



**Fourth Quarter 2011  
Supplemental Information**

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**CUBESMART**  
December 31, 2011

**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 Preferred Shares: CUBE-PA <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**

	4th Quarter 2011	3rd Quarter 2011	2nd Quarter 2011	1st Quarter 2011	4th Quarter 2010
<b>Common Shares and Units:</b>					
Share price, high	\$ 10.66	\$ 11.15	\$ 11.39	\$ 10.57	\$ 9.56
Share price, low	\$ 8.04	\$ 8.53	\$ 9.93	\$ 9.20	\$ 8.19
Share price, period end	\$ 10.64	\$ 8.53	\$ 10.52	\$ 10.52	\$ 9.53
Dividends declared per share	\$ 0.08	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Dividend yield, period end	3.01%	3.28%	2.66%	2.66%	2.94%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	122,059	99,002	98,854	98,831	98,597
Closing Operating Partnership Units outstanding	4,674	4,729	4,729	4,737	4,737
Total closing Common Shares and Units	126,733	103,731	103,583	103,568	103,334
<b>Preferred Shares (Series A):</b>					
Share price, high	\$ 25.01	\$ -	\$ -	\$ -	\$ -
Share price, low	\$ 24.31	\$ -	\$ -	\$ -	\$ -
Share price, period end	\$ 24.61	\$ -	\$ -	\$ -	\$ -
Dividends declared per share	\$ 0.3929	\$ -	\$ -	\$ -	\$ -
Dividend yield, period end	7.87%	0.00%	0.00%	0.00%	0.00%
Closing Preferred Shares outstanding	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"), contain 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.

## Funds from Operations (FFO)

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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 defines FFO as net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, 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, 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.

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, acquisition related costs, equity in losses of real estate entities, noncontrolling interest, depreciation and general and administrative, and deducting from net income: gains on sale of self-storage facilities, interest income 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 Fourth Quarter and Annual 2011 Results; Same-Store NOI Grows 5.7%; FFO per Share Grows 13.3%**

WAYNE, PA -- (MARKET WIRE) – February 23, 2012 -- CubeSmart (NYSE: CUBE) announced its operating results for the three months ended and the year ended December 31, 2011.

“CubeSmart had an exceptional and productive 2011,” noted Chief Executive Officer Dean Jernigan. “Not only did we produce healthy operational performance despite an uninspiring economic backdrop, but we also reached key strategic milestones as we executed on our investment and balance sheet objectives. Today, CubeSmart’s robust and scalable operational platform, differentiated market position, quality property portfolio, and investment-grade balance sheet position the Company for continued internal and external growth in 2012 and beyond.”

**Key Highlights for the Quarter**

- Reported funds from operations (“FFO”) per share of \$0.17, as adjusted for acquisition costs and non-cash charges associated with the early repayment of debt. Including these items, FFO per share was \$0.09.
- Increased same-store (331 facilities) revenue and net operating income 3.4% and 5.7%, respectively, as compared with the fourth quarter of 2010.
- Gained 240 basis points in quarterly same-store average physical occupancy, as compared with the same period in 2010.
- Entered into an agreement to purchase 22 Class A self-storage facilities, located primarily in the greater New York City area, from Storage Deluxe for total consideration of \$560 million; closed on 16 of these assets for an aggregate price of \$357.3 million and anticipate closing on the remaining six encumbered assets during the first quarter of 2012, for \$202.7 million.
- Acquired two assets in the Washington, DC market for a total cost of \$31.3 million; disposed of one asset in Michigan for \$1.7 million.
- Raised \$202.5 million in net proceeds from a public common equity offering and an additional \$74.8 million in net proceeds from a debut preferred equity offering.
- Closed on \$600 million in unsecured debt financing that extended the term of existing debt, added borrowing capacity, and effectively completed the permanent financing of the Storage Deluxe transaction.
- Assigned a BBB- issuer rating by Standard and Poor’s Ratings Services. This follows the assignment of a Baa3 issuer rating by Moody’s Investors Service in July 2011.

**Funds from Operations**

FFO, as adjusted for acquisition costs and the write-off of unamortized loan procurement costs in conjunction with the early repayment of debt, was \$20.5 million for the fourth quarter of 2011, compared with \$15.9 million for the fourth quarter of 2010. FFO per share, as adjusted, was \$0.17 per share for the quarter, compared with \$0.15 per share for the same period last year. Excluding adjustments, FFO was \$11.2 million for the quarter, compared with \$15.6 million for the fourth quarter of 2010. Unadjusted FFO per share was \$0.09 per share for the fourth quarter of 2011, compared with \$0.15 per share for the same quarter last year.

## **2011 Investment Activity**

In November, as part of the previously announced \$560 million Storage Deluxe transaction involving 22 Class A self-storage facilities located primarily in the greater New York City area, the Company closed on the first 16 unencumbered assets for an aggregate purchase price of \$357.3 million. The Company expects to close on the remaining \$202.7 million during the first quarter of 2012 with the acquisition of the six encumbered assets. Primary sources of funding for the second tranche are expected to include the assumption of \$88 million of secured debt and the drawdown of the remaining \$100 million of the \$200 million 5-year term loan that was part of the Company's new \$600 million credit facility announced in December.

In separate transactions, the company acquired two properties in the broader Washington, DC market for a total cost of \$31.3 million. In total during the fourth quarter of 2011, the Company closed on the acquisition of 18 storage facilities for a total cost of \$388.6 million.

For the full year, the Company acquired 27 self-storage facilities for a total cost of approximately \$469.1 million. Additionally, as announced in September, the company acquired a 50% interest in a partnership which owns nine facilities located in New York, New Jersey, Pennsylvania, Virginia, and Florida. The total capitalization of the venture is approximately \$90.0 million, and the Company's investment in the partnership is \$15.4 million.

In addition to the acquisition of quality assets in targeted markets, the Company continued to reposition its portfolio through selective dispositions. During the fourth quarter of 2011, the Company sold one asset in Michigan for \$1.7 million in proceeds. For the full year, the company sold 19 properties in Ohio, Indiana, and Michigan for total proceeds of \$45.2 million.

"In 2011, we exceeded our initial investment targets for the year and dramatically accelerated our long-term portfolio objectives," said President and Chief Investment Officer Christopher Marr. "Importantly, the vast majority of our investment activity in 2011 was sourced directly through our third-party management program and other industry relationships. We are also pleased by the ease with which our operational platform was able to accommodate these transformational portfolio adjustments. Looking forward, we will continue to leverage these resources as we execute on our disciplined investment strategy, with the ultimate objective of building long-term shareholder value."

