

Digital Realty Trust, Inc.
Form 8-K
August 30, 2010

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 30, 2010

DIGITAL REALTY TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-32336
(Commission
File Number)

26-0081711
(I.R.S. Employer
Identification No.)

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560 Mission Street, Suite 2900

San Francisco, California
(Address of principal executive offices)

94105
(Zip Code)

(415) 738-6500

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

- .. Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- .. Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- .. Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- .. Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.02 Unregistered Sales of Equity Securities.

On August 30, 2010, we issued 63,052 restricted shares of our common stock, par value \$0.01 per share, which we refer to as the Shares, and paid an incentive fee equal to \$13,152.59 and accrued and unpaid interest equal to \$3,437.50, in exchange for \$2,000,000 in aggregate principal amount of our operating partnership's 4.125% Exchangeable Senior Debentures due 2026, which we refer to as the 2026 debentures, held by Merrill Lynch, Pierce, Fenner & Smith Incorporated, a Delaware corporation, which we refer to as BAML, pursuant to an exchange agreement, dated August 30, 2010, by and among us, our operating partnership and BAML. The exchange agreement provides that we will exchange in multiple settlements up to \$13,847,000 aggregate principal amount of 2026 debentures held by BAML for up to 436,539 shares of our common stock, an incentive fee payable in cash of up to \$91,061.95 and accrued and unpaid interest on such exchanged 2026 debentures, subject to early termination.

The Shares were issued in a transaction exempt from registration pursuant to Section 4(2) of the Securities Act of 1933, as amended, and Rule 506 of Regulation D promulgated thereunder. The sale of the Shares did not involve a public offering and was made without general solicitation or advertising. BAML represented that, among other things, it was knowledgeable and experienced in financial and business matters so as to be capable of evaluating the merits and risks of investment in the Shares, it was afforded full access to information regarding our business, including reports filed with the Securities and Exchange Commission, it was acquiring the Shares for its own account, it understood that the Shares are subject to restrictions on transfer and it is a qualified institutional buyer within the meaning of Rule 144A under the Securities Act of 1933, as amended.

The issuance of the Shares has not been registered under the Securities Act of 1933, as amended, or any state securities laws, and the Shares may not be offered or sold in the United States absent registration with the Securities and Exchange Commission or an applicable exemption from the registration requirements. Pursuant to the exchange agreement, we have agreed to register the resale of the Shares by BAML. A copy of the exchange agreement is attached as Exhibit 4.1 to this Current Report on Form 8-K.

Item 8.01 Other Events.

On August 30, 2010, we filed a prospectus supplement and related prospectus with the Securities and Exchange Commission pursuant to our shelf registration statement on Form S-3 (File No. 333-158958) registering the resale of the Shares. In connection with the filing of the prospectus supplement, we are filing as Exhibit 5.1 to this Current Report on Form 8-K an opinion of Venable LLP, regarding the validity of the Shares.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit

| Number | Description |
|---------------|--|
| 4.1 | Exchange Agreement, dated August 30, 2010, by and among Digital Realty Trust, Inc., Digital Realty Trust, L.P. and Merrill Lynch, Pierce, Fenner & Smith Incorporated. |
| 5.1 | Opinion of Venable LLP. |
| 23.1 | Consent of Venable LLP (included in Exhibit 5.1). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Digital Realty Trust, Inc.

By: /s/ JOSHUA A. MILLS
Joshua A. Mills
General Counsel and Assistant Secretary

Date: August 30, 2010

EXHIBITS

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