



First Quarter 2015  
Supplemental Information

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**CUBESMART**  
March 31, 2015

**Equity Research Coverage**

<b>BANK OF AMERICA MERRILL LYNCH</b> JANA GALAN 646.855.3081	<b>BMO CAPITAL MARKETS</b> PAUL ADORNATO 212.885.4170	<b>CANTOR FITZGERALD</b> GAURAV MEHTA 212.915.1221	<b>CITIGROUP</b> MICHAEL BILERMAN / SMEDES ROSE 212.816.1383 / 212.816.6243
<b>EVERCORE ISI</b> STEVE SAKWA / GWEN CLARK 212.446.9462 / 212.446.5611	<b>GREEN STREET ADVISORS</b> DAVID BRAGG / RYAN BURKE 949.640.8780	<b>JEFFRIES LLC</b> GEORGE HOGLUND / OMOTAYO OKUSANYA 212.284.2226 / 212.336.7076	<b>KEYBANC CAPITAL MARKETS</b> TODD THOMAS / JORDAN SADLER 917.368.2286 / 917.368.2280
<b>RAYMOND JAMES &amp; ASSOCIATES</b> PAUL PURYEAR / JONATHAN HUGHES 727.567.2253 / 727.567.2438	<b>STIFEL NICOLAUS &amp; COMPANY, INC.</b> ROD PETRIK / DAVID CORAK 443.224.1306 / 443.224.1340	<b>SUNTRUST ROBINSON HUMPHREY</b> KI BIN KIM 212.303.4124	<b>UBS INVESTMENT RESEARCH</b> ROSS NUSSBAUM / R. JEREMY METZ 212.713.2484 / 212.713.2429
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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.

**Award-Winning Service Culture - Redefining service in the self-storage industry**



# CUBESMART

March 31, 2015

## Company Information

### Corporate Headquarters

5 Old Lancaster Road  
Malvern, PA 19355  
610.535.5700

### Trading Symbol

Common Shares: CUBE  
**Stock Exchange Listing**  
New York Stock Exchange

### Investor Relations

Charles Place  
5 Old Lancaster Road  
Malvern, PA 19355  
610.535.5700

### Information Requests

To request an Investor Relations package or annual report, please visit our website at [www.cubesmart.com](http://www.cubesmart.com)

## Investor Information

	1st Quarter 2015	4th Quarter 2014	3rd Quarter 2014	2nd Quarter 2014	1st Quarter 2014
<b>Common Shares and Units:</b>					
Share price, high	\$ 25.43	\$ 22.92	\$ 19.10	\$ 18.78	\$ 17.98
Share price, low	\$ 22.31	\$ 18.01	\$ 17.81	\$ 17.60	\$ 15.63
Share price, period end	\$ 24.15	\$ 22.07	\$ 17.98	\$ 18.32	\$ 17.16
Dividends declared per share	\$ 0.16	\$ 0.16	\$ 0.13	\$ 0.13	\$ 0.13
Dividend yield, period end	2.65%	2.90%	2.89%	2.84%	3.03%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	166,151	163,957	153,234	147,078	142,207
Closing Operating Partnership units outstanding	2,255	2,257	2,257	2,261	2,261
Total closing Common Shares and Units	168,406	166,214	155,491	149,339	144,468

### Preferred Shares (Series A):

Share price, high	\$ 27.35	\$ 27.20	\$ 27.08	\$ 27.00	\$ 26.44
Share price, low	\$ 26.57	\$ 26.25	\$ 26.18	\$ 25.73	\$ 25.24
Share price, period end	\$ 26.76	\$ 26.98	\$ 26.40	\$ 26.30	\$ 25.71
Dividends declared per share	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
Dividend yield, period end	7.24%	7.18%	7.34%	7.37%	7.54%
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, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the "Exchange Act." Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as "believes," "expects," "estimates," "may," "will," "should," "anticipates," or "intends" or the negative of such terms or other comparable terminology, or by discussions of strategy. 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. As a result, you should not rely on or construe any forward-looking statements in this Report, or which management may make orally or in writing from time to time, as predictions of future events or as guarantees of future performance. We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this Report or as of the dates otherwise indicated in the statements. All of our forward-looking statements, including those in this Report, are qualified in their entirety by this statement.

## 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 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 real estate and 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 FFO 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 real estate, gains from remeasurement of investments in real estate ventures, impairments of depreciable assets, and depreciation, which can make periodic and peer analyses of operating performance more difficult. Our computation of FFO may not be comparable to FFO reported by other REITs or real estate companies.

FFO should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of the Company's performance. FFO does not represent cash generated from operating activities determined in accordance with GAAP and is not a measure of liquidity or an indicator of the Company's ability to make cash distributions. The Company believes that to further understand its performance, FFO should be compared with its reported net income and considered in addition to cash flows computed in accordance with GAAP, as presented in its Consolidated Financial Statements.

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 non-recurring 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 ventures, other expense, depreciation and amortization expense, general and administrative expense, and deducting from net income (loss): income from discontinued operations, gains from disposition of discontinued operations, other income, gains from remeasurement of investments 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.

## CubeSmart Reports First Quarter 2015 Results: Same-Store NOI Increases 9.5%; FFO Per Share Grows 12.0%

MALVERN, PA -- (Marketwired) – April 30, 2015 -- CubeSmart (NYSE: CUBE) today announced its operating results for the three months ended March 31, 2015.

CubeSmart President and Chief Executive Officer Christopher P. Marr commented, “Our strong performance to start the year demonstrates the Company’s continued ability to leverage its operating platform to drive effective rent and occupancy growth throughout the portfolio. Customer demand trends remain positive, and new supply, while picking-up in a few select markets, remains well below historical levels. Heading into the busy rental season, we are well-positioned to deliver on our internal and external growth expectations.”

### Key Highlights for the Quarter

- Reported funds from operations (“FFO”) per share, as adjusted, of \$0.28, representing a year-over-year increase of 12.0%.
- Increased same-store (361 facilities) net operating income (“NOI”) 9.5% year over year, driven by 7.0% revenue growth and a 2.0% increase in property operating expenses.
- Same-store occupancy averaged 90.7% during the quarter, up 180 basis points year over year; ended the quarter with same-store occupancy of 91.2%.
- Closed on seven facility acquisitions totaling \$49.3 million.

### Funds from Operations

FFO, as adjusted, was \$46.8 million for the first quarter of 2015, compared with \$35.7 million for the first quarter of 2014. FFO per share, as adjusted, increased 12.0% to \$0.28 for the first quarter of 2015, compared with \$0.25 for the same period last year.

### Investment Activity

#### *Acquisition Activity*

In August 2014, the Company entered into an agreement to acquire 26 properties from investment funds managed by Harrison Street for \$223.0 million (the “HSRE Acquisition”). On November 3, 2014, the Company closed on the first tranche of 22 facilities as part of the HSRE Acquisition for an aggregate purchase price of \$195.5 million. On March 18, 2015, CubeSmart closed on the second tranche of the HSRE Acquisition, which included four Illinois facilities, for an aggregate purchase price of \$27.5 million.

The Company acquired three additional properties for \$21.8 million during the three months ended March 31, 2015. These acquisitions included one facility in Texas, one in Tennessee and one in Arizona.

#### *Development Activity*

The Company has agreements with developers for the construction of Class A self-storage facilities in high-barrier-to-entry locations that are structured either as a purchase at the completion of construction or a joint venture development.