## **Third-Party Management**

During the fourth quarter of 2011, the Company was awarded one new management contract. During the course of the year, the Company was awarded new management contracts related to 24 self-storage facilities. At December 31, 2011, the Company managed 103 properties totaling 6.5 million square feet on behalf of third parties.

## **Same-Store Results**

The Company's same-store pool at December 31, 2011 represented 331 facilities containing approximately 21.8 million rentable square feet and included approximately 89.3% of the aggregate rentable square feet of the Company's 370 owned facilities. These same-store

facilities represented approximately 84.3% of property net operating income for the quarter ended December 31, 2011.

The same-store physical occupancy at period end for the fourth quarter of 2011 was 78.7% compared with 76.7% for the same quarter of last year. Same-store net rental income for the fourth quarter of 2011 increased by 2.4%, same-store total revenues increased by 3.4% and same-store operating expenses decreased by 0.5% as compared with the same quarter in 2010. Same-store net operating income increased by 5.7% over the same period.

For the year ended December 31, 2011, same-store total revenues, operating expenses and net operating income increased 3.6%, 0.3%, and 5.7%, respectively, as compared with the results for the year ended December 31, 2010. Average physical occupancy of the same-store pool during 2011 was 78.8% as compared with 76.8% during 2010.

## **Balance Sheet**

In October, the Company completed a public offering of 23,000,000 common shares, including the full exercise of the underwriters' option, at a price of \$9.20, yielding net proceeds of \$202.5 million. In November, the Company raised \$74.8 million of net proceeds through a debut public offering of 3,100,000 shares of its 7.75% Series A Cumulative Redeemable Preferred Shares, including exercise of the underwriters' option, at a price of \$25.00 per share.

In December, the Company closed on a \$600 million unsecured credit facility comprised of a \$300 million revolving credit facility maturing in December 2015, a \$100 million 3-year term loan, and a \$200 million 5-year term loan. At closing, the Company borrowed \$100 million of the 5-year term loan and expects to draw the remaining \$100 million in the first quarter of 2012 in conjunction with the closing of the acquisition of the remaining Storage Deluxe assets. The new credit facility replaces in its entirety the Company's prior credit facility.

At December 31, 2011, the Company had four \$100 million unsecured term loans outstanding, maturing in 2014, 2016, 2017 and 2018, and the Company had no amounts drawn on its \$300 million revolving credit facility.

During the year ended December 31, 2011, the Company repaid \$2.7 million of secured loans that had maturity dates in 2011 and \$30.8 million of secured loans that had maturity dates in 2014.

## **Investment Grade Rating**

On December 20, 2011, the Company announced that its operating partnership, CubeSmart L.P., was assigned a BBB- issuer rating by Standard and Poor's Ratings Services with a stable outlook. This follows a July 13, 2011 announcement that CubeSmart L.P. was assigned a Baa3 issuer rating by Moody's Investors Service with a stable outlook.

## **Operating Results**

The Company reported net loss attributable to the Company's common shareholders of \$9.2 million or \$0.08 per common share in the fourth quarter of 2011, compared with net income attributable to the Company's common shareholders of \$2.1 million or \$0.02 per common share

in the fourth quarter of 2010. Total revenues increased \$9.2 million and total property operating expenses increased \$2.3 million in the fourth quarter of 2011, as compared with the same period in 2010. Increases in total revenues are primarily attributable to increased occupancy levels in the same-store portfolio, revenues generated from property acquisitions and increased revenues generated from the Company's third-party management business. Increases in total property operating expenses are attributable to the impact of newly acquired properties and increases in expenses related to real estate taxes, utilities and marketing expenses.

For the year ended December 31, 2011, the Company reported a net loss attributable to the Company's common shareholders of \$1.6 million or \$0.02 per share, compared with a net loss attributable to the Company of \$7.4 million or \$0.08 per share for the year ended December 31, 2010. Increases in total revenues are attributable to additional income from the properties acquired in 2010 and 2011 and increases in average occupancy and scheduled annual rent per square foot in the same-store portfolio. Increases in total property operating expenses are attributable to increased expenses associated with newly acquired properties and 12 months of expenses in the 2011 period related to the addition of 85 management contracts in April 2010, compared with only eight months of similar expenses in the 2010 period. In addition, the Company experienced an increase in same-store expenses primarily attributable to increased snow removal expenses during the 2011 period as compared with the 2010 period.

Interest expense decreased from \$37.8 million in 2010 to \$33.2 million in 2011 due to reduced interest expense related to mortgage loan repayments and lower interest rates on the Credit Facility during the 2011 period as compared with the 2010 period, offset by increased unsecured loan borrowings during the period.

During the year, the company incurred non-cash charges of \$8.2 million related to the write-off of unamortized loan procurement costs associated with the repayment of \$200 million of unsecured term loans and credit facility borrowings. No comparable expense was incurred during the 2010 period.

Acquisition related costs increased from \$0.8 million during 2010 to \$3.8 million during 2011 as a result of the acquisition of 27 self-storage facilities in 2011, compared with 12 acquisitions during 2010. Acquisition costs in 2011 included \$1.3 million of bridge financing commitment fees associated with the Storage Deluxe transaction.

The Company's 370 owned facilities, containing 24.4 million rentable square feet, had a physical occupancy at December 31, 2011 of 78.6% and an average physical occupancy for the quarter and year ended December 31, 2011 of 79.0% and 78.5%, respectively.

### **Quarterly Dividend**

On December 8, 2011, the Company declared a dividend of \$0.08 per common share. The dividend was paid on January 15, 2012 to common shareholders of record on January 5, 2012.

Also on December 8, 2011, the Company declared a dividend of \$0.3929 for the 7.75% Series A Cumulative Redeemable Preferred Shares. The dividend was paid on January 15, 2012 to holders of record on January 1, 2012.



## 2012 Financial Outlook

“Our expectation of continued, albeit modest, improvement in the U.S. economic and employment outlook, coupled with limited new competitive supply, supports our belief that self-storage fundamentals will remain healthy in 2012,” explained Chief Financial Officer Tim Martin. “Our 2012 guidance contemplates closing on the second tranche of the Storage Deluxe transaction during the first quarter of 2012, and issuing unsecured debt that will further extend our maturity profile. Looking beyond 2012, we expect our improved asset base and flexible balance sheet to provide a foundation for long-term growth.”

