



**Second Quarter 2012
Supplemental Information**

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CUBESMART

June 30, 2012

Equity Research Coverage

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Company Information

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

	2nd Quarter 2012	1st Quarter 2012	4th Quarter 2011	3rd Quarter 2011	2nd Quarter 2011
Common Shares and Units:					
Share price, high	\$ 12.81	\$ 12.14	\$ 10.66	\$ 11.15	\$ 11.39
Share price, low	\$ 10.90	\$ 10.30	\$ 8.04	\$ 8.53	\$ 9.93
Share price, period end	\$ 11.67	\$ 11.90	\$ 10.64	\$ 8.53	\$ 10.52
Dividends declared per share	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.07	\$ 0.07
Dividend yield, period end	2.74%	2.69%	3.01%	3.28%	2.66%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	122,685	122,391	122,059	99,002	98,854
Closing Operating Partnership units outstanding	4,409	4,674	4,674	4,729	4,729
Total closing Common Shares and Units	127,094	127,065	126,733	103,731	103,583
Preferred Shares (Series A):					
Share price, high	\$ 26.39	\$ 25.80	\$ 25.01	\$ -	\$ -
Share price, low	\$ 25.28	\$ 24.77	\$ 24.31	\$ -	\$ -
Share price, period end	\$ 26.31	\$ 25.39	\$ 24.61	\$ -	\$ -
Dividends declared per share	\$ 0.4844	\$ 0.4844	\$ 0.3929	\$ -	\$ -
Dividend yield, period end	7.36%	7.63%	7.87%	0.00%	0.00%
Closing Preferred Shares outstanding	3,100	3,100	3,100	-	-



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 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)

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

Management uses FFO as a key performance indicator in evaluating the operations of the Company's facilities. Given the nature of its business as a real estate owner and operator, the Company considers FFO a key measure of its operating performance that is not specifically defined by accounting principles generally accepted in the United States. The Company believes that FFO is useful to management and investors as a starting point in measuring its operational performance because it excludes various items included in net income that do not relate to or are not indicative of its operating performance such as gains (or losses) from sales of property, 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, loss from early extinguishment of debt, acquisition related costs, equity in losses of real estate entities, noncontrolling interest, depreciation and general and administrative expenses, and deducting from net income: gains on sale of self-storage facilities, interest income and other. NOI is not a measure of performance calculated in accordance with GAAP.

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

**CubeSmart Reports Second Quarter 2012 Results; Same-Store NOI Grows 5.2%;
FFO per Share Grows 12.5%; Occupancy Reaches 85% in July**

WAYNE, PA -- (MARKET WIRE) – August 2, 2012 -- CubeSmart (NYSE: CUBE) announced its operating results for the three and six months ended June 30, 2012.

“We continued to execute on all aspects of our business plan during the second quarter and reached an important strategic milestone with our successful debut bond offering,” commented Chief Executive Officer Dean Jernigan. “Notably, NOI and FFO performance remains solid, investment activity continues to translate into improved portfolio quality, and sector consolidation is occurring as we grow assets under management.”

Key Highlights for the Quarter

- Reported funds from operations (“FFO”) per share, as adjusted, of \$0.18.
- Increased same-store (330 facilities) net operating income (“NOI”) 5.2% year over year, driven by 3.0% revenue growth and a 0.7% decrease in property operating expenses.
- Ended the quarter with a same-store physical occupancy of 83.6%, gaining 360 basis points year over year and 470 basis points sequentially since March 31, 2012. Occupancy levels continued to rise during the rental season, reaching 85% on July 31, 2012, up 390 basis points year over year.
- Closed on two acquisitions totaling \$64.3 million, including one asset in the Dallas-Fort Worth market for \$5.0 million and one of the remaining two assets in the second pool of the Storage Deluxe transaction for \$59.3 million.
- Closed on dispositions totaling \$23.3 million, including three assets in Michigan and five assets on the Gulf Coast.
- Issued \$250 million of unsecured senior notes in debut public bond offering.

Funds from Operations

FFO, as adjusted for acquisition related costs, was \$22.6 million for the second quarter of 2012, compared with \$16.4 million for the second quarter of 2011. FFO per share, as adjusted, was \$0.18 for the second quarter of 2012, compared with \$0.16 for the same quarter last year. Excluding adjustments, FFO was \$22.3 million for the quarter, compared with \$16.0 million for the same period last year. Unadjusted FFO per share was \$0.17 for the quarter, compared with \$0.15 for the same quarter last year.

“We have experienced a very productive rental season characterized by significant move-in activity and all time high occupancy levels for the Company,” remarked Chris Marr, President, Chief Operating Officer, and Chief Investment Officer of CubeSmart. “This trend has continued into July with occupancy reaching 85%, and we are optimistic about rental performance for the remainder of the year. Additionally, our acquisition pipeline remains sizeable, as we continue to source high-quality opportunities in our core markets. With the exit of the Michigan and Gulf Coast markets and the pending sale of our Southern New Mexico assets, we are executing on our disposition plan and continuing to enhance our portfolio. Beyond our owned portfolio, we picked up notable momentum in our third-party management business with the addition of a 31-store portfolio subsequent to quarter end.”