As of March 31, 2015, the Company had four facilities under contract to purchase at completion of construction

and the issuance of a certificate of occupancy (“C/O”) for a total acquisition price of \$85.2 million. Three of the properties are located in Texas and one of the properties is located in New York. The purchase of these four facilities is expected to occur at various times between the second quarter of 2015 and the first quarter of 2016. These acquisitions are subject to due diligence and other customary closing conditions and no assurance can be provided that these acquisitions will be completed on the terms described, or at all. Subsequent to quarter end, the Company acquired one of the facilities, located in Dallas, Texas, upon completion of construction and issuance of a C/O for \$15.8 million.

At March 31, 2015, the Company had five joint venture development properties under construction. The Company anticipates investing a total of \$115.6 million related to these projects and has invested \$39.6 million of that total as of quarter-end. Four of these facilities are located in New York and one is located in Virginia. Two of the construction projects are expected to be completed during 2015 and three are expected to be completed during 2016.

### **Third-Party Management**

At March 31, 2015, the Company’s third-party management program included 181 facilities totaling 11.2 million square feet. During the quarter ended March 31, 2015, the Company added 13 properties to its third-party management program.

### **Same-Store Results**

The Company’s same-store portfolio at March 31, 2015 included 361 facilities containing approximately 24.3 million rentable square feet, or approximately 83.6% of the aggregate rentable square feet of the Company’s 428 owned facilities. These same-store facilities represented approximately 86.3% of property net operating income for the quarter ended March 31, 2015.

Same-store physical occupancy at period-end for the first quarter of 2015 was 91.2%, compared with 89.3% for the same quarter of last year. Same-store revenues for the first quarter of 2015 increased 7.0%, and same-store operating expenses increased 2.0% from the same quarter in 2014. Same-store net operating income increased 9.5%, as compared with the same period in 2014.

### **Operating Results**

At March 31, 2015, the Company’s total owned portfolio included 428 properties containing 29.0 million rentable square feet and had a physical occupancy of 90.3%.

Revenues increased \$16.4 million and property operating expenses increased \$5.1 million in the first quarter of 2015, as compared with the same period in 2014. Increases in revenues were primarily attributable to increased net effective rent growth and occupancy levels in the same-store portfolio and revenues generated from property acquisitions. Increases in property operating expenses were primarily attributable to \$4.3 million of increased expenses associated with newly-acquired facilities as well as increased expenses on the same-store portfolio.

Interest expense decreased from \$11.9 million during the three months ended March 31, 2014 to \$11.1 million during the three months ended March 31, 2015, a decrease of \$0.8 million. The decrease is attributable to lower rates on the credit facility and term loan facility compared to 2014 as a result of our credit ratings upgrade and a lower amount of outstanding debt in 2015. The weighted average effective interest rate on our outstanding debt decreased from 3.99% for the three months ended March 31, 2014 to 3.76% for the three months ended March 31, 2015, while the average debt balance during the three months ended March 31, 2015 decreased

approximately \$14 million from the same period in 2014, from \$1,189 million to \$1,175 million.

The Company reported net income attributable to the Company's common shareholders of \$6.9 million, or \$0.04 per common share, in the first quarter of 2015, compared with net income attributable to the Company's common shareholders of \$3.0 million, or \$0.02 per common share, in the first quarter of 2014.

## **Financing Activity**

During the quarter, the Company sold 1.2 million common shares of beneficial interest through its "at the market" equity program ("ATM") at an average sales price of \$24.62 per share, resulting in net proceeds of \$29.4 million, after deducting offering costs. At March 31, 2015, the Company had 8.0 million shares available for issuance under the existing equity distribution agreements.

On April 22, 2015, the Company amended its credit facility comprised of a \$200 million unsecured term loan and a \$300 million unsecured revolving facility. With respect to the unsecured revolving facility, among other things, the amendment increased the size of the facility from \$300 million to \$500 million, decreased the pricing and extended the maturity date from June 18, 2017 to April 22, 2020.

## **Quarterly Dividend**

On February 24, 2015, the Company declared a dividend of \$0.16 per common share. The dividend was paid on April 15, 2015 to common shareholders of record on April 1, 2015.

Also on February 24, 2015, the Company declared a dividend of \$0.484375 for the 7.75% Series A Cumulative Redeemable Preferred Shares. The dividend was paid on April 15, 2015 to holders of record on April 1, 2015.

## **2015 Financial Outlook**

"Due primarily to strong first quarter performance, we are raising our annual FFO guidance range and same-store operating metrics for 2015," noted Chief Financial Officer Tim Martin. "We remain disciplined in our strategy to fund the Company's external growth, utilizing a balance of cash flow, ATM equity proceeds and bank borrowings in a manner consistent with our balance sheet objectives and investment grade profile."

The Company is adjusting its previously issued estimates as well as underlying assumptions, and now expects that its fully diluted FFO per share, as adjusted, for 2015 will be between \$1.15 and \$1.19 (previously between \$1.14 and \$1.19), and that its fully diluted net income per share for the period will be between \$0.20 and \$0.24 (previously between \$0.19 and \$0.24). The Company's estimate is based on the following key operating assumptions:

- For 2015, a same-store pool consisting of 361 assets totaling 24.3 million square feet
- Same-store net operating income ("NOI") growth of 6.25% to 7.25% over 2014 (previously 6.0% to 7.0%), driven by revenue growth of 5.25% to 6.25% (previously 5.0% to 6.0%) and expense growth of 3.0% to 3.75% (previously 3.0% to 4.0%)
- General and administrative expenses of approximately \$28.5 million to \$29.5 million

Key investment and financing assumptions include:

- Impact of development activity:
  - Three new facilities opened in 2014 for a total investment of \$80.3 million



- Four new facilities are expected to open in 2015 for a total investment of \$58.4 million
- Guidance includes approximately \$0.03 per share of dilution in 2015 related to this development activity
- Impact of acquisition activity:
  - Acquired seven facilities for \$49.3 million as of the date of this release
- Impact of financing activity:
  - Our guidance contemplates funding 2015 debt maturities and our acquisition and development commitments with long-term capital
  - The impact to 2015 earnings will depend on the amount, timing, cost and form of capital we raise

Due to uncertainty related to the timing and terms of transactions, the impact of any potential future speculative investment activity not contemplated above, is excluded from guidance. For 2015, the Company is targeting \$100 million to \$150 million of acquisitions, excluding contracts related to joint venture development or purchase at completion of construction and issuance of C/O investments discussed above.

2015 Full Year Guidance	Range or Value	
Earnings per diluted share allocated to common shareholders	\$ 0.20	to \$ 0.24
Plus: real estate depreciation and amortization	0.95	0.95
FFO per diluted share, as adjusted	<u>\$ 1.15</u>	to <u>\$ 1.19</u>

The Company estimates that its fully diluted FFO, as adjusted, per share for the quarter ending June 30, 2015 will be between \$0.28 and \$0.29, and that its fully diluted earnings per share for the period will be between \$0.04 and \$0.05.

2nd Quarter 2015 Guidance	Range or Value	
Earnings per diluted share allocated to common shareholders	\$ 0.04	to \$ 0.05
Plus: real estate depreciation and amortization	0.24	0.24
FFO per diluted share, as adjusted	<u>\$ 0.28</u>	to <u>\$ 0.29</u>

## Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, May 1, 2015 to discuss financial results for the three months ended March 31, 2015.

