



**Second Quarter 2013  
Supplemental Information**

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# CUBESMART

June 30, 2013

## Equity Research Coverage

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Any opinions, estimates, forecasts or predictions regarding CubeSmart's performance made by these analysts are theirs alone and do not represent opinions, estimates, forecasts or predictions of CubeSmart or its management. CubeSmart does not by its reference above or distribution imply its endorsement of or concurrence with such opinions, estimates, forecasts or predictions.

## Company Information

<b>Corporate Headquarters</b> 460 E. Swedesford Road, Suite 3000 Wayne, PA 19087 610.293.5700	<b>Trading Symbol</b> Common Shares: CUBE <b>Stock Exchange Listing</b> New York Stock Exchange	<b>Investor Relations</b> Daniel Ruble 460 E. Swedesford Road, Suite 3000 Wayne, PA 19087 610.293.5700	<b>Information Requests</b> To request an Investor Relations package or annual report, please visit our website at <a href="http://www.cubesmart.com">www.cubesmart.com</a>
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## Investor Information

	2nd Quarter 2013	1st Quarter 2013	4th Quarter 2012	3rd Quarter 2012	2nd Quarter 2012
<b>Common Shares and Units:</b>					
Share price, high	\$ 17.57	\$ 15.92	\$ 14.67	\$ 13.48	\$ 12.81
Share price, low	\$ 15.48	\$ 14.24	\$ 12.59	\$ 11.69	\$ 10.90
Share price, period end	\$ 15.98	\$ 15.80	\$ 14.57	\$ 12.87	\$ 11.67
Dividends declared per share	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.08	\$ 0.08
Dividend yield, period end	2.75%	2.78%	3.02%	2.49%	2.74%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	134,430	133,208	131,795	127,430	122,685
Closing Operating Partnership units outstanding	2,281	2,281	3,294	4,409	4,409
Total closing Common Shares and Units	136,711	135,489	135,089	131,839	127,094
<b>Preferred Shares (Series A):</b>					
Share price, high	\$ 27.80	\$ 27.25	\$ 27.02	\$ 27.18	\$ 26.39
Share price, low	\$ 25.94	\$ 26.17	\$ 26.05	\$ 26.20	\$ 25.28
Share price, period end	\$ 25.94	\$ 26.95	\$ 26.05	\$ 26.99	\$ 26.31
Dividends declared per share	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
Dividend yield, period end	7.47%	7.19%	7.44%	7.18%	7.36%
Closing Preferred Shares outstanding (in thousands)	3,100	3,100	3,100	3,100	3,100



## Forward Looking Statements

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This presentation, together with other statements and information publicly disseminated by CubeSmart (“we,” “us,” “our” or the “Company”), contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such statements are based on estimates, assumptions and expectations that may not be realized and are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Although we believe the estimates, assumptions and expectations reflected in these forward-looking statements are reasonable, our actual performance may differ materially from the results expressed or implied by the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to: changes in national and local economic, business, real estate and other market conditions which, among other things, reduce demand for self-storage facilities or increase costs of owning and operating self-storage facilities; competition from other self-storage facilities and storage alternatives, which could result in lower occupancy and decreased rents; the execution of our business plan; financing risks, including the risk of over-leverage and the corresponding risk of default on our mortgage and other debt and potential inability to refinance existing indebtedness; increases in interest rates and operating costs; counterparty non-performance related to the use of derivative financial instruments; our ability to maintain our status as a real estate investment trust (“REIT”) for federal income tax purposes; acquisition and development risks, including unanticipated costs associated with the integration and operation of acquisitions; risks of investing through joint ventures, including risks that our joint venture partners may not fulfill their obligations or may pursue actions that are inconsistent with our objectives; changes in real estate and zoning laws or regulations; risks related to natural disasters; potential environmental and other liabilities; and other risks identified in Item 1A of our Annual Report on Form 10-K and, from time to time, in other reports we file with the Securities and Exchange Commission (the “SEC”) or in other documents that we publicly disseminate.

Given these uncertainties, we caution readers not to place undue reliance on forward-looking statements. We undertake no obligation to publicly update or revise these forward-looking statements, whether as a result of new information, future events or otherwise except as may be required by securities laws.

## Non-GAAP Financial Measures

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Funds from operations (FFO) is a widely used performance measure for real estate companies and is provided here as a supplemental measure of operating performance. The Company calculates FFO in accordance with the best practices described in the April 2002 National Policy Bulletin of the National Association of Real Estate Investment Trusts (the “White Paper”). The White Paper, as amended, defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, impairments of depreciable assets, plus depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

Management uses FFO as a key performance indicator in evaluating the operations of the Company’s facilities. Given the nature of its business as a real estate owner and operator, the Company considers FFO a key measure of its operating performance that is not specifically defined by accounting principles generally accepted in the United States. The Company believes that FFO is useful to management and investors as a starting point in measuring its operational performance because it excludes various items included in net income that do not relate to or are not indicative of its operating performance such as gains (or losses) from sales of property, gains on remeasurement of investment in real estate ventures, impairments of depreciable assets, and depreciation, which can make periodic and peer analyses of operating performance more difficult. FFO should not be considered as an alternative to net income (determined in accordance with GAAP) as an indicator of the Company’s financial performance, is not an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company’s liquidity, and is not indicative of funds available to fund the Company’s cash needs, including its ability to make distributions.

FFO, as adjusted represents FFO as defined above, excluding the effects of acquisition related costs, gains or losses from early extinguishment of debt, and other one-time items, which we believe are not indicative of the Company’s operating results.

We define net operating income, which we refer to as “NOI,” as total continuing revenues less continuing property operating expenses. NOI also can be calculated by adding back to net income: interest expense, loan procurement amortization expense, loan procurement amortization expense - early repayment of debt, loss from early extinguishment of debt, acquisition related costs, equity in losses of real estate entities, noncontrolling interest, depreciation and general and administrative expenses, and deducting from net income: gains on sale of self-storage facilities, interest income, gain on remeasurement of investment in real estate ventures, and other. NOI is not a measure of performance calculated in accordance with GAAP.

Management uses NOI as a measure of operating performance at each of our facilities, and for all of our facilities in the aggregate. NOI should not be considered as a substitute for operating income, net income, cash flows provided by operating, investing and financing activities, or other income statement or cash flow statement data prepared in accordance with GAAP.

**CubeSmart Reports Second Quarter 2013 Results; FFO per Share Grows 28%; Same-Store NOI Increases 13.1%; Same-Store Occupancy Ends Quarter at 90%**

WAYNE, PA -- (MARKET WIRE) – August 8, 2013 -- CubeSmart (NYSE: CUBE) today announced its operating results for the three months ended June 30, 2013.

CubeSmart Chief Executive Officer Dean Jernigan commented, “Self-storage industry fundamentals remain incredibly attractive and, combined with our deep and sophisticated platform, have supported the continuation of strong results for the Company.”

**Key Highlights for the Quarter**

- Reported funds from operations (“FFO”) per share, as adjusted, of \$0.23, representing a year-over-year increase of 28%.
- Increased same-store (328 facilities) net operating income (“NOI”) 13.1% year over year, driven by 9.0% revenue growth and a 1.5% increase in property operating expenses.
- Ended the quarter with same-store occupancy of 90.0%, up from 84.1% at June 30, 2012; gained 630 basis points year over year in average same-store occupancy for the quarter.
- Closed on nine property acquisitions totaling \$87.5 million, including locations in Illinois, Florida, Massachusetts, Maryland, and New Jersey.
- Amended the Company’s existing credit facility and term loan agreements involving \$800 million of existing unsecured bank financing to achieve improved pricing and an elongated maturity profile.

**Funds from Operations**

FFO, as adjusted, was \$31.6 million for the second quarter of 2013, compared with \$22.6 million for the second quarter of 2012. FFO per share, as adjusted, increased 28% to \$0.23 for the second quarter of 2013, compared with \$0.18 for the same period last year.