Investment Activity

Heading into the second quarter, the Company had already closed on 20 assets associated with the previously announced Storage Deluxe transaction, which involved the acquisition of 22 Class A self-storage facilities located primarily in the greater New York City area for a total investment of \$560 million. Of the remaining two encumbered assets associated with the transaction, the Company closed on one during the quarter for a purchase price of \$59.3 million. Funding for the transaction included the assumption of \$24.7 million of secured debt. The Company closed on the final Storage Deluxe asset subsequent to quarter end for \$68.2 million, including the assumption of \$29.3 million of secured debt.

In a separate transaction during the quarter, the Company acquired one asset in the Dallas-Fort Worth market for \$5.0 million.

Subsequent to the end of the quarter, the Company closed on the acquisition of four assets in Houston, TX, one asset in Dallas, TX, one asset in Norwalk, CT, and one asset in Alexandria, VA for a total of \$48.2 million. Additionally, the Company has six properties under contract for acquisition at a combined price of \$26.9 million. Year to date, excluding assets associated with the previously announced Storage Deluxe transaction, the Company has either closed on or placed under contract the acquisition of 16 assets for \$92.0 million.

On the disposition front during the quarter, the Company sold eight assets for total proceeds of \$23.3 million. The facilities are located in Michigan, Louisiana, Alabama, and Mississippi and represent a complete exit from all four states. The Company has an additional 7 facilities under contract for disposition, for anticipated proceeds of \$12.5 million.

Third-Party Management

Fee income from third-party management increased 30% during the second quarter of 2012, as compared with the second quarter of 2011. During the quarter, the Company was awarded seven new management contracts. At June 30, 2012, the Company managed 106 properties totaling 6.8 million square feet on behalf of third parties.

Subsequent to quarter end, the Company was awarded a management contract involving 31 stores in North Carolina, South Carolina, and Georgia.

Same-Store Results

The Company's same-store pool at June 30, 2012 represented 330 facilities containing approximately 21.5 million rentable square feet and included approximately 88.4% of the aggregate rentable square feet of the Company's 370 owned facilities. These same-store facilities represent approximately 80.8% of property net operating income for the quarter ended June 30, 2012.

The same-store physical occupancy at period end for the second quarter of 2012 was 83.6% compared with 80.0% for the same quarter of last year. Same-store net rental income for the second quarter of 2012 increased 2.3%, same-store total revenues increased 3.0%, and same-store operating expenses decreased 0.7% from the same quarter in 2011. Same-store net operating income increased 5.2% compared with the same period in 2011.

Operating Results

The Company reported net income attributable to the Company's common shareholders of \$1.0 million or \$0.01 per common share in the second quarter of 2012, compared with net income attributable to the Company's common shareholders of \$0.9 million or \$0.01 per common share in the second quarter of 2011. Total revenues increased \$12.8 million and total property operating expenses increased \$3.8 million in the second quarter of 2012, as compared with the same period in 2011. Increases in total revenues are attributable to increased occupancy levels in the same-store portfolio, revenues generated from property acquisitions and increased revenues generated from third-party management. Increases in total property operating expenses are attributable to the impact of newly acquired properties, partially offset by a decline in same-store expenses. Same-store expenses benefited from lower real estate taxes and utilities, partially offset by increased advertising expenses.

Interest expense increased from \$8.0 million in the second quarter of 2011 to \$9.2 million in the current period due to a higher amount of outstanding debt primarily resulting from debt assumed and drawn in conjunction with the Storage Deluxe and other acquisitions, offset by lower interest rates on the Credit Facility in the 2012 period as compared with the 2011 period.

The Company's second quarter results include \$0.2 million of income from discontinued operations and \$6.2 million of gains on disposition of discontinued operations. These relate to the sale of eight properties during the quarter.

The Company's 370 owned facilities, containing 24.4 million rentable square feet, had a physical occupancy at June 30, 2012 of 83.3% and an average physical occupancy for the quarter ended June 30, 2012 of 81.2%.

Unsecured Senior Notes

On June 26, 2012, the Company issued \$250 million of unsecured senior notes due July 15, 2022. The senior notes had an effective interest rate of 4.82% at June 30, 2012. In June 2012, net proceeds from the offering were used to repay the \$129 million principal amount outstanding on the Company's unsecured revolving credit facility – amounts that were drawn in conjunction with the repayment of \$167 million in secured debt during the quarter. The Company intends to use the remaining net proceeds from this offering for general corporate purposes, which may include acquisitions, investments in joint ventures and repayment or repurchase of other indebtedness.

Quarterly Dividend

On May 30, 2012, the Company declared a dividend of \$0.08 per common share. The dividend was paid on July 16, 2012 to common shareholders of record on July 2, 2012.