The Company estimates that its fully-diluted FFO per share for 2012 will be between \$0.67 and \$0.73, and that its fully-diluted net loss per share for the period will be between \$0.12 and \$0.18. The Company’s estimate is based on the following key assumptions:

- Debt issuance assumptions – a significant variable in 2012 guidance – that contemplate, at the low end of the guidance range, \$300 million of unsecured debt issuance at a 6.0% coupon and weighted early to the second quarter and, at the high end of the guidance range, \$250 million at a 5.5% coupon and weighted toward the end of the third quarter.
- For 2012, a same-store pool consisting of 340 assets totaling 22.4 million square feet.
- Same-store net operating income (“NOI”) growth of 3.0% to 4.0% over 2011, driven by revenue growth of 3.0% to 3.75% and expense growth of 2.25% to 3.25%.
- The closing of the acquisition of the remaining six Storage Deluxe assets during the first quarter of 2012.
- Combined performance of the \$560 million Storage Deluxe acquisition and the \$111.8 million of other 2011 acquisitions that is consistent with our underwriting expectations, equating to a 2012 yield of 6.0%.
- General and administrative expenses of approximately \$25.5 million to \$26.5 million.

Due to uncertainty related to the timing and terms of transactions, the impact of anticipated investment activity is excluded from guidance. For 2012, the Company is targeting \$75 million to \$125 million of acquisitions, excluding Storage Deluxe, and \$35 million to \$50 million of dispositions.

2012 Full Year Guidance	Range or Value	
Loss per diluted share allocated to common shareholders	\$ (0.18)	to \$ (0.12)
Plus: real estate depreciation and amortization	0.85	0.85
FFO per diluted share	<u>\$ 0.67</u>	to <u>\$ 0.73</u>

The Company estimates that its fully-diluted FFO per share for the quarter ending March 31, 2012 will be between \$0.14 and \$0.15, and that its fully-diluted net loss per share for the period will be between \$0.06 and \$0.07.

1st Quarter 2012 Guidance	Range or Value	
Loss per diluted share allocated to common shareholders	\$ (0.07)	to \$ (0.06)
Plus: real estate depreciation and amortization	0.21	0.21
FFO per diluted share	<u>\$ 0.14</u>	to <u>\$ 0.15</u>

## Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, February 24, 2012, to discuss financial results for the three months and year ended December 31, 2011.

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 1-877-317-6789 for domestic callers and +1-412-317-6789 for international callers. After the live webcast, the call will remain available on CubeSmart's website for thirty days. In addition, a telephonic replay of the call will be available until March 26, 2012. The replay dial-in number is 877-344-7529 for domestic callers and +1-412-317-0088 for international callers. The reservation number for both numbers is 10008154.

Supplemental operating and financial data as of December 31, 2011 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 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. The Company makes certain adjustments to FFO as defined by the White Paper to provide what Management believes to be a more useful and comparable FFO presentation.

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, 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.

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, 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;
- 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 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.

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  
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Investor Relations  
(610) 293-5700

**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.

	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
<b>Selected Financial Information:</b>					
<b>Total portfolio:</b>					
Revenue	\$ 63,953	\$ 60,341	\$ 57,559	\$ 55,752	\$ 54,803
EBITDA	\$ 32,400	\$ 29,961	\$ 26,417	\$ 24,974	\$ 25,834
Net income (loss) attributable to the Company	\$ (8,011)	\$ 6,828	\$ 902	\$ (117)	\$ 2,083
Funds from operations (FFO)	\$ 11,226	\$ 18,842	\$ 16,027	\$ 14,669	\$ 15,598
FFO, as adjusted	\$ 20,502	\$ 19,216	\$ 16,363	\$ 14,778	\$ 15,892
FFO per share - fully diluted	\$ 0.09	\$ 0.18	\$ 0.15	\$ 0.14	\$ 0.15
FFO, as adjusted per share - fully diluted	\$ 0.17	\$ 0.18	\$ 0.16	\$ 0.14	\$ 0.15
Earnings (loss) per share - basic	\$ (0.08)	\$ 0.07	\$ 0.01	\$ -	\$ 0.02
Earnings (loss) per share - diluted	\$ (0.08)	\$ 0.07	\$ 0.01	\$ -	\$ 0.02
Dividends per common share and unit	\$ 0.08	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Dividends per preferred share, series A	\$ 0.3929	\$ -	\$ -	\$ -	\$ -
Total assets	\$ 1,875,979	\$ 1,503,118	\$ 1,509,462	\$ 1,475,707	\$ 1,478,819
Total gross assets (total assets plus accumulated depreciation)	\$ 2,194,728	\$ 1,810,793	\$ 1,828,232	\$ 1,783,276	\$ 1,793,349
<b>Same-store:</b>					
Revenue	\$ 53,131	\$ 53,800	\$ 52,310	\$ 51,402	\$ 51,386
Expense	\$ 18,908	\$ 19,770	\$ 19,986	\$ 20,709	\$ 19,007
NOI	\$ 34,223	\$ 34,030	\$ 32,324	\$ 30,693	\$ 32,379
Gross margin	64.4%	63.3%	61.8%	59.7%	63.0%
Period average occupancy	79.3%	80.8%	78.5%	76.8%	76.9%
Total rentable square feet	21,815	21,815	21,815	21,815	21,815
REVPAF (1)	\$ 8.91	\$ 8.97	\$ 8.74	\$ 8.69	\$ 8.69
In place annual rent per occupied square foot (2)	\$ 12.13	\$ 12.05	\$ 12.00	\$ 12.08	\$ 12.12
Realized annual rent per occupied square foot (3)	\$ 11.24	\$ 11.10	\$ 11.12	\$ 11.32	\$ 11.30
Scheduled annual rent per square foot (4)	\$ 12.37	\$ 12.29	\$ 12.10	\$ 12.05	\$ 12.13
<b>Ratios:</b>					
Interest coverage ratio (5)	3.41	3.13	2.81	2.56	2.53
FFO payout ratio (6)	47.1%	38.9%	43.8%	50.0%	46.7%
<b>Capitalization:</b>					
Total Debt	\$ 758,441	\$ 646,018	\$ 656,645	\$ 623,041	\$ 615,457
Price per share at quarter end	\$ 10.64	\$ 8.53	\$ 10.52	\$ 10.52	\$ 9.53
Market Equity Value at quarter end	\$ 1,276,608	\$ 883,913	\$ 1,089,641	\$ 1,088,883	\$ 964,798
Total Market Capitalization	\$ 2,035,049	\$ 1,529,931	\$ 1,746,286	\$ 1,711,924	\$ 1,580,255
Total Debt/Total Gross Assets	34.6%	35.7%	35.9%	34.9%	34.3%
Total Debt/Total Market Capitalization	37.3%	42.2%	37.6%	36.4%	38.9%
<b>Shares and Units:</b>					
Closing Common Shares outstanding (excluding unvested restricted shares)	122,059	99,002	98,854	98,831	98,597
Closing Operating Partnership Units outstanding	4,674	4,729	4,729	4,737	4,737
Closing total Common Shares and Operating Partnership Units outstanding	126,733	103,731	103,583	103,568	103,334
Average Common Shares outstanding (excluding unvested restricted shares)	115,260	98,895	98,844	98,769	96,501
Average Operating Partnership Units outstanding	4,722	4,729	4,734	4,737	4,737
Average total Common Shares and Operating Partnership Units outstanding	119,982	103,624	103,578	103,506	101,238
Average total weighted-average shares and units outstanding (including dilutive effect of options)	121,210	105,013	105,071	105,008	102,535