“Our operational strength during the quarter was broad-based, with all of our regional markets benefiting from healthy occupancy and revenue gains,” said Christopher Marr, President, Chief Operating Officer, and Chief Investment Officer. “Notably, our same-store portfolio occupancy of 90 percent at quarter end – an all-time high – marks an important milestone for the Company and was accompanied by reduced promotional activity and positive pricing momentum. In addition to our strong organic growth, we have continued to execute on our external growth initiatives, with year-to-date acquisition and disposition volumes that are at the upper end of our annual guidance targets and are consistent with our disciplined investment objectives.”

**Investment Activity**

The Company acquired nine assets for \$87.5 million during the three months ended June 30, 2013. These acquisitions included two assets in Florida, one in Illinois, one in Massachusetts, three in Maryland, and two in New Jersey.

Subsequent to quarter end, the Company acquired one asset in the New York City borough of Staten Island for \$13.0 million. In total for the year to date, the Company has acquired 11 assets for \$107.4 million.

The Company sold no assets during the quarter. Subsequent to quarter end, the Company exited the Knoxville, TN market with the disposition of 8 properties for proceeds of \$25.0 million. Year to date, the Company has sold 13 assets for \$36.4 million.

### **Third-Party Management**

During the quarter, the Company was awarded one new management contract. At June 30, 2013, the Company managed 133 properties totaling 8.0 million square feet. Year to date through June 30, 2013, the Company has been awarded 10 new management contracts and has acquired eight assets from the third-party management platform.

### **Same-Store Results**

The Company's same-store portfolio at June 30, 2013 represented 328 facilities containing approximately 21.8 million rentable square feet and included approximately 84.3% of the aggregate rentable square feet of the Company's 386 owned facilities. These same-store facilities represented approximately 80.8% of property net operating income for the quarter ended June 30, 2013.

Same-store physical occupancy at period end for the second quarter of 2013 was 90.0%, compared with 84.1% for the same quarter of last year. Same-store net rental income for the second quarter of 2013 increased 7.6%, same-store total revenues increased 9.0%, and same-store operating expenses increased 1.5% from the same quarter in 2012. Same-store net operating income increased 13.1%, as compared with the same period in 2012.

### **Operating Results**

The Company's total owned portfolio at June 30, 2013 represented 386 facilities containing 25.8 million rentable square feet and had a physical occupancy of 89.7%.

Total revenues increased \$15.0 million and total property operating expenses increased \$3.2 million in the second quarter of 2013, as compared with the same period in 2012. Increases in total revenues are primarily attributable to increased occupancy levels in the same-store portfolio and revenues generated from property acquisitions. Increases in total property operating expenses are attributable to the impact of newly acquired properties and a modest increase in same-store expenses.

Interest expense increased from \$9.3 million during the three months ended June 30, 2012 to \$10.7 million during the three months ended June 30, 2013, an increase of \$1.4 million.

The Company reported net income attributable to the Company's common shareholders of \$1.0 million, or \$0.01 per common share, in the second quarter of both 2013 and 2012.

## Balance Sheet

In June, the Company amended its existing credit facility and term loan agreements involving \$800 million of existing unsecured bank financing, as detailed in the Company's press release dated June 18, 2013. The amendments provided for a combination of lower borrowing spreads and maturity extensions for certain loans under the agreements. The Company incurred capitalized costs of \$2.1 million in connection with the amendment of the agreements.

In May, the Company entered into a new "at-the-market" equity program, entering into separate equity distribution agreements with five sales agents. Pursuant to the agreements, the Company may, from time to time, sell up to 12 million common shares of beneficial interest through the sales agents. The Company's prior "at-the-market" equity program was discontinued in connection with entering into the new plan. During the quarter, the Company sold 1.1 million common shares of beneficial interest through this program at an average sales price of \$17.19 per share, resulting in net proceeds of \$19.0 million. At June 30, 2013, the Company had 10.9 million shares available for issuance under the existing equity distribution agreements.

## Quarterly Dividend

On May 29, 2013, the Company declared a dividend of \$0.11 per common share. The dividend was paid on July 15, 2013 to common shareholders of record on July 1, 2013.

Also on May 29, 2013, the Company declared a dividend of \$0.484375 for the 7.75% Series A Cumulative Redeemable Preferred Shares. The dividend was paid on July 15, 2013 to holders of record on July 1, 2013.

## 2013 Financial Outlook

"Following exceptional operating performance through our rental season and enhanced visibility into the second half of the year, we are raising our annual FFO guidance range," noted Chief Financial Officer Tim Martin. "Embedded within this adjustment are increases to our annual same-store revenue and NOI growth expectations, which continue to be fueled by substantial year-over-year occupancy gains. Additionally, with recently amended credit facility and term loan agreements as well as an expanded at-the-market equity program, we continue to deliver on our balance sheet objectives and remain well-positioned to fund our external growth with broad and attractive access to capital."

The Company is adjusting its previously issued estimates as well as underlying assumptions, and now expects that its fully diluted FFO per share for 2013 will be between \$0.86 and \$0.90 (previously between \$0.81 and \$0.86), and that its fully diluted earnings per share for the period will be between \$0.04 and \$0.08. The Company's estimate is based on the following key assumptions:

- For 2013, a same-store pool consisting of 328 assets totaling 21.8 million square feet
- Same-store net operating income ("NOI") growth of 7.5% to 8.5% over 2012 (previously 5.75% to 6.75%), driven by revenue growth of 6.5% to 7.0% (previously 5.5% to 6.0%) and expense growth of 4.0% to 4.5% (previously 4.0% to 5.0%)
- General and administrative expenses of approximately \$29.0 million to \$30.0 million

Due to uncertainty related to the timing and terms of transactions, the impact of anticipated investment activity is excluded from guidance.

2013 Full Year Guidance	Range or Value		
Earnings per diluted share allocated to common shareholders	\$ 0.04	to	\$ 0.08
Plus: real estate depreciation and amortization	0.82		0.82
FFO per diluted share	\$ 0.86	to	\$ 0.90

The Company estimates that its fully diluted FFO per share for the quarter ending September 30, 2013 will be between \$0.23 and \$0.24, and that its fully diluted earnings per share for the period will be between \$0.03 and \$0.04.

3rd Quarter 2013 Guidance	Range or Value		
Earnings per diluted share allocated to common shareholders	\$ 0.03	to	\$ 0.04
Plus: real estate depreciation and amortization	0.20		0.20
FFO per diluted share	\$ 0.23	to	\$ 0.24

## Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, August 9, 2013 to discuss financial results for the three months ended June 30, 2013.

A live webcast of the conference call will be available online from the investor relations page of the Company's corporate website at [www.CubeSmart.com](http://www.CubeSmart.com). The dial-in numbers are 1-888-317-6016 for domestic callers, +1-412-317-6016 for international callers and 1-855-669-9657 for callers in Canada. After the live webcast, the call will remain available on CubeSmart's website for 30 days. In addition, a telephonic replay of the call will be available through September 9, 2013. The replay dial-in number is 1-877-344-7529 for domestic callers and +1-412-317-0088 for international callers. The conference number for both is 10031534.

Supplemental operating and financial data as of June 30, 2013 is available on the Company's corporate website under Investor Relations - Financial Information - Financial Reports.

## About CubeSmart

CubeSmart is a self-administered and self-managed real estate investment trust. The Company's self-storage facilities are designed to offer affordable, easily accessible and secure storage space for residential and commercial customers. According to the 2012 Self-Storage Almanac, CubeSmart is one of the top four owners and operators of self-storage facilities in the United States.

## Non-GAAP Performance Measurements

Funds from operations ("FFO") is a widely used performance measure for real estate companies and is provided here as a supplemental measure of operating performance. The April 2002 National Policy Bulletin of the National Association of Real Estate Investment Trusts (the "White Paper"), as amended, defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property and real estate related impairment charges,



plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

Management uses FFO as a key performance indicator in evaluating the operations of the Company's facilities. Given the nature of its business as a real estate owner and operator, the Company considers FFO a key measure of its operating performance that is not specifically defined by accounting principles generally accepted in the United States. The Company believes that FFO is useful to management and investors as a starting point in measuring its operational performance because it excludes various items included in net income that do not relate to or are not indicative of its operating performance such as gains (or losses) from sales of property, gains on remeasurement of investment in real estate ventures, impairments of depreciable assets, and depreciation, which can make periodic and peer analyses of operating performance more difficult. FFO should not be considered as an alternative to net income (determined in accordance with GAAP) as an indicator of the Company's financial performance, is not an alternative to cash flow from operating activities (determined in accordance with GAAP) as a measure of the Company's liquidity, and is not indicative of funds available to fund the Company's cash needs, including its ability to make distributions.