Also on May 30, 2012, the Company declared a dividend of \$0.484375 for the 7.75% Series A Cumulative Redeemable Preferred Shares. The dividend was paid on July 16, 2012 to holders of record on July 2, 2012.

2012 Financial Outlook

“The second quarter marked the culmination of our long-standing balance sheet repositioning efforts,” noted Chief Financial Officer Tim Martin. “Specifically, our successful debut public bond offering solidified our unsecured balance sheet strategy, while providing attractive long-term financing, enhancing our maturity profile, and broadening our access to capital and financial flexibility. We are increasing our FFO per share guidance for 2012 as a result of better-than-expected pricing on our debut public bond issuance as well as improved expectations for same-store net operating income.”

The Company is adjusting its previously issued estimates as well as underlying assumptions, and now expects that its fully diluted FFO per share for 2012 will be between \$0.70 and \$0.73 (previously between \$0.68 and \$0.73), and that its fully diluted net loss per share for the period will be between \$0.05 and \$0.08. The Company’s estimate is based on the following key assumptions:

- For 2012, a same-store pool consisting of 330 assets totaling 21.5 million square feet.
- Same-store net operating income (“NOI”) growth of 4.0% to 5.0% over 2011 (previously 3.0% to 4.0%), driven by revenue growth of 3.0% to 3.75% and expense growth of 1.0% to 2.0%.
- General and administrative expenses of approximately \$26.0 million to \$27.0 million (previously \$25.5 million to \$26.5 million).
- Combined performance of the \$560 million Storage Deluxe acquisition and the \$110 million of other 2011 acquisitions that is consistent with our underwriting expectations, equating to a 2012 yield of 6.0%.

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.

<u>2012 Full Year Guidance</u>	<u>Range or Value</u>	
Loss per diluted share allocated to common shareholders	\$ (0.08)	to \$ (0.05)
Plus: real estate depreciation and amortization	0.83	0.83
Less: gains on dispositions of discontinued operations	(0.05)	(0.05)
FFO per diluted share	<u>\$ 0.70</u>	to <u>\$ 0.73</u>

The Company estimates that its fully-diluted FFO per share for the quarter ending September 30, 2012 will be between \$0.18 and \$0.19, and that its fully-diluted net loss per share for the period will be between \$0.03 and \$0.04.

<u>3rd Quarter 2012 Guidance</u>	<u>Range or Value</u>	
Loss per diluted share allocated to common shareholders	\$ (0.04)	to \$ (0.03)
Plus: real estate depreciation and amortization	0.22	0.22
FFO per diluted share	<u>\$ 0.18</u>	to <u>\$ 0.19</u>

Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, August 3, 2012, to discuss financial results for the three months ended June 30, 2012.

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. The dial-in numbers are 1-877-317-6789 for domestic callers, +1-412-317-6789 for international callers and 1-866-605-3852 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 until September 3, 2012. The replay dial-in number is 1-877-344-7529 for domestic callers and +1-412-317-0088 for international callers. The conference number for both is 10015566.

Supplemental operating and financial data as of June 30, 2012 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
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**CUBESMART
FINANCIAL HIGHLIGHTS**

(unaudited, in thousands, except per share data)