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). Telephone participants may avoid any delays in joining the conference call by pre-registering for the call using the following link to receive a special dial-in number and PIN: <http://dpreister.com/10063723>.

Telephone participants who are unable to pre-register for the conference call may join on the day of the call using 1-877-506-3281 for domestic callers, +1-412-902-6677 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 May 30, 2015. The replay numbers are 1-877-344-7529 for domestic callers, +1-412-317-0088 for international callers, and 1-855-669-9658 for callers in Canada. For callers accessing a telephonic replay, the conference number is 10063723.

Supplemental operating and financial data as of March 31, 2015 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 2015 Self-Storage Almanac, CubeSmart is one of the top four owners and operators of self-storage facilities in the United States.

## **Non-GAAP Financial Measures**

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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 FFO 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 real estate, gains from remeasurement of investments in real estate ventures, impairments of depreciable assets, and depreciation, which can make periodic and peer analyses of operating performance more difficult. The Company's computation of FFO may not be comparable to FFO reported by other REITs or real estate companies.

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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 non-recurring items, which the Company believes are not indicative of the Company's operating results.

The Company defines net operating income, which it refers 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 ventures, other expense, depreciation and amortization expense, general and administrative expense, and deducting from net income (loss): income from discontinued operations, gains from disposition of discontinued operations, other income, gains from remeasurement of investments 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 its facilities, and for all of its 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”), contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the “Exchange Act.” Forward-looking statements include statements concerning the Company’s plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as “believes,” “expects,” “estimates,” “may,” “will,” “should,” “anticipates,” or “intends” or the negative of such terms or other comparable terminology, or by discussions of strategy. 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. As a result, you should not rely on or construe any forward-looking statements in this presentation, or which management may make orally or in writing from time to time, as predictions of future events or as guarantees of future performance. We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this presentation or as of the dates otherwise indicated in the statements. All of our forward-looking statements, including those in this presentation, are qualified in their entirety by this statement.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this presentation. Any forward-looking statements should be considered in light of the risks and uncertainties referred to in Item 1A. “Risk Factors” in our Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission (“SEC”). These risks include, but are not limited to, the following:

- national and local economic, business, real estate and other market conditions;
- the competitive environment in which we operate, including our ability to maintain or raise occupancy and 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 that we file with 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  
Charles Place  
Director, Investor Relations  
(610) 535-5700

**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				
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
<b>Selected Financial Information:</b>					
<b>Total portfolio:</b>					
Revenue from continuing operations	\$ 103,688	\$ 100,267	\$ 97,092	\$ 92,337	\$ 87,267
EBITDA from continuing operations	\$ 58,574	\$ 54,402	\$ 54,748	\$ 52,477	\$ 46,729
Net income attributable to the Company	\$ 8,434	\$ 5,483	\$ 8,480	\$ 7,886	\$ 4,530
Funds from operations (FFO)	\$ 46,263	\$ 42,979	\$ 41,552	\$ 39,324	\$ 34,027
FFO, as adjusted	\$ 46,773	\$ 46,805	\$ 42,810	\$ 40,045	\$ 35,706
FFO per share - fully diluted	\$ 0.27	\$ 0.26	\$ 0.27	\$ 0.26	\$ 0.23
FFO, as adjusted per share - fully diluted	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.27	\$ 0.25
Earnings per share - basic	\$ 0.04	\$ 0.02	\$ 0.05	\$ 0.04	\$ 0.02
Earnings per share - diluted	\$ 0.04	\$ 0.02	\$ 0.05	\$ 0.04	\$ 0.02
Dividends per common share and unit	\$ 0.16	\$ 0.16	\$ 0.13	\$ 0.13	\$ 0.13
Dividends per preferred share, series A	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
FFO payout ratio (1)	57.1%	57.1%	46.4%	48.1%	52.0%
Total assets	\$ 2,808,000	\$ 2,786,339	\$ 2,544,966	\$ 2,503,123	\$ 2,442,531
Total gross assets (total assets plus accumulated depreciation)	\$ 3,328,114	\$ 3,278,408	\$ 3,011,482	\$ 2,945,167	\$ 2,861,991
Realized annual rent per occupied square foot (3) (6)	\$ 14.17	\$ 14.24	\$ 14.11	\$ 13.77	\$ 13.53
In place annual rent per occupied square foot (2) (6)	\$ 15.00	\$ 15.09	\$ 14.93	\$ 14.60	\$ 14.46
Scheduled annual rent per square foot (4) (6)	\$ 15.38	\$ 15.39	\$ 15.49	\$ 15.11	\$ 14.73
<b>Same-store:</b>					
Revenue	\$ 86,480	\$ 86,011	\$ 87,352	\$ 84,680	\$ 80,841
Expense	\$ 27,846	\$ 26,445	\$ 26,868	\$ 26,676	\$ 27,297
NOI	\$ 58,634	\$ 59,566	\$ 60,484	\$ 58,004	\$ 53,544
Gross margin	67.8%	69.3%	69.2%	68.5%	66.2%
Period ending occupancy	91.2%	90.0%	91.6%	92.4%	89.3%
Period average occupancy	90.7%	90.6%	92.2%	91.1%	88.9%
Total rentable square feet	24,290	24,290	24,290	24,290	24,290
REVPAF (5)	\$ 12.85	\$ 12.80	\$ 12.96	\$ 12.54	\$ 12.00
Realized annual rent per occupied square foot (3)	\$ 14.17	\$ 14.12	\$ 14.04	\$ 13.75	\$ 13.50
In place annual rent per occupied square foot (2)	\$ 15.01	\$ 14.97	\$ 14.83	\$ 14.56	\$ 14.43
Scheduled annual rent per square foot (4)	\$ 15.19	\$ 15.18	\$ 15.30	\$ 15.01	\$ 14.70
<b>Capitalization:</b>					
Total Debt	\$ 1,176,868	\$ 1,173,851	\$ 1,115,849	\$ 1,181,132	\$ 1,196,625
Price per common share at quarter end	\$ 24.15	\$ 22.07	\$ 17.98	\$ 18.32	\$ 17.16
Price per preferred share at quarter end	\$ 26.76	\$ 26.98	\$ 26.40	\$ 26.30	\$ 25.71
Market Equity Value at quarter end	\$ 4,149,961	\$ 3,751,981	\$ 2,877,568	\$ 2,817,420	\$ 2,558,772
Total Market Capitalization	\$ 5,326,829	\$ 4,925,832	\$ 3,993,417	\$ 3,998,552	\$ 3,755,397
Total Debt/Total Gross Assets	35.4%	35.8%	37.1%	40.1%	41.8%
Total Debt/Total Market Capitalization	22.1%	23.8%	27.9%	29.5%	31.9%
<b>Shares and Units:</b>					
Closing Common Shares outstanding (excluding unvested restricted shares)	166,151	163,957	153,234	147,078	142,207
Closing Operating Partnership Units outstanding	2,255	2,257	2,257	2,261	2,261
Closing total Common Shares and Operating Partnership Units outstanding	168,406	166,214	155,491	149,339	144,468
Average Common Shares outstanding (excluding unvested restricted shares)	165,502	161,535	149,758	144,679	140,219
Average Operating Partnership Units outstanding	2,256	2,257	2,258	2,261	2,269
Average total Common Shares and Operating Partnership Units outstanding	167,758	163,792	152,016	146,940	142,488
Total weighted-average shares and units outstanding (including dilutive effect of option)	169,421	165,767	154,265	149,260	145,043
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 classified as held for sale or were not owned for the entirety of the respective quarter.