FFO, as adjusted represents FFO as defined above, excluding the effects of acquisition related costs, gains or losses from early extinguishment of debt, and other one-time items, which we believe are not indicative of the Company's operating results.

We define net operating income, which we refer to as "NOI," as total continuing revenues less continuing property operating expenses. NOI also can be calculated by adding back to net income (loss): interest expense on loans, loan procurement amortization expense, loan procurement amortization expense – early repayment of debt, acquisition related costs, equity in losses of real estate entities, amounts attributable to noncontrolling interests, other expense, depreciation and amortization expense, general and administrative expense, and deducting from net income: income from discontinued operations, gains on disposition of discontinued operations, other income, gain on remeasurement of investment in real estate ventures, and interest income. NOI is not a measure of performance calculated in accordance with GAAP.

Management uses NOI as a measure of operating performance at each of our facilities, and for all of our facilities in the aggregate. NOI should not be considered as a substitute for operating income, net income, cash flows provided by operating, investing and financing activities, or other income statement or cash flow statement data prepared in accordance with GAAP.

## **Forward-Looking Statements**

This presentation, together with other statements and information publicly disseminated by CubeSmart ("we," "us," "our" or the "Company"), contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, future events and actual results, performance, transactions or achievements, financial and otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by

the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to:

- national and local economic, business, real estate and other market conditions;
- the competitive environment in which we operate, including our ability to raise rental rates;
- the execution of our business plan;
- the availability of external sources of capital;
- financing risks, including the risk of over-leverage and the corresponding risk of default on our mortgage and other debt and potential inability to refinance existing indebtedness;
- increases in interest rates and operating costs;
- counterparty non-performance related to the use of derivative financial instruments;
- our ability to maintain our status as a real estate investment trust (“REIT”) for federal income tax purposes;
- acquisition and development risks;
- increases in taxes, fees, and assessments from state and local jurisdictions;
- risks of investing through joint ventures;
- changes in real estate and zoning laws or regulations;
- risks related to natural disasters;
- potential environmental and other liabilities;
- other factors affecting the real estate industry generally or the self-storage industry in particular; and
- other risks identified in Item 1A of our Annual Report on Form 10-K and, from time to time, in other reports we file with the Securities and Exchange Commission (the “SEC”) or in other documents that we publicly disseminate.

Given these uncertainties, we caution readers not to place undue reliance on forward-looking statements. We undertake no obligation to publicly update or revise these forward-looking statements, whether as a result of new information, future events or otherwise except as may be required in securities laws.

Contact:  
CubeSmart  
Daniel Ruble  
Investor Relations  
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**CUBESMART  
FINANCIAL HIGHLIGHTS**

*(unaudited, in thousands, except per share data)*

This section includes non-GAAP financial measures, which are accompanied by what we consider the most directly comparable financial measures calculated and presented in accordance with GAAP.

	Three Months Ended				
	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
<b>Selected Financial Information:</b>					
<b>Total portfolio:</b>					
Revenue from continuing operations	\$ 82,302	\$ 78,457	\$ 76,820	\$ 72,794	\$ 67,268
EBITDA from continuing operations	\$ 44,832	\$ 40,023	\$ 41,698	\$ 37,331	\$ 34,283
Net income (loss) attributable to the Company	\$ 2,550	\$ (392)	\$ 1,481	\$ 1,636	\$ 2,543
Funds from operations (FFO)	\$ 29,926	\$ 27,362	\$ 28,206	\$ 22,827	\$ 22,290
FFO, as adjusted	\$ 31,574	\$ 27,477	\$ 28,901	\$ 24,354	\$ 22,603
FFO per share - fully diluted	\$ 0.22	\$ 0.20	\$ 0.21	\$ 0.18	\$ 0.17
FFO, as adjusted per share - fully diluted	\$ 0.23	\$ 0.20	\$ 0.21	\$ 0.19	\$ 0.18
Earnings (loss) per share - basic	\$ 0.01	\$ (0.01)	\$ 0.00	\$ 0.00	\$ 0.01
Earnings (loss) per share - diluted	\$ 0.01	\$ (0.01)	\$ 0.00	\$ 0.00	\$ 0.01
Dividends per common share and unit	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.08	\$ 0.08
Dividends per preferred share, series A	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
FFO payout ratio (1)	47.8%	55.0%	52.4%	42.1%	44.4%
Total assets	\$ 2,197,722	\$ 2,112,933	\$ 2,150,319	\$ 2,167,713	\$ 2,088,978
Total gross assets (total assets plus accumulated depreciation)	\$ 2,584,646	\$ 2,480,269	\$ 2,503,634	\$ 2,508,078	\$ 2,431,852
In place annual rent per occupied square foot (2) (6)	\$ 13.78	\$ 13.88	\$ 13.95	\$ 13.73	\$ 13.58
Realized annual rent per occupied square foot (3) (6)	\$ 12.86	\$ 12.93	\$ 12.89	\$ 12.61	\$ 12.54
Scheduled annual rent per square foot (4) (6)	\$ 14.12	\$ 13.90	\$ 13.91	\$ 13.63	\$ 13.36
<b>Same-store:</b>					
Revenue	\$ 65,061	\$ 62,562	\$ 62,105	\$ 62,272	\$ 59,706
Expense	\$ 21,520	\$ 22,156	\$ 20,427	\$ 21,739	\$ 21,204
NOI	\$ 43,541	\$ 40,406	\$ 41,678	\$ 40,533	\$ 38,502
Gross margin	66.9%	64.6%	67.1%	65.1%	64.5%
Period ending occupancy	90.0%	85.7%	84.8%	84.9%	84.1%
Period average occupancy	88.2%	85.2%	84.8%	85.2%	81.9%
Total rentable square feet	21,786	21,786	21,786	21,786	21,786
REVPAF (5)	\$ 10.71	\$ 10.40	\$ 10.32	\$ 10.32	\$ 9.95
In place annual rent per occupied square foot (2)	\$ 13.02	\$ 13.11	\$ 13.16	\$ 13.17	\$ 13.15
Realized annual rent per occupied square foot (3)	\$ 12.14	\$ 12.20	\$ 12.17	\$ 12.12	\$ 12.14
Scheduled annual rent per square foot (4)	\$ 13.27	\$ 13.06	\$ 13.01	\$ 13.03	\$ 12.89
<b>Capitalization:</b>					
Total Debt	\$ 1,074,453	\$ 1,006,460	\$ 1,023,759	\$ 1,074,349	\$ 994,756
Price per common share at quarter end	\$ 15.98	\$ 15.80	\$ 14.57	\$ 12.87	\$ 11.67
Price per preferred share at quarter end	\$ 25.94	\$ 26.95	\$ 26.05	\$ 26.99	\$ 26.31
Market Equity Value at quarter end	\$ 2,265,056	\$ 2,224,271	\$ 2,049,002	\$ 1,780,437	\$ 1,564,748
Total Market Capitalization	\$ 3,339,509	\$ 3,230,731	\$ 3,072,761	\$ 2,854,786	\$ 2,559,504
Total Debt/Total Gross Assets	41.6%	40.6%	40.9%	42.8%	40.9%
Total Debt/Total Market Capitalization	32.2%	31.2%	33.3%	37.6%	38.9%
<b>Shares and Units:</b>					
Closing Common Shares outstanding (excluding unvested restricted shares)	134,430	133,208	131,795	127,430	122,685
Closing Operating Partnership Units outstanding	2,281	2,281	3,294	4,409	4,409
Closing total Common Shares and Operating Partnership Units outstanding	136,711	135,489	135,089	131,839	127,094
Average Common Shares outstanding (excluding unvested restricted shares)	133,677	132,951	129,111	124,169	122,599
Average Operating Partnership Units outstanding	2,281	2,397	4,324	4,409	4,486
Average total Common Shares and Operating Partnership Units outstanding	135,958	135,348	133,435	128,578	127,085
Total weighted-average shares and units outstanding (including dilutive effect of options)	138,610	137,738	135,678	130,384	128,760
Closing Preferred Shares outstanding	3,100	3,100	3,100	3,100	3,100

(1) Payout ratio represents common distributions declared per share during the period divided by FFO per share, as adjusted.