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

	Three Months Ended				
	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
Selected Financial Information:					
Total portfolio:					
Revenue from continuing operations	\$ 69,324	\$ 66,102	\$ 62,843	\$ 59,235	\$ 56,483
EBITDA from continuing operations	\$ 35,401	\$ 32,809	\$ 31,684	\$ 29,323	\$ 25,786
Net income (loss) attributable to the Company	\$ 2,543	\$ (3,843)	\$ (8,011)	\$ 6,828	\$ 902
Funds from operations (FFO)	\$ 22,290	\$ 19,989	\$ 11,226	\$ 18,842	\$ 16,027
FFO, as adjusted	\$ 22,603	\$ 20,540	\$ 20,502	\$ 19,216	\$ 16,363
FFO per share - fully diluted	\$ 0.17	\$ 0.16	\$ 0.09	\$ 0.18	\$ 0.15
FFO, as adjusted per share - fully diluted	\$ 0.18	\$ 0.16	\$ 0.17	\$ 0.18	\$ 0.16
Earnings (loss) per share - basic	\$ 0.01	\$ (0.04)	\$ (0.08)	\$ 0.07	\$ 0.01
Earnings (loss) per share - diluted	\$ 0.01	\$ (0.04)	\$ (0.08)	\$ 0.07	\$ 0.01
Dividends per common share and unit	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.07	\$ 0.07
Dividends per preferred share, series A	\$ 0.4844	\$ 0.4844	\$ 0.3929	\$ -	\$ -
FFO payout ratio (1)	44.4%	50.0%	47.1%	38.9%	43.8%
Total assets	\$ 2,088,978	\$ 1,937,913	\$ 1,875,979	\$ 1,503,118	\$ 1,509,462
Total gross assets (total assets plus accumulated depreciation)	\$ 2,431,852	\$ 2,272,840	\$ 2,194,728	\$ 1,810,793	\$ 1,828,232
In place annual rent per occupied square foot (2)	\$ 13.27	\$ 13.43	\$ 12.88	\$ 12.07	\$ 11.81
Realized annual rent per occupied square foot (3)	\$ 12.38	\$ 12.40	\$ 11.63	\$ 10.75	\$ 10.57
Scheduled annual rent per square foot (4)	\$ 13.39	\$ 13.54	\$ 13.06	\$ 12.33	\$ 12.06
Same-store:					
Revenue	\$ 54,933	\$ 53,831	\$ 54,286	\$ 54,988	\$ 53,350
Expense	\$ 20,083	\$ 20,040	\$ 19,152	\$ 19,976	\$ 20,217
NOI	\$ 34,850	\$ 33,791	\$ 35,134	\$ 35,012	\$ 33,133
Gross margin	63.4%	62.8%	64.7%	63.7%	62.1%
Period average occupancy	81.5%	78.6%	79.5%	81.0%	78.7%
Period ending occupancy	83.6%	78.9%	78.9%	81.0%	80.0%
Total rentable square feet	21,538	21,538	21,538	21,538	21,538
REVPAF (5)	\$ 9.23	\$ 9.15	\$ 9.22	\$ 9.28	\$ 9.03
In place annual rent per occupied square foot (2)	\$ 12.26	\$ 12.47	\$ 12.53	\$ 12.44	\$ 12.38
Realized annual rent per occupied square foot (3)	\$ 11.33	\$ 11.65	\$ 11.60	\$ 11.46	\$ 11.47
Scheduled annual rent per square foot (4)	\$ 11.98	\$ 12.50	\$ 12.79	\$ 12.71	\$ 12.52
Capitalization:					
Total Debt	\$ 994,756	\$ 787,802	\$ 758,441	\$ 646,018	\$ 647,645
Price per common share at quarter end	\$ 11.67	\$ 11.90	\$ 10.64	\$ 8.53	\$ 10.52
Price per preferred share at quarter end	\$ 26.31	\$ 25.39	\$ 24.61	\$ -	\$ -
Market Equity Value at quarter end	\$ 1,564,748	\$ 1,590,783	\$ 1,424,730	\$ 884,825	\$ 1,089,693
Total Market Capitalization	\$ 2,559,504	\$ 2,378,585	\$ 2,183,171	\$ 1,530,843	\$ 1,737,338
Total Debt/Total Gross Assets	40.9%	34.7%	34.6%	35.7%	35.4%
Total Debt/Total Market Capitalization	38.9%	33.1%	34.7%	42.2%	37.3%
Shares and Units:					
Closing Common Shares outstanding (excluding unvested restricted shares)	122,685	122,391	122,059	99,002	98,854
Closing Operating Partnership Units outstanding	4,409	4,674	4,674	4,729	4,729
Closing total Common Shares and Operating Partnership Units outstanding	127,094	127,065	126,733	103,731	103,583
Average Common Shares outstanding (excluding unvested restricted shares)	122,599	122,266	115,260	98,895	98,844
Average Operating Partnership Units outstanding	4,486	4,674	4,722	4,729	4,734
Average total Common Shares and Operating Partnership Units outstanding	127,085	126,940	119,982	103,624	103,578
Total weighted-average shares and units outstanding (including dilutive effect of options)	128,760	128,470	121,210	105,013	105,071
Closing Preferred Shares outstanding	3,100	3,100	3,100	-	-

(1) Payout ratio represents distributions 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 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 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.

CUBESMART
BALANCE SHEETS
(unaudited, in thousands)