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

	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
<b>ASSETS</b>					
Storage facilities	\$ 3,178,202	\$ 3,117,198	\$ 2,823,186	\$ 2,776,835	\$ 2,660,819
Less: Accumulated depreciation	(520,114)	(492,069)	(466,516)	(442,044)	(419,460)
Storage facilities, net	2,658,088	2,625,129	2,356,670	2,334,791	2,241,359
Cash and cash equivalents	3,017	2,901	31,264	10,789	3,235
Restricted cash	3,675	3,305	4,254	3,587	3,964
Loan procurement costs, net of amortization	10,173	10,653	11,194	11,543	12,086
Investment in real estate ventures, at equity	93,918	95,709	98,321	101,013	154,467
Other assets, net	39,129	48,642	43,263	41,400	27,420
Total assets	<u>\$ 2,808,000</u>	<u>\$ 2,786,339</u>	<u>\$ 2,544,966</u>	<u>\$ 2,503,123</u>	<u>\$ 2,442,531</u>
<b>LIABILITIES AND EQUITY</b>					
Unsecured senior notes	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000
Revolving credit facility	80,000	78,000	-	56,900	70,600
Unsecured term loans	400,000	400,000	400,000	400,000	400,000
Mortgage loans and notes payable	196,868	195,851	215,849	224,232	226,025
Accounts payable, accrued expenses and other liabilities	70,116	69,198	63,139	57,847	49,627
Distributions payable	28,480	28,137	21,799	20,960	20,321
Deferred revenue	16,242	15,311	14,491	14,632	13,567
Security deposits	399	401	394	392	387
Total liabilities	<u>1,292,105</u>	<u>1,286,898</u>	<u>1,215,672</u>	<u>1,274,963</u>	<u>1,280,527</u>
Noncontrolling interests in the Operating Partnership	<u>54,446</u>	<u>49,823</u>	<u>40,590</u>	<u>41,430</u>	<u>38,807</u>
Commitments and contingencies					
<b>Equity</b>					
7.75% Series A Preferred shares	31	31	31	31	31
Common shares	1,661	1,639	1,532	1,471	1,422
Additional paid in capital	2,011,695	1,974,308	1,781,518	1,669,327	1,589,994
Accumulated other comprehensive loss	(9,835)	(8,759)	(8,558)	(10,650)	(10,360)
Accumulated deficit	(543,860)	(519,193)	(487,357)	(474,944)	(459,335)
Total CubeSmart shareholders' equity	<u>1,459,692</u>	<u>1,448,026</u>	<u>1,287,166</u>	<u>1,185,235</u>	<u>1,121,752</u>
Noncontrolling interest in subsidiaries	<u>1,757</u>	<u>1,592</u>	<u>1,538</u>	<u>1,495</u>	<u>1,445</u>
Total equity	<u>1,461,449</u>	<u>1,449,618</u>	<u>1,288,704</u>	<u>1,186,730</u>	<u>1,123,197</u>
Total liabilities and equity	<u>\$ 2,808,000</u>	<u>\$ 2,786,339</u>	<u>\$ 2,544,966</u>	<u>\$ 2,503,123</u>	<u>\$ 2,442,531</u>

**CUBESMART**  
**STATEMENTS OF OPERATIONS - TRAILING FIVE QUARTERS**  
*(unaudited, in thousands, except per share data)*

	Three months ended				
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
<b>REVENUES</b>					
Rental income	\$ 91,556	\$ 88,721	\$ 85,392	\$ 81,071	\$ 75,714
Other property related income	10,543	9,977	10,142	9,799	10,147
Property management fee income	1,589	1,569	1,558	1,467	1,406
Total revenues	<u>103,688</u>	<u>100,267</u>	<u>97,092</u>	<u>92,337</u>	<u>87,267</u>
<b>OPERATING EXPENSES</b>					
Property operating expenses	37,431	34,709	33,622	32,080	32,290
Depreciation and amortization	37,895	36,589	31,622	30,487	28,115
General and administrative	7,173	7,330	7,464	7,059	6,569
Acquisition related costs	510	3,826	1,258	721	1,679
Total operating expenses	<u>83,009</u>	<u>82,454</u>	<u>73,966</u>	<u>70,347</u>	<u>68,653</u>
<b>OPERATING INCOME</b>	<u>20,679</u>	<u>17,813</u>	<u>23,126</u>	<u>21,990</u>	<u>18,614</u>
<b>OTHER (EXPENSE) INCOME</b>					
Interest:					
Interest expense on loans	(11,057)	(11,132)	(11,772)	(12,027)	(11,871)
Loan procurement amortization expense	(546)	(540)	(566)	(543)	(541)
Equity in losses of real estate venture	(238)	(1,297)	(1,860)	(1,729)	(1,369)
Gain from sale of real estate	-	-	-	475	-
Other	(316)	698	(337)	(173)	(593)
Total other expense	<u>(12,157)</u>	<u>(12,271)</u>	<u>(14,535)</u>	<u>(13,997)</u>	<u>(14,374)</u>
<b>INCOME FROM CONTINUING OPERATIONS</b>	<u>8,522</u>	<u>5,542</u>	<u>8,591</u>	<u>7,993</u>	<u>4,240</u>
<b>DISCONTINUED OPERATIONS</b>					
Income from discontinued operations	-	-	-	-	336
Total discontinued operations	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>336</u>
<b>NET INCOME</b>	<u>8,522</u>	<u>5,542</u>	<u>8,591</u>	<u>7,993</u>	<u>4,576</u>
<b>NET (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>					
Noncontrolling interests in the Operating Partnership	(91)	(57)	(106)	(95)	(49)
Noncontrolling interest in subsidiaries	3	(2)	(5)	(12)	3
<b>NET INCOME ATTRIBUTABLE TO THE COMPANY</b>	<u>8,434</u>	<u>5,483</u>	<u>8,480</u>	<u>7,886</u>	<u>4,530</u>
Distribution to Preferred Shares	<u>(1,502)</u>	<u>(1,502)</u>	<u>(1,502)</u>	<u>(1,502)</u>	<u>(1,502)</u>
<b>NET INCOME ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS</b>	<u>\$ 6,932</u>	<u>\$ 3,981</u>	<u>\$ 6,978</u>	<u>\$ 6,384</u>	<u>\$ 3,028</u>
Basic earnings per share from continuing operations attributable to common shareholders	\$ 0.04	\$ 0.02	\$ 0.05	\$ 0.04	\$ 0.02
Basic earnings per share from discontinued operations attributable to common shareholders	0.00	0.00	0.00	0.00	0.00
Basic earnings per share attributable to common shareholders	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.05</u>	<u>\$ 0.04</u>	<u>\$ 0.02</u>
Diluted earnings per share from continuing operations attributable to common shareholders	\$ 0.04	\$ 0.02	\$ 0.05	\$ 0.04	\$ 0.02
Diluted earnings per share from discontinued operations attributable to common shareholders	0.00	0.00	0.00	0.00	0.00
Diluted earnings per share attributable to common shareholders	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.05</u>	<u>\$ 0.04</u>	<u>\$ 0.02</u>
Weighted-average basic shares outstanding	165,502	161,535	149,758	144,679	140,219
Weighted-average diluted shares outstanding	167,165	163,509	152,006	146,999	142,774
<b>AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:</b>					
Income from continuing operations	\$ 6,932	\$ 3,981	\$ 6,978	\$ 6,384	\$ 2,697
Total discontinued operations	-	-	-	-	331
Net income	<u>\$ 6,932</u>	<u>\$ 3,981</u>	<u>\$ 6,978</u>	<u>\$ 6,384</u>	<u>\$ 3,028</u>