- (1) 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.  
(2) In place annual rent per occupied square foot represents annualized contractual rents per occupied square foot without reductions for promotional discounts and excludes 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 contractual rents per available square foot for the period.  
(5) Net operating income divided by interest expense.  
(6) Payout ratio presents distributions per share during the period divided by FFO per share, as adjusted.

**CUBESMART**  
**BALANCE SHEETS**  
*(unaudited, in thousands, except share data)*

	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
<b>ASSETS</b>					
Storage facilities	\$ 2,107,469	\$ 1,740,880	\$ 1,781,331	\$ 1,737,681	\$ 1,743,021
Less: Accumulated depreciation	(318,749)	(307,675)	(318,770)	(307,569)	(314,530)
Storage facilities, net	1,788,720	1,433,205	1,462,561	1,430,112	1,428,491
Cash and cash equivalents	9,069	12,491	1,845	4,089	5,891
Restricted cash	11,291	11,228	9,747	9,612	10,250
Loan procurement costs, net of amortization	8,073	11,574	12,672	14,034	15,611
Investment in real estate entities	15,181	15,438	-	-	-
Other assets, net	43,645	19,182	22,637	17,860	18,576
Total assets	<u>\$ 1,875,979</u>	<u>\$ 1,503,118</u>	<u>\$ 1,509,462</u>	<u>\$ 1,475,707</u>	<u>\$ 1,478,819</u>
<b>LIABILITIES AND EQUITY</b>					
Revolving credit facility	\$ -	\$ -	\$ 9,000	\$ 40,500	\$ 43,000
Unsecured term loans	400,000	300,000	300,000	200,000	200,000
Mortgage loans and notes payable	358,441	346,018	347,645	382,541	372,457
Accounts payable, accrued expenses and other liabilities	51,025	50,028	37,105	32,104	36,172
Distributions payable	11,401	7,293	7,260	7,292	7,275
Deferred revenue	9,568	9,326	9,532	9,272	8,873
Security deposits	490	476	490	497	489
Total liabilities	<u>830,925</u>	<u>713,141</u>	<u>711,032</u>	<u>672,206</u>	<u>668,266</u>
Noncontrolling interests in the Operating Partnership	<u>49,732</u>	<u>42,521</u>	<u>49,789</u>	<u>49,835</u>	<u>45,145</u>
Commitments and contingencies					
Equity					
7.75% Series A Preferred shares	31	-	-	-	-
Common shares	1,221	990	989	988	986
Additional paid in capital	1,309,505	1,030,847	1,028,640	1,027,594	1,026,952
Accumulated other comprehensive loss	(12,831)	(9,484)	(113)	(888)	(1,121)
Accumulated deficit	(342,013)	(314,380)	(321,053)	(314,693)	(302,601)
Total CubeSmart shareholders' equity	<u>955,913</u>	<u>707,973</u>	<u>708,463</u>	<u>713,001</u>	<u>724,216</u>
Noncontrolling interest in subsidiaries	<u>39,409</u>	<u>39,483</u>	<u>40,178</u>	<u>40,665</u>	<u>41,192</u>
Total equity	<u>995,322</u>	<u>747,456</u>	<u>748,641</u>	<u>753,666</u>	<u>765,408</u>
Total liabilities and equity	<u>\$ 1,875,979</u>	<u>\$ 1,503,118</u>	<u>\$ 1,509,462</u>	<u>\$ 1,475,707</u>	<u>\$ 1,478,819</u>