	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
ASSETS					
Storage facilities	\$ 2,226,295	\$ 2,190,998	\$ 2,107,469	\$ 1,740,880	\$ 1,781,331
Less: Accumulated depreciation	(342,874)	(334,927)	(318,749)	(307,675)	(318,770)
Storage facilities, net	1,883,421	1,856,071	1,788,720	1,433,205	1,462,561
Cash and cash equivalents	137,796	7,465	9,069	12,491	1,845
Restricted cash	6,618	11,486	11,291	11,228	9,747
Loan procurement costs, net of amortization	9,190	7,643	8,073	11,574	12,672
Investment in real estate ventures, at equity	14,087	14,564	15,181	15,438	-
Assets held for sale	4,738	-	-	-	-
Other assets, net	33,128	40,684	43,645	19,182	22,637
Total assets	<u>\$ 2,088,978</u>	<u>\$ 1,937,913</u>	<u>\$ 1,875,979</u>	<u>\$ 1,503,118</u>	<u>\$ 1,509,462</u>
LIABILITIES AND EQUITY					
Revolving credit facility	\$ -	\$ 50,000	\$ -	\$ -	\$ 9,000
Unsecured senior notes, net of discounts	250,000	-	-	-	-
Unsecured term loans	500,000	400,000	400,000	300,000	300,000
Mortgage loans and notes payable	244,756	387,802	358,441	346,018	347,645
Accounts payable, accrued expenses and other liabilities	55,453	46,263	51,025	50,028	37,105
Distributions payable	11,712	11,710	11,401	7,293	7,260
Deferred revenue	10,607	10,630	9,568	9,326	9,532
Security deposits	501	506	490	476	490
Total liabilities	<u>1,073,029</u>	<u>906,911</u>	<u>830,925</u>	<u>713,141</u>	<u>711,032</u>
Noncontrolling interests in the Operating Partnership	51,450	55,622	49,732	42,521	49,789
Commitments and contingencies					
Equity					
7.75% Series A Preferred shares	31	31	31	-	-
Common shares	1,227	1,224	1,221	990	989
Additional paid in capital	1,315,424	1,310,755	1,309,505	1,030,847	1,028,640
Accumulated other comprehensive loss	(18,710)	(12,052)	(12,831)	(9,484)	(113)
Accumulated deficit	(372,082)	(363,576)	(342,013)	(314,380)	(321,053)
Total CubeSmart shareholders' equity	<u>925,890</u>	<u>936,382</u>	<u>955,913</u>	<u>707,973</u>	<u>708,463</u>
Noncontrolling interest in subsidiaries	38,609	38,998	39,409	39,483	40,178
Total equity	<u>964,499</u>	<u>975,380</u>	<u>995,322</u>	<u>747,456</u>	<u>748,641</u>
Total liabilities and equity	<u>\$ 2,088,978</u>	<u>\$ 1,937,913</u>	<u>\$ 1,875,979</u>	<u>\$ 1,503,118</u>	<u>\$ 1,509,462</u>

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

	Three Months Ended				
	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
REVENUES					
Rental income	\$ 61,233	\$ 59,105	\$ 55,965	\$ 52,607	\$ 50,299
Other property related income	6,988	5,977	5,745	5,750	5,336
Property management fee income	1,103	1,020	1,133	878	848
Total revenues	<u>69,324</u>	<u>66,102</u>	<u>62,843</u>	<u>59,235</u>	<u>56,483</u>
OPERATING EXPENSES					
Property operating expenses	27,645	26,849	24,816	24,436	23,856
Depreciation and amortization	27,474	25,518	21,159	15,782	15,336
General and administrative	6,278	6,444	6,343	5,476	6,841
Total operating expenses	<u>61,397</u>	<u>58,811</u>	<u>52,318</u>	<u>45,694</u>	<u>46,033</u>
OPERATING INCOME	<u>7,927</u>	<u>7,291</u>	<u>10,525</u>	<u>13,541</u>	<u>10,450</u>
OTHER INCOME (EXPENSE)					
Interest:					
Interest expense on loans	(9,249)	(9,321)	(8,602)	(8,464)	(8,020)
Loan procurement amortization expense	(1,114)	(771)	(903)	(1,093)	(1,396)
Loan procurement amortization expense - early repayment of debt	-	-	(6,082)	-	(2,085)
Loss from early extinguishment of debt	(31)	-	-	-	-
Acquisition related costs	(313)	(551)	(3,194)	(374)	(146)
Equity in losses of real estate entities	(210)	(251)	(257)	(24)	-
Other	(107)	(71)	96	8	(193)
Total other expense	<u>(11,024)</u>	<u>(10,965)</u>	<u>(18,942)</u>	<u>(9,947)</u>	<u>(11,840)</u>
(LOSS) INCOME FROM CONTINUING OPERATIONS	<u>(3,097)</u>	<u>(3,674)</u>	<u>(8,417)</u>	<u>3,594</u>	<u>(1,390)</u>
DISCONTINUED OPERATIONS					
Income from discontinued operations	246	416	496	807	2,978
Net gains on dispositions of discontinued operations	6,206	-	376	3,527	-
Total discontinued operations	<u>6,452</u>	<u>416</u>	<u>872</u>	<u>4,334</u>	<u>2,978</u>
NET INCOME (LOSS)	<u>3,355</u>	<u>(3,258)</u>	<u>(7,545)</u>	<u>7,928</u>	<u>1,588</u>
NET (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS					
Noncontrolling interests in the Operating Partnership	(38)	149	333	(329)	(44)
Noncontrolling interest in subsidiaries	(774)	(734)	(799)	(771)	(642)
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	<u>2,543</u>	<u>(3,843)</u>	<u>(8,011)</u>	<u>6,828</u>	<u>902</u>
Distribution to preferred shareholders	(1,502)	(1,502)	(1,218)	-	-
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS	<u>\$ 1,041</u>	<u>\$ (5,345)</u>	<u>\$ (9,229)</u>	<u>\$ 6,828</u>	<u>\$ 902</u>
Basic and diluted (loss) earnings per share from continuing operations attributable to common shareholders	\$ (0.04)	\$ (0.05)	\$ (0.09)	\$ 0.03	\$ (0.02)
Basic and diluted earnings per share from discontinued operations attributable to common shareholders	0.05	0.01	0.01	0.04	0.03
Basic and diluted earnings (loss) per share attributable to common shareholders	<u>\$ 0.01</u>	<u>\$ (0.04)</u>	<u>\$ (0.08)</u>	<u>\$ 0.07</u>	<u>\$ 0.01</u>
Weighted-average basic shares outstanding	122,599	122,266	115,260	98,895	98,844
Weighted-average diluted shares outstanding	122,599	122,266	115,260	100,284	98,844
AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:					
(Loss) income from continuing operations	\$ (5,185)	\$ (5,744)	\$ (10,061)	\$ 2,693	\$ (1,939)
Total discontinued operations	6,226	399	832	4,135	2,841
Net income (loss)	<u>\$ 1,041</u>	<u>\$ (5,345)</u>	<u>\$ (9,229)</u>	<u>\$ 6,828</u>	<u>\$ 902</u>