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

	Three months ended		Percent Change
	March 31,		
	2015	2014	
<b>REVENUES</b>			
Net rental income	\$ 78,045	\$ 72,883	7.1%
Other property related income	8,435	7,958	6.0%
Total revenues	<u>86,480</u>	<u>80,841</u>	7.0%
<b>OPERATING EXPENSES</b>			
Property taxes	9,015	8,367	7.7%
Personnel expense	8,020	7,698	4.2%
Advertising	1,232	1,331	-7.4%
Repair and maintenance	883	926	-4.6%
Utilities	3,231	3,371	-4.2%
Property insurance	801	791	1.3%
Other expenses	4,664	4,813	-3.1%
Total operating expenses	<u>27,846</u>	<u>27,297</u>	2.0%
Net operating income (1)	<u>\$ 58,634</u>	<u>\$ 53,544</u>	9.5%
Gross margin	67.8%	66.2%	
Period end occupancy (2)	91.2%	89.3%	
Period average occupancy (3)	90.7%	88.9%	
Total rentable square feet	24,290	24,290	
Realized annual rent per occupied square foot (4)	\$ 14.17	\$ 13.50	5.0%
Scheduled annual rent per square foot (5)	\$ 15.19	\$ 14.70	3.3%

**Reconciliation of Same-Store Net Operating Income to Operating Income**

Same-store net operating income (1)	\$ 58,634	\$ 53,544
Non same-store net operating income (1)	9,281	2,854
Indirect property overhead (6)	(1,658)	(1,421)
Depreciation and amortization	(37,895)	(28,115)
General and administrative expense	(7,173)	(6,569)
Acquisition related costs	(510)	(1,679)
Operating Income	<u>\$ 20,679</u>	<u>\$ 18,614</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 March 31 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)*

	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
<b>REVENUES</b>					
Net rental income	78,045	77,717	78,645	76,071	72,883
Other property related income	8,435	8,294	8,707	8,609	7,958
Total revenues	<u>86,480</u>	<u>86,011</u>	<u>87,352</u>	<u>84,680</u>	<u>80,841</u>
<b>OPERATING EXPENSES</b>					
Property taxes	9,015	9,229	8,552	8,518	8,367
Personnel expense	8,020	7,665	7,803	7,540	7,698
Advertising	1,232	1,331	1,540	2,026	1,331
Repair and maintenance	883	1,009	1,240	1,131	926
Utilities	3,231	2,772	3,159	2,790	3,371
Property insurance	801	838	817	822	791
Other expenses	4,664	3,601	3,757	3,849	4,813
Total operating expenses	<u>27,846</u>	<u>26,445</u>	<u>26,868</u>	<u>26,676</u>	<u>27,297</u>
Net operating income (1)	<u>\$ 58,634</u>	<u>\$ 59,566</u>	<u>\$ 60,484</u>	<u>\$ 58,004</u>	<u>\$ 53,544</u>
Gross margin	67.8%	69.3%	69.2%	68.5%	66.2%
Period end occupancy (2)	91.2%	90.0%	91.6%	92.4%	89.3%
Period average occupancy (3)	90.7%	90.6%	92.2%	91.1%	88.9%
Total rentable square feet	24,290	24,290	24,290	24,290	24,290
Realized annual rent per occupied square foot (4)	\$ 14.17	\$ 14.12	\$ 14.04	\$ 13.75	\$ 13.50
Scheduled annual rent per square foot (5)	\$ 15.19	\$ 15.18	\$ 15.30	\$ 15.01	\$ 14.70
<b>Reconciliation of Same-Store Net Operating Income to Operating Income</b>					
Same-store net operating income (1)	\$ 58,634	\$ 59,566	\$ 60,484	\$ 58,004	\$ 53,544
Non same-store net operating income (1)	9,281	8,049	4,850	3,371	2,854
Indirect property overhead (6)	(1,658)	(2,057)	(1,864)	(1,118)	(1,421)
Depreciation and amortization	(37,895)	(36,589)	(31,622)	(30,487)	(28,115)
General and administrative expense	(7,173)	(7,330)	(7,464)	(7,059)	(6,569)
Acquisition related costs	(510)	(3,826)	(1,258)	(721)	(1,679)
Operating Income	<u>\$ 20,679</u>	<u>\$ 17,813</u>	<u>\$ 23,126</u>	<u>\$ 21,990</u>	<u>\$ 18,614</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 March 31, 2015 and 2014

	Same-Store Property Portfolio			Non-Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2015	2014	Increase/ (Decrease)	2015	2014	2015	2014	2015	2014	Increase/ (Decrease)
<b>REVENUES:</b>										
Rental income	\$ 78,045	\$ 72,883	\$ 5,162	\$ 13,511	\$ 2,831	\$ -	\$ -	\$ 91,556	\$ 75,714	\$ 15,842
Other property related income	8,435	7,958	477	1,358	1,355	750	834	10,543	10,147	396
Property management fee income	-	-	-	-	-	1,589	1,406	1,589	1,406	183
Total revenues	86,480	80,841	5,639	14,869	4,186	2,339	2,240	103,688	87,267	16,421
<b>OPERATING EXPENSES:</b>										
Property operating expenses	27,846	27,297	549	5,588	1,332	3,997	3,661	37,431	32,290	5,141
<b>NET OPERATING INCOME</b>	<b>\$ 58,634</b>	<b>\$ 53,544</b>	<b>\$ 5,090</b>	<b>\$ 9,281</b>	<b>\$ 2,854</b>	<b>\$ (1,658)</b>	<b>\$ (1,421)</b>	<b>\$ 66,257</b>	<b>\$ 54,977</b>	<b>\$ 11,280</b>
Property count	361	361		67	17			428	378	
Total square footage	24,290	24,290		4,756	1,170			29,046	25,460	
Period end occupancy	91.2%	89.3%		85.8%	74.4%			90.3%	88.6%	
Period average occupancy	90.7%	88.9%								
Realized annual rent per occupied square foot	\$ 14.17	\$ 13.50								

**SAME-STORE PERFORMANCE BREAKDOWN**

For the three months ended March 31, 2015 and 2014

Same-Store Pool	# of Properties	Total Square Feet	Occupancy		Year Over Year Change			
			3/31/2015	3/31/2014	Occupancy	Revenue	Expense	NOI
2015 Same-Store Pool	361	24,290	91.2%	89.3%	1.9%	7.0%	2.0%	9.5%
2014 Same-Store Pool (1)	346	23,141	91.2%	89.5%	1.7%	6.8%	1.8%	9.3%
2013 Same-Store Pool (2)	298	19,769	91.2%	89.5%	1.7%	6.7%	1.8%	9.2%

(1) Represents the subset of properties in the 2015 same-store pool that were in our same-store pool reported in 2014.