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

	Three Months Ended				
	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
<b>REVENUES</b>					
Rental income	\$ 56,977	\$ 53,609	\$ 51,277	\$ 50,243	\$ 48,883
Other property related income	5,843	5,854	5,434	4,600	4,773
Property management fee income	1,133	878	848	909	1,147
Total revenues	<u>63,953</u>	<u>60,341</u>	<u>57,559</u>	<u>55,752</u>	<u>54,803</u>
<b>OPERATING EXPENSES</b>					
Property operating expenses	25,210	24,904	24,301	24,745	22,871
Depreciation and amortization	21,404	16,027	15,581	15,211	15,555
General and administrative	6,343	5,476	6,841	6,033	6,098
Total operating expenses	<u>52,957</u>	<u>46,407</u>	<u>46,723</u>	<u>45,989</u>	<u>44,524</u>
<b>OPERATING INCOME</b>	<u>10,996</u>	<u>13,934</u>	<u>10,836</u>	<u>9,763</u>	<u>10,279</u>
<b>OTHER INCOME (EXPENSE)</b>					
Interest:					
Interest expense on loans	(8,602)	(8,464)	(8,020)	(8,113)	(8,470)
Loan procurement amortization expense	(903)	(1,093)	(1,396)	(1,636)	(1,745)
Loan procurement amortization expense - early repayment of debt	(6,082)	-	(2,085)	-	-
Acquisition related costs	(3,194)	(374)	(146)	(109)	(294)
Equity in losses of real estate entities	(257)	(24)	-	-	-
Other	96	8	(193)	6	(89)
Total other expense	<u>(18,942)</u>	<u>(9,947)</u>	<u>(11,840)</u>	<u>(9,852)</u>	<u>(10,598)</u>
<b>(LOSS) INCOME FROM CONTINUING OPERATIONS</b>	<u>(7,946)</u>	<u>3,987</u>	<u>(1,004)</u>	<u>(89)</u>	<u>(319)</u>
<b>DISCONTINUED OPERATIONS</b>					
Income from discontinued operations	25	414	2,592	565	1,170
Net gain on disposition of discontinued operations	376	3,527	-	-	1,826
Total discontinued operations	<u>401</u>	<u>3,941</u>	<u>2,592</u>	<u>565</u>	<u>2,996</u>
<b>NET (LOSS) INCOME</b>	<u>(7,545)</u>	<u>7,928</u>	<u>1,588</u>	<u>476</u>	<u>2,677</u>
<b>NET LOSS (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>					
Noncontrolling interests in the Operating Partnership	333	(329)	(44)	5	(106)
Noncontrolling interest in subsidiaries	(799)	(771)	(642)	(598)	(488)
<b>NET (LOSS) INCOME ATTRIBUTABLE TO THE COMPANY</b>	<u>(8,011)</u>	<u>6,828</u>	<u>902</u>	<u>(117)</u>	<u>2,083</u>
Distribution to preferred shareholders	(1,218)	-	-	-	-
<b>NET (LOSS) INCOME ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS</b>	<u>\$ (9,229)</u>	<u>\$ 6,828</u>	<u>\$ 902</u>	<u>\$ (117)</u>	<u>\$ 2,083</u>
Basic and diluted (loss) earnings per share from continuing operations attributable to common shareholders	\$ (0.08)	\$ 0.03	\$ (0.02)	\$ (0.01)	\$ (0.01)
Basic and diluted earnings per share from discontinued operations attributable to common shareholders	-	0.04	0.03	0.01	0.03
Basic and diluted (loss) earnings per share attributable to common shareholders	<u>\$ (0.08)</u>	<u>\$ 0.07</u>	<u>\$ 0.01</u>	<u>\$ -</u>	<u>\$ 0.02</u>
Weighted-average basic shares outstanding	115,260	98,895	98,844	98,769	96,501
Weighted-average diluted shares outstanding	115,260	100,284	98,844	98,769	96,501
<b>AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:</b>					
(Loss) income from continuing operations	\$ (9,614)	\$ 3,068	\$ (1,571)	\$ (656)	\$ (772)
Total discontinued operations	385	3,760	2,473	539	2,855
Net (loss) income	<u>\$ (9,229)</u>	<u>\$ 6,828</u>	<u>\$ 902</u>	<u>\$ (117)</u>	<u>\$ 2,083</u>

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

	Three months ended			Year ended December 31,		
	December 31,		Percent Change	December 31,		Percent Change
	2011	2010		2011	2010	
<b>REVENUES</b>						
Net rental income	\$ 48,573	\$ 47,412	2.4%	\$ 192,514	\$ 187,653	2.6%
Other property related income	4,558	3,974	14.7%	18,130	15,636	16.0%
Total revenues	<u>53,131</u>	<u>51,386</u>	<u>3.4%</u>	<u>210,644</u>	<u>203,289</u>	<u>3.6%</u>
<b>OPERATING EXPENSES</b>						
Property taxes	6,122	6,181	-1.0%	25,247	25,638	-1.5%
Personnel expense	5,825	5,511	5.7%	22,882	22,064	3.7%
Advertising	1,105	1,043	5.9%	5,601	5,752	-2.6%
Repair and maintenance	709	743	-4.6%	2,756	2,677	3.0%
Utilities	1,907	1,930	-1.2%	8,330	8,664	-3.9%
Property insurance	672	679	-1.0%	2,743	2,776	-1.2%
Other expenses	2,568	2,920	-12.1%	11,813	11,560	2.2%
Total operating expenses	<u>18,908</u>	<u>19,007</u>	<u>-0.5%</u>	<u>79,372</u>	<u>79,131</u>	<u>0.3%</u>
Net operating income (1)	<u>\$ 34,223</u>	<u>\$ 32,379</u>	<u>5.7%</u>	<u>\$ 131,272</u>	<u>\$ 124,158</u>	<u>5.7%</u>
Gross margin	64.4%	63.0%		62.3%	61.1%	
Period Average Occupancy (2)	79.3%	76.9%		78.8%	76.8%	
Period End Occupancy (3)	78.7%	76.7%		78.7%	76.7%	
Total rentable square feet	21,815	21,815		21,815	21,815	
Realized annual rent per occupied square foot (4)	\$ 11.24	\$ 11.30	-0.5%	\$ 11.20	\$ 11.20	0.0%
Scheduled annual rent per square foot (5)	\$ 12.37	\$ 12.13	2.0%	\$ 12.20	\$ 11.95	2.1%
<b>Reconciliation of Same-Store Net Operating Income to Operating Income</b>						
Same-store net operating income (1)	\$ 34,223	\$ 32,379		\$ 131,272	\$ 124,158	
Non same-store net operating income (1)	6,372	1,202		14,030	1,055	
Indirect property overhead (6)	(1,852)	(1,649)		(6,857)	(5,745)	
Depreciation and amortization	(21,404)	(15,555)		(68,223)	(61,428)	
General and administrative expense	(6,343)	(6,098)		(24,693)	(25,406)	
Operating Income	<u>\$ 10,996</u>	<u>\$ 10,279</u>		<u>\$ 45,529</u>	<u>\$ 32,634</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 the weighted average occupancy for the period.

(3) Represents occupancy at December 31 of the respective year.

(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 contractual rents per available square foot for the period.