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

	Three months ended June 30,		Percent Change	Six months ended June 30,		Percent Change
	2012	2011		2012	2011	
REVENUES						
Net rental income	\$ 49,719	\$ 48,615	2.3%	\$ 99,011	\$ 96,951	2.1%
Other property related income	5,214	4,735	10.1%	9,753	8,804	10.8%
Total revenues	<u>54,933</u>	<u>53,350</u>	3.0%	<u>108,764</u>	<u>105,755</u>	2.8%
OPERATING EXPENSES						
Property taxes	6,299	6,521	-3.4%	12,785	12,999	-1.6%
Personnel expense	5,946	5,811	2.3%	12,092	11,517	5.0%
Advertising	1,780	1,547	15.1%	3,163	3,113	1.6%
Repair and maintenance	726	751	-3.3%	1,395	1,400	-0.4%
Utilities	1,866	1,991	-6.3%	3,855	4,350	-11.4%
Property insurance	660	696	-5.2%	1,351	1,348	0.2%
Other expenses	2,806	2,900	-3.2%	5,483	6,411	-14.5%
Total operating expenses	<u>20,083</u>	<u>20,217</u>	-0.7%	<u>40,124</u>	<u>41,138</u>	-2.5%
Net operating income (1)	<u>\$ 34,850</u>	<u>\$ 33,133</u>	5.2%	<u>\$ 68,640</u>	<u>\$ 64,617</u>	6.2%
Gross margin	63.4%	62.1%		63.1%	61.1%	
Period average occupancy (2)	81.5%	78.7%		80.0%	77.8%	
Period end occupancy (3)	83.6%	80.0%		83.6%	80.0%	
Total rentable square feet	21,538	21,538		21,538	21,538	
Realized annual rent per occupied square foot (4)	\$ 11.33	\$ 11.47	-1.2%	\$ 11.49	\$ 11.57	-0.7%
Scheduled annual rent per square foot (5)	\$ 11.98	\$ 12.52	-4.3%	\$ 12.24	\$ 12.50	-2.1%

Reconciliation of Same-Store Net Operating Income to Operating Income

Same-store net operating income (1)	\$ 34,850	\$ 33,133	\$ 68,640	\$ 64,617
Non same-store net operating income (1)	8,277	1,089	15,534	1,632
Indirect property overhead (6)	(1,448)	(1,595)	(3,242)	(3,200)
Depreciation and amortization	(27,474)	(15,336)	(52,992)	(30,288)
General and administrative expense	(6,278)	(6,841)	(12,722)	(12,874)
Operating Income	<u>\$ 7,927</u>	<u>\$ 10,450</u>	<u>\$ 15,218</u>	<u>\$ 19,887</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 June 30 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 asking rents per available square foot for the period.
- (6) Includes property management income earned in conjunction with managed properties.