(2) In place annual rent per occupied square foot represents annualized contractual rents per occupied square foot without reductions for promotional discounts and excluding late charges and administrative fees.

(3) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period.

(4) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period.

(5) Realized annual rent per available foot or "REVPAF" is computed by dividing rental income (which excludes late charges and administrative fees) by the total available net rentable square feet for the period.

(6) Excludes assets that were not owned for the entirety of the respective quarter.

**CUBESMART**  
**BALANCE SHEETS**  
*(unaudited, in thousands)*

	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
<b>ASSETS</b>					
Storage facilities	\$ 2,536,592	\$ 2,436,455	\$ 2,443,022	\$ 2,432,415	\$ 2,226,295
Less: Accumulated depreciation	(386,924)	(367,336)	(353,315)	(340,365)	(342,874)
Storage facilities, net	2,149,668	2,069,119	2,089,707	2,092,050	1,883,421
Cash and cash equivalents	4,021	2,625	4,495	2,707	137,796
Restricted cash	4,540	5,484	6,070	7,579	6,618
Loan procurement costs, net of amortization	9,421	7,777	8,253	8,943	9,190
Investment in real estate ventures, at equity	-	-	-	-	14,087
Assets held for sale	-	-	-	6,452	4,738
Other assets, net	30,072	27,928	41,794	49,982	33,128
Total assets	<u>\$ 2,197,722</u>	<u>\$ 2,112,933</u>	<u>\$ 2,150,319</u>	<u>\$ 2,167,713</u>	<u>\$ 2,088,978</u>
<b>LIABILITIES AND EQUITY</b>					
Unsecured senior notes	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Revolving credit facility	110,000	30,000	45,000	65,500	-
Unsecured term loans	500,000	500,000	500,000	500,000	500,000
Mortgage loans and notes payable	214,453	226,460	228,759	258,849	244,756
Accounts payable, accrued expenses and other liabilities	54,241	52,405	60,708	63,033	55,453
Distributions payable	16,550	16,455	16,419	12,110	11,712
Deferred revenue	12,682	11,866	11,090	10,950	10,607
Security deposits	427	437	444	487	501
Total liabilities	<u>1,158,353</u>	<u>1,087,623</u>	<u>1,112,420</u>	<u>1,160,929</u>	<u>1,073,029</u>
Noncontrolling interests in the Operating Partnership	36,446	36,036	47,990	56,740	51,450
Commitments and contingencies					
<b>Equity</b>					
7.75% Series A Preferred shares	31	31	31	31	31
Common shares	1,344	1,332	1,318	1,274	1,227
Additional paid in capital	1,457,271	1,436,378	1,418,463	1,357,888	1,315,424
Accumulated other comprehensive loss	(11,794)	(18,839)	(19,796)	(21,203)	(18,710)
Accumulated deficit	(444,044)	(429,736)	(410,225)	(388,061)	(372,082)
Total CubeSmart shareholders' equity	<u>1,002,808</u>	<u>989,166</u>	<u>989,791</u>	<u>949,929</u>	<u>925,890</u>
Noncontrolling interest in subsidiaries	115	108	118	115	38,609
Total equity	<u>1,002,923</u>	<u>989,274</u>	<u>989,909</u>	<u>950,044</u>	<u>964,499</u>
Total liabilities and equity	<u>\$ 2,197,722</u>	<u>\$ 2,112,933</u>	<u>\$ 2,150,319</u>	<u>\$ 2,167,713</u>	<u>\$ 2,088,978</u>

**CUBESMART**  
**STATEMENTS OF OPERATIONS**  
*(unaudited, in thousands, except per share data)*

	Three Months Ended				
	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
<b>REVENUES</b>					
Rental income	\$ 72,231	\$ 69,618	\$ 68,199	\$ 64,200	\$ 59,424
Other property related income	8,854	7,694	7,497	7,500	6,741
Property management fee income	1,217	1,145	1,124	1,094	1,103
Total revenues	<u>82,302</u>	<u>78,457</u>	<u>76,820</u>	<u>72,794</u>	<u>67,268</u>
<b>OPERATING EXPENSES</b>					
Property operating expenses	29,955	30,821	28,573	28,603	26,707
Depreciation and amortization	29,241	29,832	31,821	29,536	27,077
General and administrative	7,515	7,613	6,549	6,860	6,278
Total operating expenses	<u>66,711</u>	<u>68,266</u>	<u>66,943</u>	<u>64,999</u>	<u>60,062</u>
<b>OPERATING INCOME</b>	<u>15,591</u>	<u>10,191</u>	<u>9,877</u>	<u>7,795</u>	<u>7,206</u>
<b>OTHER INCOME (EXPENSE)</b>					
Interest:					
Interest expense on loans	(10,683)	(10,367)	(11,022)	(11,092)	(9,280)
Loan procurement amortization expense	(497)	(476)	(695)	(699)	(1,114)
Acquisition related costs	(1,648)	(115)	(695)	(1,527)	(313)
Equity in losses of real estate ventures	-	-	-	(284)	(210)
Gain from remeasurement of investment in real estate venture	-	-	-	7,023	-
Other	(187)	(73)	268	166	(107)
Total other expense	<u>(13,015)</u>	<u>(11,031)</u>	<u>(12,144)</u>	<u>(6,413)</u>	<u>(11,024)</u>
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>	<u>2,576</u>	<u>(840)</u>	<u>(2,267)</u>	<u>1,382</u>	<u>(3,818)</u>
<b>DISCONTINUED OPERATIONS</b>					
(Loss) income from discontinued operations	(8)	184	339	472	967
Gain on dispositions of discontinued operations	-	228	3,408	197	6,206
Total discontinued operations	<u>(8)</u>	<u>412</u>	<u>3,747</u>	<u>669</u>	<u>7,173</u>
<b>NET INCOME (LOSS)</b>	<u>2,568</u>	<u>(428)</u>	<u>1,480</u>	<u>2,051</u>	<u>3,355</u>
<b>NET LOSS (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>					
Noncontrolling interests in the Operating Partnership	(18)	35	1	(5)	(38)
Noncontrolling interest in subsidiaries	-	1	-	(410)	(774)
<b>NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY</b>	<u>2,550</u>	<u>(392)</u>	<u>1,481</u>	<u>1,636</u>	<u>2,543</u>
Distribution to preferred shareholders	(1,502)	(1,502)	(1,502)	(1,502)	(1,502)
<b>NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS</b>	<u>\$ 1,048</u>	<u>\$ (1,894)</u>	<u>\$ (21)</u>	<u>\$ 134</u>	<u>\$ 1,041</u>
Basic earnings (loss) per share from continuing operations attributable to common shareholders	\$ 0.01	\$ (0.02)	\$ (0.03)	\$ 0.00	\$ (0.05)
Basic earnings per share from discontinued operations attributable to common shareholders	0.00	0.01	0.03	0.00	0.06
Basic earnings (loss) per share attributable to common shareholders	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.01</u>
Diluted earnings (loss) per share from continuing operations attributable to common shareholders	\$ 0.01	\$ (0.02)	\$ (0.03)	\$ 0.00	\$ (0.05)
Diluted earnings per share from discontinued operations attributable to common shareholders	0.00	0.01	0.03	0.00	0.06
Diluted earnings (loss) per share attributable to common shareholders	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.01</u>
Weighted-average basic shares outstanding	133,677	132,951	129,111	124,169	122,599
Weighted-average diluted shares outstanding	136,329	132,951	129,111	124,169	122,599
<b>AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:</b>					
Income (loss) from continuing operations	\$ 1,056	\$ (2,299)	\$ (3,678)	\$ (519)	\$ (5,960)
Total discontinued operations	(8)	405	3,657	653	7,001
Net income (loss)	<u>\$ 1,048</u>	<u>\$ (1,894)</u>	<u>\$ (21)</u>	<u>\$ 134</u>	<u>\$ 1,041</u>