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



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

	Three months ended				
	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
<b>REVENUES</b>					
Net rental income	\$ 48,573	\$ 48,907	\$ 47,641	\$ 47,393	\$ 47,412
Other property related income	4,558	4,893	4,669	4,009	3,974
Total revenues	<u>53,131</u>	<u>53,800</u>	<u>52,310</u>	<u>51,402</u>	<u>51,386</u>
<b>OPERATING EXPENSES</b>					
Property taxes	6,122	6,225	6,471	6,429	6,181
Personnel expense	5,825	5,649	5,738	5,671	5,511
Advertising	1,105	1,379	1,549	1,567	1,043
Repair and maintenance	709	685	737	625	743
Utilities	1,907	2,235	1,921	2,268	1,930
Property insurance	672	691	707	673	679
Other expenses	2,568	2,906	2,863	3,476	2,920
Total operating expenses	<u>18,908</u>	<u>19,770</u>	<u>19,986</u>	<u>20,709</u>	<u>19,007</u>
Net operating income (1)	<u>\$ 34,223</u>	<u>\$ 34,030</u>	<u>\$ 32,324</u>	<u>\$ 30,693</u>	<u>\$ 32,379</u>
Gross margin	64.4%	63.3%	61.8%	59.7%	63.0%
Period Average Occupancy (2)	79.3%	80.8%	78.5%	76.8%	76.9%
Period End Occupancy (3)	78.7%	80.7%	79.8%	76.9%	76.7%
Total rentable square feet	21,815	21,815	21,815	21,815	21,815
Realized annual rent per occupied square foot (4)	\$ 11.24	\$ 11.10	\$ 11.12	\$ 11.32	\$ 11.30
Scheduled annual rent per square foot (5)	\$ 12.37	\$ 12.29	\$ 12.10	\$ 12.05	\$ 12.13
<b>Reconciliation of Same-Store Net Operating Income to Operating Income</b>					
Same-store net operating income (1)	\$ 34,223	\$ 34,030	\$ 32,324	\$ 30,693	\$ 32,379
Non same-store net operating income (1)	6,372	3,246	2,529	1,884	1,202
Indirect property overhead (6)	(1,852)	(1,839)	(1,595)	(1,570)	(1,649)
Depreciation and amortization	(21,404)	(16,027)	(15,581)	(15,211)	(15,555)
General and administrative expense	(6,343)	(5,476)	(6,841)	(6,033)	(6,098)
Operating Income	<u>\$ 10,996</u>	<u>\$ 13,934</u>	<u>\$ 10,836</u>	<u>\$ 9,763</u>	<u>\$ 10,279</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) Square feet occupancy represents the weighted average occupancy for the period.
- (3) Represents occupancy at end of respective 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 contractual rents per available square foot for the period.
- (6) Includes property management fee income earned in conjunction with managed properties.

**CUBESMART**  
**FUNDS FROM OPERATIONS**  
*(in thousands, except per share data)*

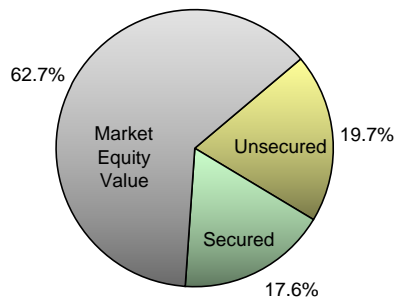
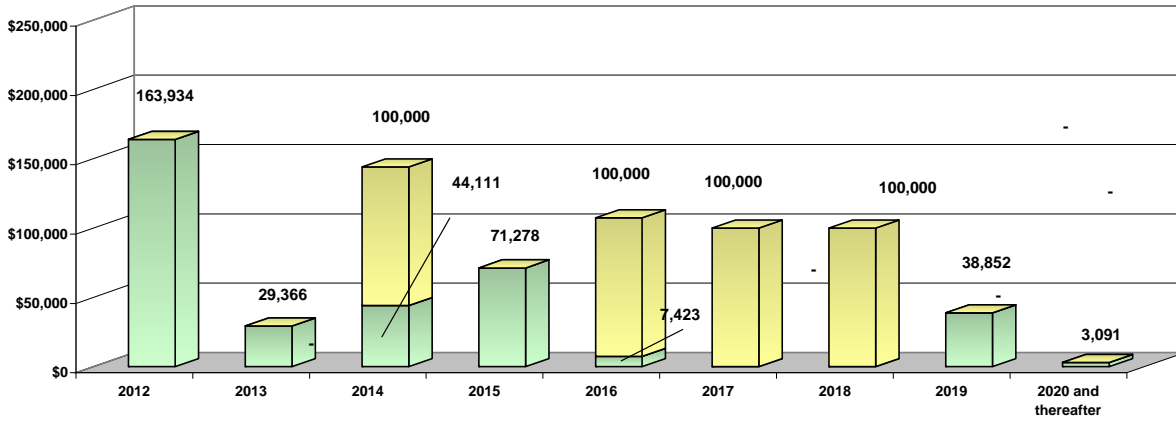
	Three months ended		Year ended December 31,	
	December 31,		2011	2010
	2011	2010	2011	2010
<b>Net (loss) income attributable to common shareholders</b>	\$ (9,229)	\$ 2,083	\$ (1,616)	\$ (7,393)
Add (deduct):				
Real estate depreciation and amortization:				
Real property - continuing operations	21,048	14,984	66,587	59,699
Real property - discontinued operations	10	779	848	3,209
Company's share of unconsolidated real estate ventures	514	-	542	-
Noncontrolling interest's share of consolidated real estate ventures	(408)	(528)	(1,731)	(2,206)
Gains on sale of real estate	(376)	(1,826)	(3,903)	(1,826)
Noncontrolling interests in the Operating Partnership	(333)	106	35	(381)
<b>FFO</b>	<u>\$ 11,226</u>	<u>\$ 15,598</u>	<u>\$ 60,762</u>	<u>\$ 51,102</u>
Loan procurement amortization expense - early repayment of debt	6,082	-	8,167	-
Discontinued operations - settlement proceeds	-	-	(1,895)	-
Acquisition related costs	3,194	294	3,823	759
<b>FFO, as adjusted</b>	<u>\$ 20,502</u>	<u>\$ 15,892</u>	<u>\$ 70,857</u>	<u>\$ 51,861</u>
(Loss) earnings per share attributable to common shareholders - basic and diluted	\$ (0.08)	\$ 0.02	\$ (0.02)	\$ (0.08)
FFO per share and unit - fully diluted	\$ 0.09	\$ 0.15	\$ 0.56	\$ 0.51
FFO, as adjusted per share and unit - fully diluted	\$ 0.17	\$ 0.15	\$ 0.65	\$ 0.52
Weighted-average basic and diluted shares outstanding	115,260	96,501	102,976	93,998
Weighted-average diluted shares and units outstanding	121,210	102,535	109,085	99,955
Dividend per common share and unit	\$ 0.08	\$ 0.07	\$ 0.29	\$ 0.145
Payout ratio of FFO, as adjusted	47%	47%	45%	28%