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

	Three months ended				
	June 30, 2012	March 31, 2012	December 31, 2011	September 30, 2011	June 30, 2011
REVENUES					
Net rental income	\$ 49,719	\$ 49,292	\$ 49,643	\$ 49,993	\$ 48,615
Other property related income	5,214	4,539	4,643	4,995	4,735
Total revenues	<u>54,933</u>	<u>53,831</u>	<u>54,286</u>	<u>54,988</u>	<u>53,350</u>
OPERATING EXPENSES					
Property taxes	6,299	6,486	6,214	6,275	6,521
Personnel expense	5,946	6,146	5,888	5,706	5,811
Advertising	1,780	1,383	1,098	1,379	1,547
Repair and maintenance	726	668	729	703	751
Utilities	1,866	1,989	1,952	2,298	1,991
Property insurance	660	692	664	682	696
Other expenses	2,806	2,676	2,607	2,933	2,900
Total operating expenses	<u>20,083</u>	<u>20,040</u>	<u>19,152</u>	<u>19,976</u>	<u>20,217</u>
Net operating income (1)	<u>\$ 34,850</u>	<u>\$ 33,791</u>	<u>\$ 35,134</u>	<u>\$ 35,012</u>	<u>\$ 33,133</u>
Gross margin	63.4%	62.8%	64.7%	63.7%	62.1%
Period average occupancy (2)	81.5%	78.6%	79.5%	81.0%	78.7%
Period end occupancy (3)	83.6%	78.9%	78.9%	81.0%	80.0%
Total rentable square feet	21,538	21,538	21,538	21,538	21,538
Realized annual rent per occupied square foot (4)	\$ 11.33	\$ 11.65	\$ 11.60	\$ 11.46	\$ 11.47
Scheduled annual rent per square foot (5)	\$ 11.98	\$ 12.50	\$ 12.79	\$ 12.71	\$ 12.52
Reconciliation of Same-Store Net Operating Income to Operating Income					
Same-store net operating income (1)	\$ 34,850	\$ 33,791	\$ 35,134	\$ 35,012	\$ 33,133
Non same-store net operating income (1)	8,277	7,257	4,745	1,626	1,089
Indirect property overhead (6)	(1,448)	(1,795)	(1,852)	(1,839)	(1,595)
Depreciation and amortization	(27,474)	(25,518)	(21,159)	(15,782)	(15,336)
General and administrative expense	<u>(6,278)</u>	<u>(6,444)</u>	<u>(6,343)</u>	<u>(5,476)</u>	<u>(6,841)</u>
Operating Income	<u>\$ 7,927</u>	<u>\$ 7,291</u>	<u>\$ 10,525</u>	<u>\$ 13,541</u>	<u>\$ 10,450</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 the respective period end.
- (4) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period.
- (5) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period.
- (6) Includes property management income earned in conjunction with managed properties.

CUBESMART
CONSOLIDATING STATEMENTS OF NET OPERATING INCOME

(unaudited, in thousands)

For the three months ended June 30, 2012 and 2011

	Same-Store Property Portfolio				Non Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2012	2011	Increase/ (Decrease)	% Change	2012	2011	2012	2011	2012	2011	Increase/ (Decrease)
REVENUES:											
Rental income	\$ 49,719	\$ 48,615	\$ 1,104	2.3%	\$ 11,514	\$ 1,684	\$ -	\$ -	\$ 61,233	\$ 50,299	\$ 10,934
Other property related income	5,214	4,735	479	10.1%	1,213	237	561	364	6,988	5,336	1,652
Property management fee income	-	-	-	0.0%	-	-	1,103	848	1,103	848	255
Total revenues	54,933	53,350	1,583	3.0%	12,727	1,921	1,664	1,212	69,324	56,483	12,841
OPERATING EXPENSES:											
Property operating expenses	20,083	20,217	(134)	-0.7%	4,450	832	3,112	2,807	27,645	23,856	2,538
NET OPERATING INCOME	34,850	33,133	1,717	5.2%	8,277	1,089	(1,448)	(1,595)	41,679	32,627	9,052
Property count	330	330			40				370		
Total square footage	21,538	21,538			2,826				24,364		
Period Average Occupancy (1)	81.5%	78.7%			79.5%				81.2%		
Period End Occupancy (2)	83.6%	80.0%			80.6%				83.3%		
Realized annual rent per occupied square foot (3)	\$ 11.33	\$ 11.47			\$ 20.61				\$ 12.38		
Scheduled annual rent per square foot (4)	\$ 11.98	\$ 12.52			\$ 28.08				\$ 13.39		

(1) Square feet occupancy represents the weighted average occupancy for the period.

(2) Represents occupancy at end of respective period.

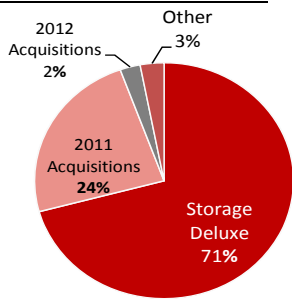
(3) Realized annual rent per occupied square foot takes into consideration promotional discounts that reduce rental income from the contractual amounts due. Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period. Square footage for non same-store assets acquired during 2012 are prorated based on the portion of the period the properties were owned.

(4) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period. Square footage for non same-store assets acquired during 2012 are prorated based on the portion of the period the properties were owned.