**CUBESMART**  
**SAME-STORE PORTFOLIO NET OPERATING INCOME**  
*(unaudited, in thousands)*

	Three months ended			Six months ended		
	June 30,		Percent Change	June 30,		Percent Change
	2013	2012		2013	2012	
<b>REVENUES</b>						
Net rental income	\$ 58,317	\$ 54,195	7.6%	\$ 114,971	\$ 107,959	6.5%
Other property related income	6,744	5,511	22.4%	12,652	10,330	22.5%
Total revenues	<u>65,061</u>	<u>59,706</u>	9.0%	<u>127,623</u>	<u>118,289</u>	7.9%
<b>OPERATING EXPENSES</b>						
Property taxes	6,755	6,516	3.7%	13,796	13,219	4.4%
Personnel expense	6,471	6,170	4.9%	13,095	12,579	4.1%
Advertising	1,769	1,959	-9.7%	3,133	3,344	-6.3%
Repair and maintenance	814	791	2.9%	1,578	1,502	5.1%
Utilities	2,107	2,016	4.5%	4,408	4,200	5.0%
Property insurance	688	693	-0.7%	1,407	1,388	1.4%
Other expenses	2,916	3,059	-4.7%	6,259	5,985	4.6%
Total operating expenses	<u>21,520</u>	<u>21,204</u>	1.5%	<u>43,676</u>	<u>42,217</u>	3.5%
Net operating income (1)	<u>\$ 43,541</u>	<u>\$ 38,502</u>	13.1%	<u>\$ 83,947</u>	<u>\$ 76,072</u>	10.4%
Gross margin	66.9%	64.5%		65.8%	64.3%	
Period end occupancy (2)	90.0%	84.1%		90.0%	84.1%	
Period average occupancy (3)	88.2%	81.9%		86.7%	80.5%	
Total rentable square feet	21,786	21,786		21,786	21,786	
Realized annual rent per occupied square foot (4)	\$ 12.14	\$ 12.14	0.0%	12.17	12.31	-1.1%
Scheduled annual rent per square foot (5)	\$ 13.27	\$ 12.89	2.9%	\$ 13.16	\$ 13.15	0.1%
<b>Reconciliation of Same-Store Net Operating Income to Operating Income</b>						
Same-store net operating income (1)	\$ 43,541	\$ 38,502		\$ 83,947	\$ 76,072	
Non same-store net operating income (1)	10,346	3,507		19,622	5,905	
Indirect property overhead (6)	(1,540)	(1,448)		(3,586)	(3,246)	
Depreciation and amortization	(29,241)	(27,077)		(59,073)	(52,160)	
General and administrative expense	(7,515)	(6,278)		(15,128)	(12,722)	
Operating Income	<u>\$ 15,591</u>	<u>\$ 7,206</u>		<u>\$ 25,782</u>	<u>\$ 13,849</u>	

- (1) Net operating income (NOI) is a non-GAAP (generally accepted accounting principles) financial measure that excludes from operating income the impact of depreciation and general & administrative expense.
- (2) Represents occupancy at June 30 of the respective year.
- (3) Represents the weighted average occupancy for the period.
- (4) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period.
- (5) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period.
- (6) Includes property management income earned in conjunction with managed properties.

**CUBESMART**  
**SAME-STORE PORTFOLIO NET OPERATING INCOME - TRAILING FIVE QUARTERS**  
*(unaudited, in thousands)*

	Three months ended				
	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
<b>REVENUES</b>					
Net rental income	\$ 58,317	\$ 56,654	\$ 56,215	\$ 56,223	\$ 54,195
Other property related income	6,744	5,908	5,890	6,049	5,511
Total revenues	<u>65,061</u>	<u>62,562</u>	<u>62,105</u>	<u>62,272</u>	<u>59,706</u>
<b>OPERATING EXPENSES</b>					
Property taxes	6,755	7,041	6,245	6,583	6,516
Personnel expense	6,471	6,624	6,271	6,353	6,170
Advertising	1,769	1,364	1,256	1,866	1,959
Repair and maintenance	814	764	943	866	791
Utilities	2,107	2,301	2,100	2,503	2,016
Property insurance	688	719	708	730	693
Other expenses	2,916	3,343	2,904	2,838	3,059
Total operating expenses	<u>21,520</u>	<u>22,156</u>	<u>20,427</u>	<u>21,739</u>	<u>21,204</u>
Net operating income (1)	<u>\$ 43,541</u>	<u>\$ 40,406</u>	<u>\$ 41,678</u>	<u>\$ 40,533</u>	<u>\$ 38,502</u>
Gross margin	66.9%	64.6%	67.1%	65.1%	64.5%
Period end occupancy (2)	90.0%	85.7%	84.8%	84.9%	84.1%
Period average occupancy (3)	88.2%	85.2%	84.8%	85.2%	81.9%
Total rentable square feet	21,786	21,786	21,786	21,786	21,786
Realized annual rent per occupied square foot (4)	\$ 12.14	\$ 12.20	\$ 12.17	\$ 12.12	\$ 12.14
Scheduled annual rent per square foot (5)	\$ 13.27	\$ 13.06	\$ 13.01	\$ 13.03	\$ 12.89
<b>Reconciliation of Same-Store Net Operating Income to Operating Income</b>					
Same-store net operating income (1)	\$ 43,541	\$ 40,406	\$ 41,678	\$ 40,533	\$ 38,502
Non same-store net operating income (1)	10,346	9,276	8,576	5,936	3,507
Indirect property overhead (6)	(1,540)	(2,046)	(2,007)	(2,278)	(1,448)
Depreciation and amortization	(29,241)	(29,832)	(31,821)	(29,536)	(27,077)
General and administrative expense	<u>(7,515)</u>	<u>(7,613)</u>	<u>(6,549)</u>	<u>(6,860)</u>	<u>(6,278)</u>
Operating Income	<u>\$ 15,591</u>	<u>\$ 10,191</u>	<u>\$ 9,877</u>	<u>\$ 7,795</u>	<u>\$ 7,206</u>

(1) Net operating income (NOI) is a non-GAAP (generally accepted accounting principles) financial measure that excludes from operating income the impact of depreciation and general & administrative expense.

(2) Represents occupancy at the respective period end.

(3) Represents the weighted average occupancy for the period.

(4) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period.

(5) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period.

(6) Includes property management income earned in conjunction with managed properties.

**CUBESMART**  
**CONSOLIDATING STATEMENTS OF NET OPERATING INCOME**  
*(unaudited, in thousands)*

For the three months ended June 30, 2013 and 2012

	Same-Store Property Portfolio			Non Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2013	2012	Increase/ (Decrease)	2013	2012	2013	2012	2013	2012	Increase/ (Decrease)
<b>REVENUES:</b>										
Rental income	\$ 58,317	\$ 54,195	\$ 4,122	\$ 13,914	\$ 5,229	\$ -	\$ -	\$ 72,231	\$ 59,424	\$ 12,807
Other property related income	6,744	5,511	1,233	1,433	669	677	561	8,854	6,741	2,113
Property management fee income	-	-	-	-	-	1,217	1,103	1,217	1,103	114
Total revenues	65,061	59,706	5,355	15,347	5,898	1,894	1,664	82,302	67,268	15,034
<b>OPERATING EXPENSES:</b>										
Property operating expenses	21,520	21,204	316	5,001	2,391	3,434	3,112	29,955	26,707	3,248
NET OPERATING INCOME	\$ 43,541	\$ 38,502	\$ 5,039	\$ 10,346	\$ 3,507	\$ (1,540)	\$ (1,448)	\$ 52,347	\$ 40,561	\$ 11,786
Property count	328	328		58	17			386	345	
Total square footage	21,786	21,786		4,050	1,081			25,836	22,867	
Period end occupancy	90.0%	84.1%		89.1%	76.1%			89.7%	83.7%	
Period average occupancy	88.2%	81.9%								
Realized annual rent per occupied square foot	\$ 12.14	\$ 12.14								