**CUBESMART**  
**FUNDS FROM OPERATIONS**  
*(in thousands, except per share data)*

	Three months ended,				
	December 31, 2011	September 30, 2011	June 30, 2011	March 31, 2011	December 31, 2010
<b>Net income (loss) attributable to common shareholders</b>	\$ (9,229)	\$ 6,828	\$ 902	\$ (117)	\$ 2,083
Add (deduct):					
Real estate depreciation and amortization:					
Real property - continuing operations	21,048	15,450	15,167	14,895	14,984
Real property - discontinued operations	10	156	358	354	779
Company's share of unconsolidated real estate ventures	514	28	-	-	-
Noncontrolling interest's share of consolidated real estate ventures	(408)	(422)	(444)	(458)	(528)
Gains on sale of real estate	(376)	(3,527)	-	-	(1,826)
Noncontrolling interests in the Operating Partnership	(333)	329	44	(5)	106
<b>FFO</b>	<u>\$ 11,226</u>	<u>\$ 18,842</u>	<u>\$ 16,027</u>	<u>\$ 14,669</u>	<u>\$ 15,598</u>
Loan procurement amortization expense - early repayment of debt	6,082	-	2,085	-	-
Discontinued operations - settlement proceeds	-	-	(1,895)	-	-
Acquisition related costs	3,194	374	146	109	294
<b>FFO, as adjusted</b>	<u>\$ 20,502</u>	<u>\$ 19,216</u>	<u>\$ 16,363</u>	<u>\$ 14,778</u>	<u>\$ 15,892</u>
Earnings (loss) per share attributable to common shareholders - basic and diluted	\$ (0.08)	\$ 0.07	\$ 0.01	\$ -	\$ 0.02
FFO per share and unit - fully diluted	\$ 0.09	\$ 0.18	\$ 0.15	\$ 0.14	\$ 0.15
FFO, as adjusted per share and unit - fully diluted	\$ 0.17	\$ 0.18	\$ 0.16	\$ 0.14	\$ 0.15
Weighted-average basic and diluted shares outstanding	115,260	98,895	98,844	98,769	96,501
Weighted-average diluted shares and units outstanding	121,210	105,013	105,071	105,008	102,535
Dividend per common share and unit	\$ 0.08	\$ 0.07	\$ 0.07	\$ 0.07	\$ 0.07
Payout ratio of FFO, as adjusted	47%	39%	44%	50%	47%

**CUBESMART**  
**DEBT OVERVIEW (as of December 31, 2011)**  
*(unaudited, dollars in thousands)*

**Debt Maturity Schedule**

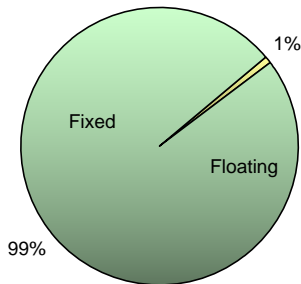


**Market Capitalization**

Unsecured	
Secured	
Total Debt	
Market Equity Value	
Total Market Capitalization	

Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
\$ 400,000	3.57%	5.4
358,441	5.72%	2.5
<u>\$ 758,441</u>	<u>4.59%</u>	<u>4.0</u>
1,276,608		
<u>\$ 2,035,049</u>		

(1) Weighted average interest rate

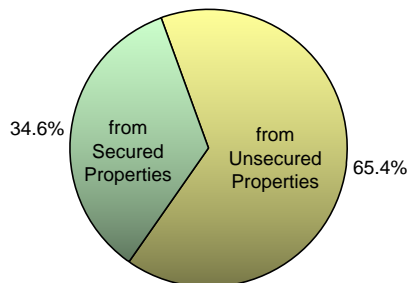


**Floating and Fixed**

Floating Rate Debt	
Fixed Rate Debt	
Total Debt	

Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
\$ 5,362	3.76%	2.0
753,079	4.59%	4.0
<u>\$ 758,441</u>	<u>4.59%</u>	<u>4.0</u>

(1) Weighted average interest rate



**Portfolio Net Operating Income**

NOI from Unencumbered Properties <sup>(1)</sup>	65.4%
NOI from Encumbered Properties <sup>(1)</sup>	34.6%
Total	<u>100.0%</u>

(1) Represents respective NOI contribution from properties as of quarter end

**CUBESMART**  
**DEBT ANALYSIS**  
*(dollars in thousands)*  
As of December 31, 2011

<b>FIXED RATE MORTGAGES</b>	Balance		Rate	Maturity Date	
YSI 53	\$ 9,100	FIXED	5.93%	Jul-12	
YSI 6	74,834	FIXED	5.13%	Aug-12	
YASKY	80,000	FIXED	4.96%	Sep-12	
YSI 14	1,703	FIXED	6.22%	Jan-13	
YSI 7	3,032	FIXED	5.50%	Jun-13	
YSI 8	1,733	FIXED	5.50%	Jun-13	
YSI 9	1,906	FIXED	5.50%	Jun-13	
YSI 17	3,987	FIXED	5.72%	Jul-13	
YSI 27	481	FIXED	6.13%	Nov-13	
YSI 30	7,049	FIXED	6.13%	Nov-13	
YSI 11	2,350	FIXED	6.29%	Dec-13	
YSI 5	3,100	FIXED	6.22%	Jan-14	
YSI 28	1,509	FIXED	6.02%	Feb-14	
YSI 37	2,174	FIXED	7.25%	Aug-14	
YSI 44	1,070	FIXED	7.00%	Sep-14	
YSI 41	3,775	FIXED	6.60%	Sep-14	
YSI 45	5,353	FIXED	6.75%	Oct-14	
YSI 48	24,870	FIXED	7.25%	Nov-14	
YSI 50	2,260	FIXED	6.75%	Dec-14	
YSI 10	4,011	FIXED	5.47%	Jan-15	
YSI 15	1,832	FIXED	5.60%	Jan-15	
YSI 52	4,884	FIXED	5.44%	Jan-15	
YSI 20	60,551	FIXED	5.97%	Nov-15	
YSI 51	7,423	FIXED	6.36%	Oct-16	(a)
YSI 31	13,414	FIXED	6.75%	Jun-19	(a)
YSI 35	4,464	FIXED	6.90%	Jul-19	(a)
YSI 32	5,950	FIXED	6.75%	Jul-19	(a)
YSI 33	11,157	FIXED	6.42%	Jul-19	
YSI 39	3,867	FIXED	6.50%	Sep-19	(a)
YSI 47	3,091	FIXED	6.63%	Jan-20	(a)
<b>Total Mortgages</b>	<b>\$ 350,930</b>		<b>5.76%</b>		
<b>FIXED RATE DEBT PREMIUMS</b>					
Fixed Rate Debt Premiums	386				
<b>SECURED LOANS, VARIABLE RATE</b>					
USIFB	7,125	LIBOR + 2.75%	3.76%	(c)	Dec-13
<b>Total Secured Debt</b>	<b>\$ 358,441</b>		<b>5.72%</b>		
<b>UNSECURED DEBT</b>					
Unsecured Term Loan	100,000	LIBOR + 1.75%	3.09%	(b) (f)	Dec-14
Unsecured Revolving Credit Facility	-	LIBOR + 1.475%	1.78%	(b)	Dec-15
Unsecured Term Loan	100,000	LIBOR + 1.85%	3.65%	(b) (d)	Jun-16
Unsecured Term Loan	100,000	LIBOR + 1.75%	3.09%	(b) (g)	Mar-17
Unsecured Term Loan	100,000	LIBOR + 2.00%	4.47%	(b) (e)	Jun-18
<b>Total Unsecured Debt</b>	<b>\$ 400,000</b>		<b>3.57%</b>		
<b>TOTAL PORTFOLIO DEBT</b>	<b>\$ 758,441</b>		<b>4.59%</b>		