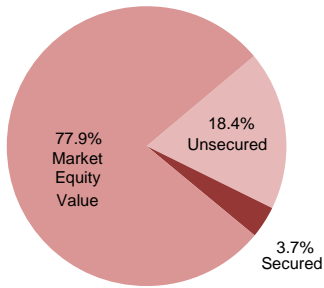
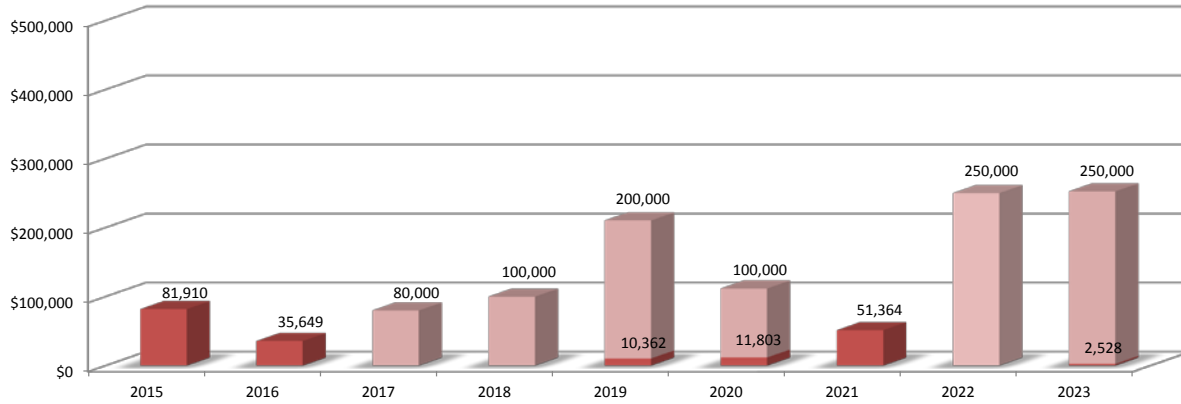
(2) Represents the subset of properties in the 2015 same-store pool that were in our same-store pool reported in 2013.

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

	Three months ended				
	March 31, 2015	December 31, 2014	September 30, 2014	June 30, 2014	March 31, 2014
<b>Net income attributable to common shareholders</b>	\$ 6,932	\$ 3,981	\$ 6,978	\$ 6,384	\$ 3,028
Add (deduct):					
Real estate depreciation and amortization:					
Real property	37,464	36,163	31,196	30,067	27,710
Company's share of unconsolidated real estate ventures	1,776	2,778	3,272	3,253	3,240
Gains from sale of real estate	-	-	-	(475)	-
Noncontrolling interests in the Operating Partnership	91	57	106	95	49
<b>FFO</b>	<u>\$ 46,263</u>	<u>\$ 42,979</u>	<u>\$ 41,552</u>	<u>\$ 39,324</u>	<u>\$ 34,027</u>
Add:					
Acquisition related costs	510	3,826	1,258	721	1,679
<b>FFO, as adjusted</b>	<u>\$ 46,773</u>	<u>\$ 46,805</u>	<u>\$ 42,810</u>	<u>\$ 40,045</u>	<u>\$ 35,706</u>
Earnings per share attributable to common shareholders - basic	\$ 0.04	\$ 0.02	\$ 0.05	\$ 0.04	\$ 0.02
Earnings per share attributable to common shareholders - fully diluted	\$ 0.04	\$ 0.02	\$ 0.05	\$ 0.04	\$ 0.02
FFO per share and unit - fully diluted	\$ 0.27	\$ 0.26	\$ 0.27	\$ 0.26	\$ 0.23
FFO, as adjusted per share and unit - fully diluted	\$ 0.28	\$ 0.28	\$ 0.28	\$ 0.27	\$ 0.25
Weighted-average basic shares outstanding	165,502	161,535	149,758	144,679	140,219
Weighted-average diluted shares outstanding	167,165	163,509	152,006	146,999	142,774
Weighted-average diluted shares and units outstanding	169,421	165,767	154,265	149,260	145,043
Dividend per common share and unit	\$ 0.16	\$ 0.16	\$ 0.13	\$ 0.13	\$ 0.13
Payout ratio of FFO, as adjusted	57%	57%	46%	48%	52%

**CUBESMART**  
**DEBT OVERVIEW (as of March 31, 2015)**  
*(unaudited, dollars in thousands)*

**Debt Maturity Schedule**

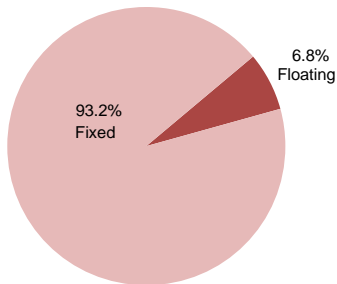


**Market Capitalization**

Unsecured	
Secured	
Total Debt	
Market Equity Value	
Total Market Capitalization	

Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
\$ 980,000	3.68%	5.9
196,868	5.64%	2.8
<u>\$1,176,868</u>	<u>4.01%</u>	<u>5.4</u>
4,149,961		
<u>\$5,326,829</u>		

(1) Weighted average interest rate

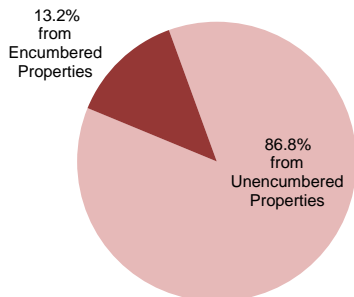


**Floating and Fixed**

Floating Rate Debt	
Fixed Rate Debt	
Total Debt	

Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
\$ 80,000	1.48%	2.2
1,096,868	4.19%	5.6
<u>\$1,176,868</u>	<u>4.01%</u>	<u>5.4</u>

(1) Weighted average interest rate



**Portfolio Net Operating Income**

NOI from Unencumbered Properties <sup>(1)</sup>	86.8%
NOI from Encumbered Properties <sup>(1)</sup>	13.2%
Total	<u>100.0%</u>

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

**CUBESMART  
SECURED DEBT ANALYSIS**

*(dollars in thousands)*

As of March 31, 2015

<b><u>FIXED RATE MORTGAGES</u></b>	<u>Balance</u>		<u>Rate</u>	<u>Maturity Date</u>
YSI 29	12,576	FIXED	5.17%	Aug-15
YSI 13	8,396	FIXED	4.80%	Oct-15
YSI 20	53,499	FIXED	5.97%	Nov-15
YSI 63	7,439	FIXED	4.95%	Dec-15
YSI 59	9,168	FIXED	5.87%	Mar-16
YSI 60	3,594	FIXED	6.25%	Aug-16
YSI 51	7,074	FIXED	6.36%	Sep-16
YSI 64	7,884	FIXED	6.23%	Oct-16
YSI 62	7,929	FIXED	5.78%	Dec-16
YSI 33	10,362	FIXED	6.42%	Jul-19
YSI 26	8,736	FIXED	5.45%	Nov-20
YSI 57	3,067	FIXED	5.45%	Nov-20
YSI 55	23,665	FIXED	5.30%	Jun-21
YSI 24	27,699	FIXED	5.30%	Jun-21
YSI 65	2,528	FIXED	4.72%	Jun-23
Total Mortgages	<u>\$ 193,616</u>		<u>5.64%</u>	