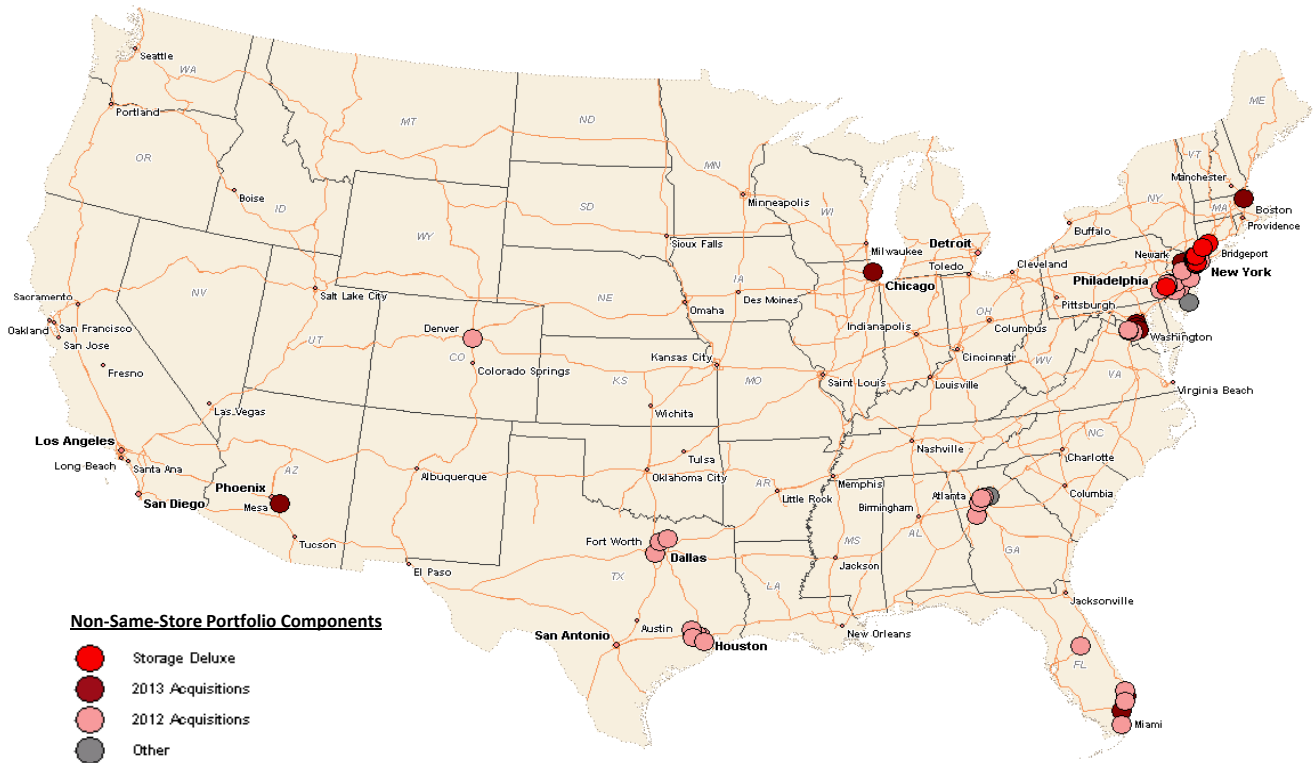
For the six months ended June 30, 2013 and 2012

	Same-Store Property Portfolio			Non Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2013	2012	Increase/ (Decrease)	2013	2012	2013	2012	2013	2012	Increase/ (Decrease)
<b>REVENUES:</b>										
Rental income	\$ 114,971	\$ 107,959	\$ 7,012	\$ 26,878	\$ 8,782	\$ -	\$ -	\$ 141,849	\$ 116,741	\$ 25,108
Other property related income	12,652	10,330	2,322	2,645	1,116	1,251	1,071	16,548	12,517	4,031
Property management fee income	-	-	-	-	-	2,362	2,123	2,362	2,123	239
Total revenues	127,623	118,289	9,334	29,523	9,898	3,613	3,194	160,759	131,381	29,378
<b>OPERATING EXPENSES:</b>										
Property operating expenses	43,676	42,217	1,459	9,901	3,993	7,199	6,440	60,776	52,650	8,126
NET OPERATING INCOME	\$ 83,947	\$ 76,072	\$ 7,875	\$ 19,622	\$ 5,905	\$ (3,586)	\$ (3,246)	\$ 99,983	\$ 78,731	\$ 21,252
Property count	328	328		58	17			386	345	
Total square footage	21,786	21,786		4,050	1,081			25,836	22,867	
Period end occupancy	90.0%	84.1%		89.1%	76.1%			89.7%	83.7%	
Period average occupancy	86.7%	80.5%								
Realized annual rent per occupied square foot	\$ 12.17	\$ 12.31								

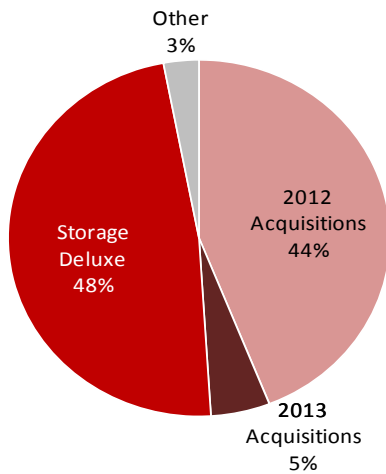


# Non-Same-Store Portfolio Composition

## Geographic Location



## Non-Same-Store Asset Composition by 2Q13 Net Operating Income



## Operating Metrics As of June 30, 2013

	Same-Store	Non Same-Store	Total Portfolio
Store count	328	58	386
% of Total Property Net Operating Inc.	80.8%	19.2%	100.0%
Period End Occupancy <sup>1</sup>	90.0%	89.1%	89.7%
Realized Ann'l Rent / Occ Sq Ft <sup>2</sup>	\$ 12.14	\$ 17.49	\$ 12.86

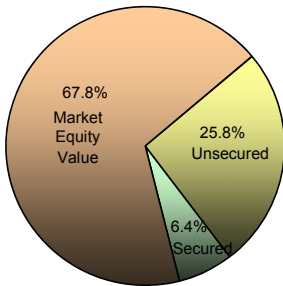
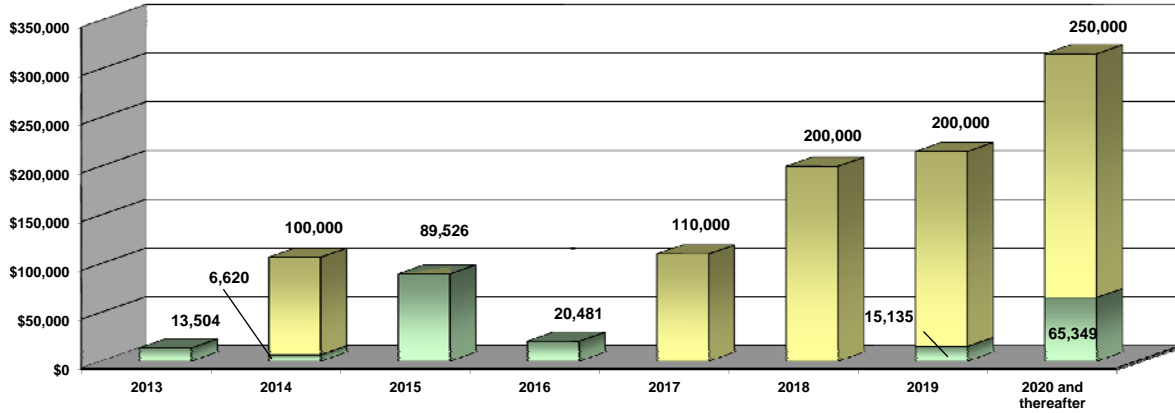
(1) Represents occupancy at June 30, 2013.

(2) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period. Excludes assets that were not owned for the entirety of the respective quarter.