- (a) These borrowings have a fixed interest rate for the first 5 years of their term, which then resets and remains constant over the final 5 years of the loan term.
- (b) Rate on these borrowings calculated based on 30 day LIBOR.
- (c) Rate as of December 31, 2011, includes the impact of a \$1.8 million interest rate swap to fix 3 month LIBOR at 2.36% through December 31, 2013.
- (d) Rate as of December 31, 2011 includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 1.803%, maturing in June 2016.
- (e) Rate as of December 31, 2011 includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 2.468%, maturing in June 2018.
- (f) Rate as of December 31, 2011 includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 1.336%, maturing in March 2017.
- (g) Rate as of December 31, 2011 includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 1.336%, maturing in March 2017.

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

As of December 31, 2011

<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>December 31, 2011 Occupancy</u>
Florida	53	37,244	3,938,456	16.1%	77.0%
Texas	45	21,952	2,772,168	11.4%	79.9%
California	44	27,261	3,202,117	13.1%	75.2%
Illinois	27	13,843	1,607,718	6.6%	83.6%
Tennessee	24	12,794	1,684,629	6.9%	78.1%
Arizona	24	11,939	1,284,038	5.3%	79.0%
New York	24	24,324	1,546,877	6.3%	80.9%
Ohio	23	11,854	1,420,533	5.8%	78.8%
Connecticut	18	7,945	925,026	3.8%	82.0%
New Jersey	16	10,360	1,039,610	4.3%	75.2%
Georgia	12	7,631	956,905	3.9%	75.6%
New Mexico	9	3,385	387,590	1.6%	81.9%
Colorado	8	4,070	492,998	2.0%	81.5%
North Carolina	6	3,856	462,948	1.9%	79.2%
Maryland	6	5,113	597,172	2.5%	80.0%
Virginia	6	4,316	449,197	1.8%	82.2%
Utah	4	2,226	239,723	1.0%	76.9%
Massachusetts	4	2,383	206,519	0.9%	77.1%
Michigan	3	1,499	220,589	0.9%	74.0%
Louisiana	3	1,411	195,017	0.8%	79.0%
Pennsylvania	3	2151	225,620	0.9%	81.5%
Nevada	2	886	97,182	0.4%	79.3%
Washington DC	2	1,798	146,101	0.6%	87.9%
Indiana	1	710	73,014	0.3%	82.3%
Alabama	1	793	128,871	0.5%	73.4%
Mississippi	1	511	61,251	0.2%	75.2%
Wisconsin	1	485	58,500	0.2%	76.3%
<b>Total/Weighted Average</b>	<b>370</b>	<b>222,740</b>	<b>24,420,369</b>	<b>100.0%</b>	<b>78.6%</b>

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

As of December 31, 2011

<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>December 31, 2011 Occupancy</u>	<u>December 31, 2010 Occupancy</u>
Florida	51	35,665	3,785,539	17.4%	77.1%	76.5%
California	44	27,261	3,202,117	14.7%	75.2%	70.0%
Texas	43	20,853	2,642,653	12.1%	80.0%	80.1%
Tennessee	24	12,794	1,684,629	7.7%	78.1%	77.7%
Illinois	27	13,843	1,607,718	7.4%	83.6%	82.0%
Ohio	23	11,854	1,420,533	6.5%	78.8%	75.8%
Arizona	23	11,114	1,200,698	5.5%	79.7%	80.4%
Connecticut	17	7,088	846,561	3.9%	82.2%	78.0%
New Jersey	13	8,989	876,410	4.0%	78.9%	72.2%
Georgia	9	6,026	759,585	3.5%	77.8%	75.8%
New Mexico	9	3,385	387,590	1.8%	81.9%	82.4%
Colorado	8	4,070	492,998	2.3%	81.5%	83.9%
North Carolina	6	3,856	462,948	2.1%	79.2%	74.0%
Maryland	5	4,158	518,252	2.4%	81.0%	80.2%
New York	5	2,900	312,259	1.4%	80.8%	75.5%
Utah	4	2,226	239,723	1.1%	76.9%	73.0%
Massachusetts	3	1,791	173,233	0.8%	78.5%	68.1%
Michigan	3	1,499	220,589	1.0%	74.0%	68.1%
Louisiana	3	1,411	195,017	0.9%	79.0%	80.1%
Pennsylvania	2	1,612	173,619	0.8%	85.2%	83.2%
Virginia	2	1,160	130,682	0.6%	72.9%	66.7%
Nevada	2	886	97,182	0.5%	79.3%	84.9%
Alabama	1	793	128,871	0.6%	73.4%	73.5%
Washington DC	1	752	63,085	0.3%	87.9%	89.9%
Indiana	1	710	73,014	0.3%	82.3%	68.7%
Mississippi	1	511	61,251	0.2%	75.2%	80.9%
Wisconsin	1	485	58,500	0.2%	76.3%	76.2%
<b>Total/Weighted Average</b>	<b>331</b>	<b>187,692</b>	<b>21,815,256</b>	<b>100.0%</b>	<b>78.7%</b>	<b>76.7%</b>