to fail, we would generally be subject to paying service level credits to our customers, who may in certain instances have the right to terminate their leases. Furthermore, any sustained loss of power could reduce the confidence of our customers in our services thereby impairing our ability to attract and retain customers, which would adversely affect both our ability to generate revenues and our results of operations.

In addition, even when power supplies are adequate, we may be subject to pricing risks and unanticipated costs associated with obtaining power from various utility companies. While we actively seek to lock-in utility rates, many factors beyond our control may increase the rate charged by the local utility. For instance, municipal

Table of Contents

utilities in areas experiencing financial distress may increase rates to compensate for financial shortfalls unrelated to either the cost of production or the demand for electricity. Utilities may be dependent on, and be sensitive to price increases for, a particular type of fuel, such as coal, oil or natural gas. In addition, the price of these fuels and the electricity generated from them could increase as a result of proposed legislative measures related to climate change or efforts to regulate carbon emissions. In any of these cases, increases in the cost of power at any of our data centers could put those locations at a competitive disadvantage relative to data centers served by utilities that can provide less expensive power. These pricing risks are particularly acute with respect to our customer leases that are structured on a full-service gross basis, where the customer pays a fixed amount for both colocation rental and power. Our business, financial condition and results of operations could be adversely affected in the event of an increase in utility rates under these leases, which, as of December 31, 2012, accounted for approximately 39% of our leased NRSF, because we may be limited in our ability to pass on such costs to these customers.

We depend on third parties to provide network connectivity to the customers in our data centers, and any delays or disruptions in connectivity may adversely affect our business, financial condition and results of operations.

Our customers require connectivity to the fiber networks of multiple third-party telecommunications carriers. In order for us to attract and retain customers, our data centers need to provide sufficient access for customers to connect to those carriers. While we provide space and facilities in our data centers for carriers to locate their equipment and connect customers to their networks, any carrier may elect not to offer its services within our data centers or may elect to discontinue its service. Furthermore, carriers may periodically experience business difficulties which could affect their ability to provide telecommunications services, or the service provided by a carrier may be inadequate or of poor quality. If carriers were to terminate connectivity wi