**CUBESMART**  
**FUNDS FROM OPERATIONS - TRAILING FIVE QUARTERS**  
*(in thousands, except per share data)*

	Three months ended				
	June 30, 2013	March 31, 2013	December 31, 2012	September 30, 2012	June 30, 2012
<b>Net income (loss) attributable to common shareholders</b>	\$ 1,048	\$ (1,894)	\$ (21)	\$ 134	\$ 1,041
Add (deduct):					
Real estate depreciation and amortization:					
Real property - continuing operations	28,860	29,462	31,235	28,972	26,662
Real property - discontinued operations	-	57	401	614	666
Company's share of unconsolidated real estate ventures	-	-	-	513	513
Noncontrolling interest's share of consolidated real estate ventures	-	-	-	(191)	(424)
Gains on sale of real estate	-	(228)	(3,408)	(197)	(6,206)
Gain on remeasurement of investment in real estate venture	-	-	-	(7,023)	-
Noncontrolling interests in the Operating Partnership	18	(35)	(1)	5	38
<b>FFO</b>	<u>\$ 29,926</u>	<u>\$ 27,362</u>	<u>\$ 28,206</u>	<u>\$ 22,827</u>	<u>\$ 22,290</u>
Add:					
Acquisition related costs	1,648	115	695	1,527	313
<b>FFO, as adjusted</b>	<u>\$ 31,574</u>	<u>\$ 27,477</u>	<u>\$ 28,901</u>	<u>\$ 24,354</u>	<u>\$ 22,603</u>
Earnings (loss) per share attributable to common shareholders - basic and diluted	\$ 0.01	\$ (0.01)	\$ 0.00	\$ 0.00	\$ 0.01
FFO per share and unit - fully diluted	\$ 0.22	\$ 0.20	\$ 0.21	\$ 0.18	\$ 0.17
FFO, as adjusted per share and unit - fully diluted	\$ 0.23	\$ 0.20	\$ 0.21	\$ 0.19	\$ 0.18
Weighted-average basic shares outstanding	133,677	132,951	129,111	124,169	122,599
Weighted-average diluted shares outstanding	136,329	132,951	129,111	124,169	122,599
Weighted-average diluted shares and units outstanding	138,610	137,738	135,678	130,384	128,760
Dividend per common share and unit	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.08	\$ 0.08
Payout ratio of FFO, as adjusted	48%	55%	52%	42%	44%

**Debt Maturity Schedule**

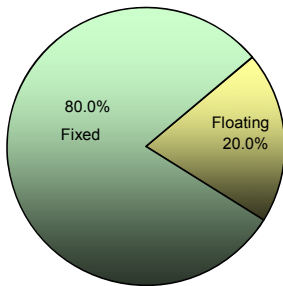


**Market Capitalization**

Unsecured	
Secured	
Total Debt	
Market Equity Value	
Total Market Capitalization	

	Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
Unsecured	\$ 860,000	3.38%	5.8
Secured	214,453	5.69%	4.0
Total Debt	<u>\$ 1,074,453</u>	<u>3.84%</u>	<u>5.4</u>
Market Equity Value	2,265,056		
Total Market Capitalization	<u>\$ 3,339,509</u>		

(1) Weighted average interest rate

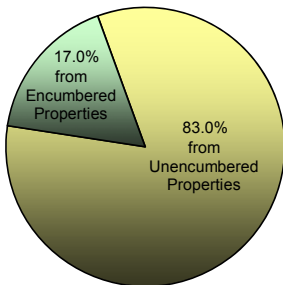


**Floating and Fixed**

Floating Rate Debt	
Fixed Rate Debt	
Total Debt	

	Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
Floating Rate Debt	\$ 214,764	1.78%	2.7
Fixed Rate Debt	859,689	4.36%	6.1
Total Debt	<u>\$ 1,074,453</u>	<u>3.84%</u>	<u>5.4</u>

(1) Weighted average interest rate



**Portfolio Net Operating Income**

NOI from Unencumbered Properties <sup>(1)</sup>	83.0%
NOI from Encumbered Properties <sup>(1)</sup>	17.0%
Total	<u>100.0%</u>

(1) Represents respective NOI contribution from properties during the quarter

**CUBESMART  
SECURED DEBT ANALYSIS**

(dollars in thousands)

As of June 30, 2013

<b>FIXED RATE MORTGAGES</b>	Balance		Rate	Maturity Date
YSI 27	\$ 451	FIXED	6.13%	Nov-13
YSI 30	6,616	FIXED	6.13%	Nov-13
YSI 11	2,236	FIXED	6.29%	Jan-14
YSI 5	2,949	FIXED	6.22%	Jan-14
YSI 28	1,435	FIXED	6.02%	Mar-14
YSI 10	3,884	FIXED	5.47%	Jan-15
YSI 15	1,758	FIXED	5.60%	Jan-15
YSI 52	4,636	FIXED	5.44%	Jan-15
YSI 58	8,826	FIXED	5.90%	Jan-15
YSI 29	12,957	FIXED	5.17%	Aug-15
YSI 20	57,465	FIXED	5.97%	Nov-15
YSI 59	9,511	FIXED	5.87%	Mar-16
YSI 60	3,698	FIXED	6.25%	Aug-16
YSI 51	7,272	FIXED	6.36%	Sep-16
YSI 35	4,324	FIXED	6.90%	Jul-19 (a)
YSI 33	10,811	FIXED	6.42%	Jul-19
YSI 26	9,024	FIXED	5.45%	Nov-20
YSI 57	3,168	FIXED	5.45%	Nov-20
YSI 55	24,325	FIXED	5.30%	Jun-21
YSI 24	28,832	FIXED	5.30%	Jun-21
Total Mortgages	\$ 204,178		5.76%	

**FIXED RATE DEBT PREMIUMS**

Fixed Rate Debt Premiums 3,838

**SECURED LOANS, VARIABLE RATE**

USIFB	6,437	LIBOR + 2.75%	3.57% (b)	Dec-13
Total Secured Debt	\$ 214,453		5.69%	

(a) This borrowing has a fixed interest rate for the first 5 years of its term, which then resets and remains constant over the final 5 years of the loan term.

(b) Rate includes the impact of a \$1.8 million interest rate swap to fix 3 month LIBOR at 2.36% through December 31, 2013.

**CUBESMART**  
**UNSECURED DEBT ANALYSIS**  
*(dollars in thousands)*  
As of June 30, 2013

	6/30/2013 Balance		Rate		Maturity Date	Total Available	Remaining Available
<b><u>LINE OF CREDIT</u></b>							
Unsecured Revolving Credit Facility	\$ 110,000	LIBOR + 1.60%	1.79%	(a)	Jun-17	(e) \$ 300,000	\$ 189,848 (f)
<b><u>UNSECURED BANK TERM LOANS</u></b>							
Unsecured Term Loan	100,000	LIBOR + 1.50%	1.69%	(a)	Dec-14		
Unsecured Term Loan	100,000	FIXED	3.30%	(b)	Jun-18		
Unsecured Term Loan	200,000	FIXED	2.84%	(c)	Jan-19		
Unsecured Term Loan	100,000	FIXED	4.47%	(d)	Jun-18		
Total Unsecured Bank Term Loans	<u>\$ 500,000</u>						
<b><u>UNSECURED PUBLIC DEBT</u></b>							
Unsecured Senior Notes	250,000	FIXED	4.80%		Jul-22		
Total Unsecured Debt	<u>\$ 860,000</u>		<u>3.38%</u>				

- (a) Rate on these borrowings calculated based on 30 day LIBOR.  
(b) Rate includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 1.80%, maturing in June 2016.  
(c) Rate includes the impact of interest rate swaps to fix LIBOR on \$200 million of borrowings at a blended rate of 1.34%, maturing in March 2017.  
(d) Rate includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 2.47%, maturing in June 2018.  
(e) The Company, at its option, can extend the maturity by one year.  
(f) The available balance under the Unsecured Revolving Credit Facility is reduced by an outstanding letter of credit of \$152 thousand.