**FIXED RATE DEBT PREMIUMS**

Fixed Rate Debt Premiums 3,252

Total Secured Debt \$ 196,868 5.64%

**CUBESMART**  
**UNSECURED DEBT ANALYSIS**  
*(dollars in thousands)*  
As of March 31, 2015

	3/31/2015 Balance		Rate	Rate w/o Hedge	Maturity Date	Total Available	Remaining Available
<b>LINE OF CREDIT</b>							
Unsecured Revolving Credit Facility	\$ 80,000	LIBOR + 1.30%	1.48%	(a)	Jun-17	(e) \$ 300,000	\$ 219,970 (f)
<b>UNSECURED BANK TERM LOANS</b>							
Unsecured Term Loan	100,000	FIXED	3.10%	(b)	1.48%	Jun-18	
Unsecured Term Loan	200,000	FIXED	2.64%	(c)	1.48%	Jan-19	
Unsecured Term Loan	100,000	FIXED	3.62%	(d)	1.33%	Jan-20	
Total Unsecured Bank Term Loans	<u>\$ 400,000</u>						
<b>UNSECURED PUBLIC DEBT</b>							
Unsecured Senior Notes	250,000	FIXED	4.80%		Jul-22		
Unsecured Senior Notes	250,000	FIXED	4.38%		Dec-23		
Total Unsecured Debt	<u>\$ 980,000</u>		<u>3.68%</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 \$30 thousand.

<b>UNSECURED SENIOR NOTES COVENANTS</b>	Required	Actual
Fixed Charge Coverage Ratio	≥ 1.5x	5.3x
Leverage Ratio	≤ 60%	42.3%
Secured Debt Limitation	≤ 40%	7.1%
Unencumbered Asset Ratio	≥ 150%	254.1%

**INVESTMENT GRADE RATING**



**CUBESMART  
VALUE CREATION PIPELINE**  
(in thousands)

**New Development Facilities**

Location	Expected Opening	As of March 31, 2015	
		CUBE's Investment to-date	CUBE's Anticipated Total Investment
Arlington, VA	Q2 2015	\$ 15,200	\$ 18,100
Brooklyn, NY <sup>(1)</sup>	Q4 2015	7,000	14,400
Queens, NY	Q1 2016	9,400	32,100
Queens, NY	Q1 2016	7,300	19,000
Bronx, NY	Q2 2016	700	32,000
<b>Total</b>		<b>\$ 39,600</b>	<b>\$ 115,600</b>

**Facility Acquisitions at C/O<sup>(2)</sup>**

Location	Expected Opening	Contract Price
Dallas, TX	Q2 2015 <sup>(3)</sup>	\$ 15,800
Fort Worth, TX	Q4 2015	10,100
Grapevine, TX	Q1 2016	10,800
Brooklyn, NY	Q1 2016	48,500
<b>Total</b>		<b>\$ 85,200</b>



Arlington, VA facility

(1) During the first quarter of 2015, the Company acquired a land parcel adjacent to this development which increased our anticipated total investment by approximately \$3.7 million.

(2) These facilities will be purchased upon completion and are subject to due diligence and other customary closing conditions. No assurance can be provided that these acquisitions will be completed on the terms described, or at all.

(3) Subsequent to quarter end, this facility in Dallas, Texas was acquired upon completion of construction and issuance of certificate of occupancy.

**CUBESMART  
DEVELOPMENT COMPLETIONS**  
*(in thousands)*

**New Development Facilities**

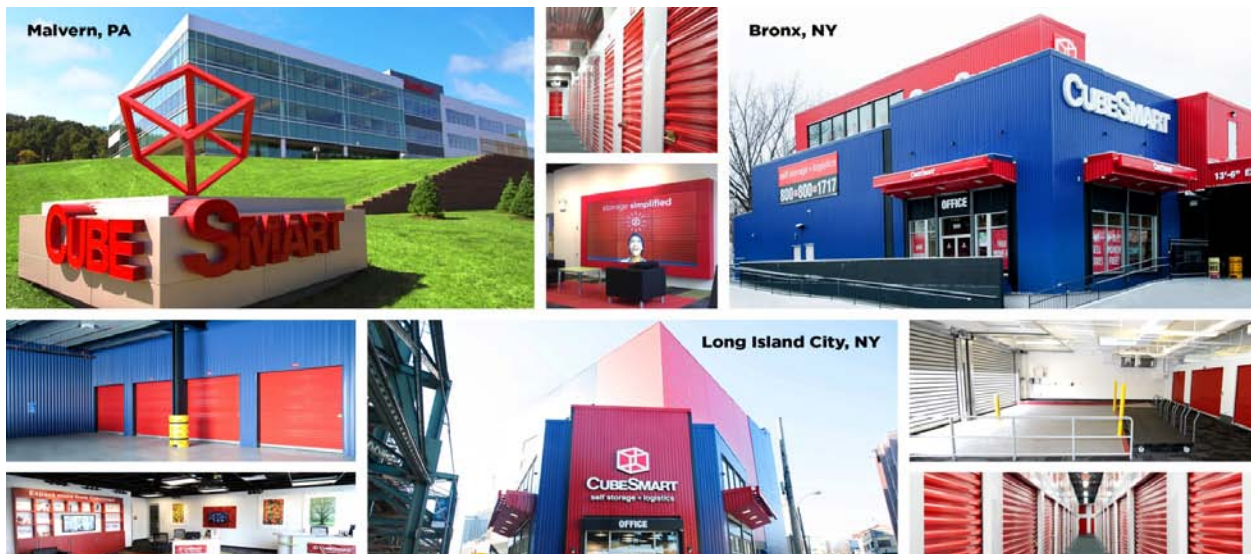
Location	Date Completed	Total Rentable Square Feet	Total Cost	CUBE Investment Percentage	March 31, 2015 Occupancy
Malvern, PA	Q1 2014 <sup>(1)</sup>	86,400 <sup>(2)</sup>	\$ 25,100	100%	96.2%
Bronx, NY	Q1 2014	46,852	17,200	100%	53.1%
	<b>Total</b>	<b>133,252</b>	<b>\$ 42,300</b>		

**Facility Acquisitions at C/O**

Location	Date Purchased	Total Rentable Square Feet	Total Cost	CUBE Investment Percentage	March 31, 2015 Occupancy
Long Island City, NY	Q4 2014	89,025	\$ 38,000	100%	14.8%
	<b>Total</b>	<b>89,025</b>	<b>\$ 38,000</b>		

(1) During the fourth quarter of 2013, the Company completed the construction of the portion of this mixed-use facility comprised of office space and relocated its corporate headquarters. During the first quarter of 2014, construction was completed on the portion of the building comprised of rentable storage space and the facility opened for operation.

(2) Included in total rentable square feet is 67,552 square feet associated with the portion of the building comprised of office space used for the Company's corporate headquarters.