**UNSECURED SENIOR NOTES COVENANTS**

	Required	Actual
Fixed Charge Coverage Ratio	≥ 1.5x	4.1x
Leverage Ratio	≤ 60%	42.1%
Secured Debt Limitation	≤ 40%	8.4%
Unencumbered Asset Ratio	≥ 150%	286.3%

**CUBESMART**  
**OPERATING PERFORMANCE - BY REGION**  
 Three Months Ended June 30, 2013

Region	Market	SAME-STORE						TOTAL PORTFOLIO		
		# of Facilities	Total Rentable Square Feet	Ending Occupancy			Revenue Growth <sup>1</sup> %	# of Facilities	Total Rentable Square Feet	Ending Occupancy June 30, 2013
				June 30, 2013	June 30, 2012	Change				
<b>Northeast<sup>2</sup></b>										
	New York / Northern NJ	28	1,871,782	89.8%	83.9%	5.9%	10.4%	43	3,054,747	89.2%
	Baltimore / DC	13	1,115,300	92.1%	86.6%	5.5%	8.0%	19	1,536,960	90.7%
	Connecticut	17	847,402	88.6%	82.8%	5.9%	7.3%	20	1,041,389	89.1%
	Philadelphia / Southern NJ	5	353,420	90.4%	84.8%	5.7%	7.3%	13	905,591	88.4%
	Boston	3	152,431	92.5%	86.6%	5.9%	15.0%	4	214,531	83.3%
	Other	4	219,613	87.3%	80.0%	7.3%	11.2%	6	371,508	83.5%
Northeast	Region Sub-Total	70	4,559,948	90.2%	84.3%	5.8%	9.3%	105	7,124,726	88.9%
<b>Southeast<sup>3</sup></b>										
	Florida Markets - Other	37	2,679,068	90.8%	83.0%	7.8%	10.8%	40	2,908,112	90.3%
	Tennessee	23	1,606,183	89.4%	83.9%	5.5%	10.1%	23	1,606,183	89.4%
	Miami / Ft. Lauderdale	14	1,102,411	90.3%	84.0%	6.4%	10.3%	17	1,312,931	90.5%
	Atlanta	10	808,811	89.0%	83.7%	5.3%	9.0%	16	1,183,011	89.3%
	Other	6	462,962	90.9%	85.4%	5.5%	9.1%	6	462,962	90.9%
Southeast	Region Sub-Total	90	6,659,435	90.2%	83.6%	6.5%	10.3%	102	7,473,199	90.0%
<b>Midwest<sup>4</sup></b>										
	Texas Markets - Major	30	1,945,898	92.8%	86.9%	6.0%	10.3%	38	2,426,580	92.7%
	Chicago	27	1,604,711	92.6%	86.5%	6.1%	8.3%	28	1,662,761	92.8%
	Ohio	15	980,724	89.6%	85.0%	4.6%	6.2%	15	980,724	89.6%
	Other	12	629,221	86.8%	81.6%	5.2%	2.4%	12	629,221	86.8%
Midwest	Region Sub-Total	84	5,160,554	91.4%	85.8%	5.7%	8.1%	93	5,699,286	91.5%
<b>West<sup>5</sup></b>										
	Inland Empire	20	1,472,330	85.8%	77.2%	8.6%	11.9%	20	1,472,330	85.8%
	Arizona / Las Vegas	26	1,380,985	88.4%	85.7%	2.7%	4.3%	27	1,438,415	88.7%
	Southern California	12	975,838	88.6%	82.8%	5.8%	5.6%	12	975,838	88.6%
	Colorado / Utah	12	733,227	92.5%	88.6%	3.9%	13.3%	13	807,647	92.6%
	Other	14	844,086	88.9%	83.2%	5.7%	6.1%	14	844,086	88.9%
West	Region Sub-Total	84	5,406,466	88.4%	82.9%	5.5%	7.8%	86	5,538,316	88.5%
<b>Total</b>		<b>328</b>	<b>21,786,403</b>	<b>90.0%</b>	<b>84.1%</b>	<b>5.9%</b>	<b>9.0%</b>	<b>386</b>	<b>25,835,526</b>	<b>89.7%</b>

- (1) Year over year  
 (2) 64.0% of total Northeast Region Square Footage is classified as Same Store  
 (3) 89.1% of total Southeast Region Square Footage is classified as Same Store  
 (4) 90.5% of total Midwest Region Square Footage is classified as Same Store  
 (5) 97.6% of total West Region Square Footage is classified as Same Store

**CUBESMART**  
**PROPERTIES BY STATE, Total Portfolio**

As of June 30, 2013

<u>State</u>	<u>Number of Facilities</u>	<u>Number of Units</u>	<u>Total Rentable Square Feet</u>	<u>% of Total Rentable Square Feet</u>	<u>June 30, 2013 Occupancy</u>
Florida	57	40,628	4,221,043	16.3%	90.3%
Texas	49	24,035	2,997,301	11.6%	91.4%
California	43	26,348	3,110,118	12.0%	87.1%
New York	30	34,184	2,125,015	8.2%	90.1%
Illinois	28	14,373	1,662,761	6.4%	92.8%
Arizona	25	12,392	1,341,233	5.2%	88.9%
Tennessee	23	12,371	1,606,183	6.2%	89.4%
New Jersey	23	15,304	1,560,978	6.0%	85.6%
Connecticut	20	9,056	1,041,389	4.0%	89.1%
Georgia	16	9,638	1,183,011	4.6%	89.3%
Ohio	15	8,459	980,724	3.8%	89.6%
Maryland	9	7,024	775,613	3.0%	89.2%
Virginia	9	6,708	692,910	2.7%	91.7%
Colorado	9	4,759	568,024	2.2%	93.2%
Pennsylvania	7	4,825	513,990	2.0%	90.6%
North Carolina	6	3,890	462,962	1.8%	90.9%
Massachusetts	5	2,968	268,554	1.0%	84.3%
Utah	4	2,201	239,623	0.9%	91.4%
New Mexico	3	1,620	182,136	0.7%	93.5%
Washington DC	2	1,801	146,277	0.6%	92.8%
Nevada	2	885	97,182	0.4%	86.6%
Wisconsin	1	486	58,500	0.2%	94.2%
<b>Total/Weighted Average</b>	<b>386</b>	<b>243,955</b>	<b>25,835,526</b>	<b>100.0%</b>	<b>89.7%</b>

**CUBESMART**  
**PROPERTIES BY STATE, Same-Store Portfolio**

As of June 30, 2013

<u>State</u>	<u>Number of Facilities</u>	<u>Number of Units</u>	<u>Total Rentable Square Feet</u>	<u>% of Total Rentable Square Feet</u>	<u>June 30, 2013 Occupancy</u>	<u>June 30, 2012 Occupancy</u>
Florida	51	35,818	3,781,479	17.4%	90.6%	83.2%
California	43	26,348	3,110,118	14.3%	87.1%	79.9%
Texas	41	20,135	2,516,619	11.6%	91.3%	85.6%
Illinois	27	13,780	1,604,711	7.4%	92.6%	86.5%
Arizona	24	11,934	1,283,803	5.9%	88.6%	85.7%
Tennessee	23	12,371	1,606,183	7.4%	89.4%	83.9%
New York	18	17,432	1,175,076	5.4%	90.6%	85.8%
Connecticut	17	7,081	847,402	3.9%	88.6%	82.8%
Ohio	15	8,459	980,724	4.5%	89.6%	85.0%
New Jersey	15	9,638	964,432	4.4%	88.2%	80.2%
Georgia	10	6,409	808,811	3.7%	89.0%	83.7%
Colorado	8	4,084	493,604	2.3%	93.0%	88.8%
Maryland	6	5,115	596,951	2.7%	91.0%	85.2%
North Carolina	6	3,890	462,962	2.1%	90.9%	85.4%
Virginia	6	4,311	449,912	2.1%	92.9%	86.1%
Utah	4	2,201	239,623	1.1%	91.4%	88.1%
Massachusetts	4	2,369	206,454	1.0%	91.5%	84.4%
New Mexico	3	1,620	182,136	0.8%	93.5%	88.9%
Pennsylvania	2	1,615	173,444	0.8%	92.4%	89.8%
Washington DC	2	1,801	146,277	0.7%	92.8%	93.2%
Nevada	2	885	97,182	0.5%	86.6%	85.7%
Wisconsin	1	486	58,500	0.3%	94.2%	85.3%
<b>Total/Weighted Average</b>	<b>328</b>	<b>197,782</b>	<b>21,786,403</b>	<b>100.0%</b>	<b>90.0%</b>	<b>84.1%</b>