**CUBESMART**  
**OPERATING PERFORMANCE - BY REGION**  
 Three Months Ended March 31, 2015

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	
				March 31, 2015	March 31, 2014	Change			Change	March 31, 2015
<b>Northeast<sup>2</sup></b>										
	New York / Northern NJ	43	3,014,208	90.6%	88.7%	1.9%	6.3%	49	3,402,482	88.3%
	Baltimore / DC	21	1,683,010	89.9%	87.2%	2.7%	5.4%	23	1,834,027	89.5%
	Connecticut	20	1,041,110	90.3%	89.7%	0.7%	5.9%	21	1,101,223	90.6%
	Philadelphia / Southern NJ	13	908,031	91.4%	88.4%	3.0%	8.6%	15	995,118	91.2%
	Boston	3	152,481	88.0%	82.7%	5.2%	10.9%	5	321,586	88.1%
	Other	6	371,233	91.5%	90.3%	1.2%	5.8%	11	673,669	91.2%
Northeast	Region Sub-Total	106	7,170,073	90.5%	88.4%	2.1%	6.3%	124	8,328,105	89.4%
<b>Southeast<sup>3,6</sup></b>										
	Florida Markets - Other	40	2,915,027	92.8%	90.4%	2.4%	8.6%	54	4,021,043	92.0%
	Miami / Ft. Lauderdale	17	1,315,795	93.2%	93.3%	0.0%	6.3%	19	1,455,545	93.0%
	Atlanta	16	1,184,751	91.4%	90.2%	1.3%	8.6%	16	1,184,751	91.4%
	Tennessee	5	467,159	90.4%	92.4%	-2.1%	6.1%	6	526,019	91.1%
	Other	6	463,488	93.1%	88.5%	4.6%	10.2%	6	463,488	93.1%
Southeast	Region Sub-Total	84	6,346,220	92.5%	91.0%	1.5%	7.9%	101	7,650,845	92.1%
<b>Midwest<sup>4,7</sup></b>										
	Texas Markets - Major	40	2,702,182	92.0%	90.0%	1.9%	7.1%	48	3,258,992	90.9%
	Chicago	28	1,659,998	91.5%	90.6%	0.9%	7.7%	37	2,327,303	90.2%
	Ohio	14	927,955	90.1%	90.2%	-0.1%	4.0%	20	1,279,665	87.7%
	Other	9	467,143	84.8%	84.0%	0.9%	9.5%	10	534,423	85.9%
Midwest	Region Sub-Total	91	5,757,278	91.0%	89.7%	1.2%	6.9%	115	7,400,383	89.8%
<b>West<sup>5</sup></b>										
	Arizona / Las Vegas	27	1,438,852	89.3%	85.8%	3.5%	6.0%	32	1,849,014	86.4%
	Southern California	12	974,920	92.5%	90.5%	2.0%	7.1%	12	974,920	92.5%
	Inland Empire	14	951,569	90.8%	87.3%	3.5%	6.6%	16	1,140,334	91.1%
	Colorado / Utah	13	807,572	91.5%	89.4%	2.1%	10.2%	13	807,572	91.5%
	Other	14	843,141	91.6%	88.1%	3.5%	7.3%	15	894,384	91.8%
West	Region Sub-Total	80	5,016,054	91.0%	88.0%	3.0%	7.3%	88	5,666,224	90.0%
<b>Total</b>		<b>361</b>	<b>24,289,625</b>	<b>91.2%</b>	<b>89.3%</b>	<b>1.9%</b>	<b>7.0%</b>	<b>428</b>	<b>29,045,557</b>	<b>90.3%</b>

- (1) Year over year.  
 (2) 86.1% of total Northeast Region Square Footage is classified as Same Store.  
 (3) 82.9% of total Southeast Region Square Footage is classified as Same Store.  
 (4) 77.8% of total Midwest Region Square Footage is classified as Same Store.  
 (5) 88.5% of total West Region Square Footage is classified as Same Store.  
 (6) These amounts do not include an asset the Company owns through a 50% joint venture with 81,869 total rentable square feet and ending occupancy of 92.5%.  
 (7) These amounts do not include 34 assets the Company owns through a 50% joint venture with 2,346,581 total rentable square feet and ending occupancy of 89.9%.

**CUBESMART  
PROPERTIES BY STATE, Total Portfolio**

As of March 31, 2015

<b>State</b>	<b>Number of Facilities</b>	<b>Number of Units</b>	<b>Total Rentable Square Feet</b>	<b>% of Total Rentable Square Feet</b>	<b>March 31, 2015 Occupancy</b>
Florida	73	52,564	5,476,587	18.9%	92.3%
Texas	57	30,299	3,726,135	12.8%	90.1%
California	40	25,373	2,827,377	9.7%	91.8%
New York	36	41,387	2,480,795	8.5%	86.6%
Illinois	37	21,283	2,327,303	8.0%	90.2%
Arizona	29	15,504	1,676,482	5.8%	86.5%
New Jersey	23	15,150	1,552,283	5.3%	92.6%
Ohio	20	11,042	1,279,665	4.4%	87.7%
Georgia	16	9,734	1,184,751	4.1%	91.4%
Connecticut	21	9,703	1,101,223	3.8%	90.6%
Maryland	13	10,217	1,074,500	3.7%	88.8%
Virginia	9	6,705	691,300	2.4%	90.4%
Pennsylvania	9	5,936	603,892	2.1%	91.1%
Colorado	9	4,764	567,749	2.0%	91.1%
Tennessee	6	3,803	526,019	1.8%	91.1%
North Carolina	6	3,908	463,488	1.6%	93.1%
Massachusetts	7	4,812	437,446	1.5%	88.5%
Rhode Island	4	1,973	240,599	0.8%	90.7%
Utah	4	2,217	239,823	0.8%	92.7%
New Mexico	3	1,607	182,261	0.6%	90.2%
Nevada	3	1,421	172,532	0.6%	85.5%
Washington DC	2	1,798	146,067	0.5%	88.7%
Indiana	1	562	67,280	0.3%	93.3%
<b>Total/Weighted Average</b>	<b>428</b>	<b>281,762</b>	<b>29,045,557</b>	<b>100.0%</b>	<b>90.3%</b>

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

As of March 31, 2015

<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>March 31, 2015 Occupancy</u>	<u>March 31, 2014 Occupancy</u>
Florida	57	40,743	4,230,822	17.4%	92.9%	91.6%
Texas	49	25,260	3,169,325	13.0%	90.9%	89.2%
California	37	23,032	2,587,369	10.7%	91.8%	88.8%
New York	30	34,496	2,092,521	8.6%	89.7%	88.4%
Illinois	28	14,313	1,659,998	6.8%	91.5%	90.5%
New Jersey	23	15,150	1,552,283	6.4%	92.6%	89.0%
Arizona	25	12,446	1,341,470	5.5%	89.0%	86.1%
Georgia	16	9,734	1,184,751	4.9%	91.4%	90.1%
Connecticut	20	9,120	1,041,110	4.3%	90.3%	89.7%
Ohio	14	8,111	927,955	3.8%	90.1%	90.2%
Maryland	11	8,526	923,483	3.8%	89.4%	86.2%
Virginia	9	6,705	691,300	2.8%	90.4%	88.3%
Colorado	9	4,764	567,749	2.3%	91.1%	88.7%
Pennsylvania	7	4,846	516,805	2.1%	91.4%	90.4%
Tennessee	5	3,269	467,159	1.9%	90.4%	92.4%
North Carolina	6	3,908	463,488	1.9%	93.1%	88.5%
Utah	4	2,217	239,823	1.0%	92.7%	91.1%
Massachusetts	4	2,375	206,504	0.9%	88.1%	84.4%
New Mexico	3	1,607	182,261	0.8%	90.2%	88.2%
Washington DC	2	1,798	146,067	0.7%	88.7%	88.6%
Nevada	2	891	97,382	0.4%	92.6%	82.3%
<b>Total/Weighted Average</b>	<b>361</b>	<b>233,311</b>	<b>24,289,625</b>	<b>100.0%</b>	<b>91.2%</b>	<b>89.3%</b>