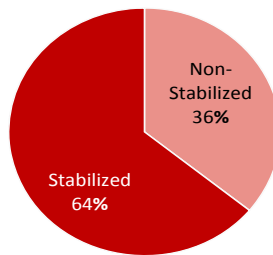
Storage Deluxe & Other 2011 Acquisitions¹



Non-Same-Store Asset Composition, by 2Q12 NOI



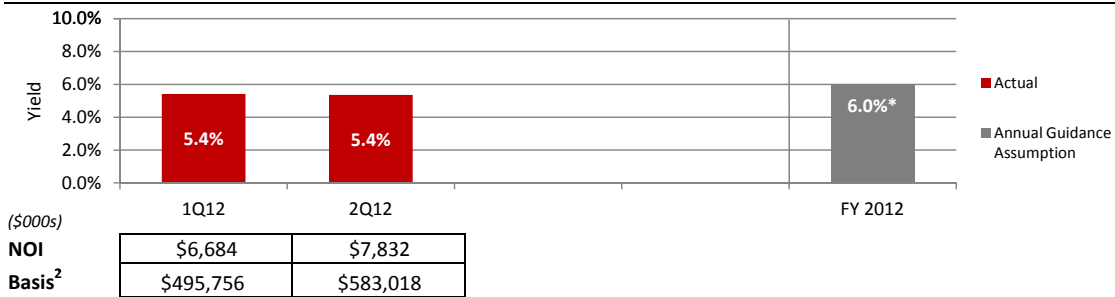
Stabilization of 2011 Acquisitions¹, by Basis²



Operating Metrics, Second Quarter 2012

	Same-Store	Non Same-Store	Total Portfolio
Period End Occupancy ³	83.6%	80.6%	83.3%
Realized Ann'l Rent / Occ Sq Ft ⁴	\$11.33	\$20.61	\$12.38

Yield on Investment: 2011 Acquisitions and Storage Deluxe^{1,2,5}



* Note: Annual guidance assumes that the yield starts below trend and continues to grow throughout the year with lease-up.

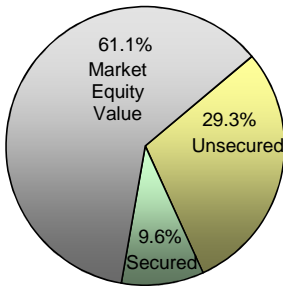
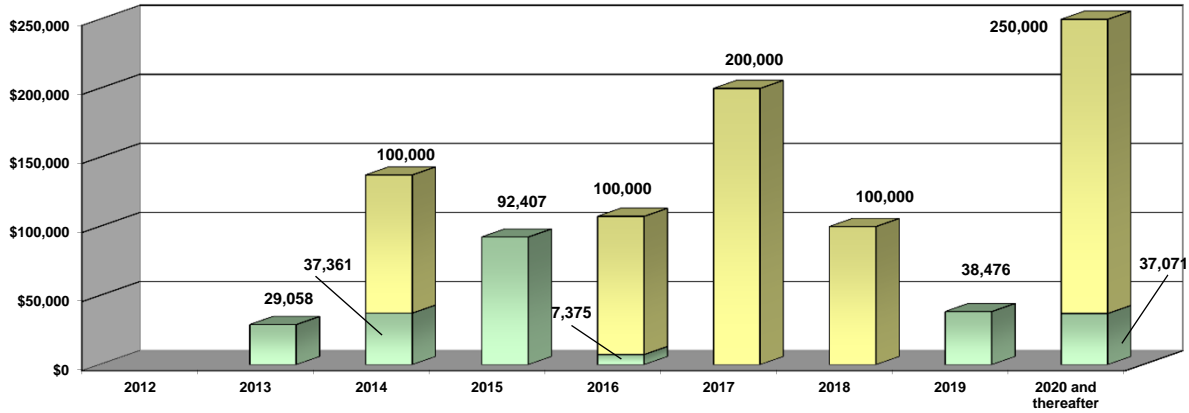
- (1) Includes 2011 acquisitions and acquired Storage Deluxe assets. Excludes 2012 acquisitions and other non same-store assets.
- (2) To provide a more useful measure of performance, investment basis for assets acquired during 2012 is prorated based on the portion of the period the properties were owned.
- (3) Represents occupancy at June 30, 2012.
- (4) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period. Square footage for non same-store assets acquired during 2012 are prorated based on the portion of the period the properties were owned.
- (5) Yield on investment is calculated by dividing net operating income for the period by the initial investment cost. Yield is a blend of stabilized and non-stabilized NOI streams as it includes all 2011 acquisitions and the Storage Deluxe portfolio.

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

	Three months ended June 30,		Six months ended June 30,	
	2012	2011	2012	2011
Net income (loss) attributable to common shareholders	\$ 1,041	\$ 902	\$ (4,304)	\$ 785
Add (deduct):				
Real estate depreciation and amortization:				
Real property - continuing operations	27,108	14,917	52,266	29,557
Real property - discontinued operations	220	608	465	1,230
Company's share of unconsolidated real estate ventures	513	-	1,027	-
Noncontrolling interest's share of consolidated real estate ventures	(424)	(444)	(858)	(1,717)
Gains on sale of real estate	(6,206)	-	(6,206)	-
Noncontrolling interests in the Operating Partnership	38	44	(111)	39
FFO	<u>\$ 22,290</u>	<u>\$ 16,027</u>	<u>\$ 42,279</u>	<u>\$ 29,894</u>
Add (deduct):				
Loan procurement amortization expense - early repayment of debt	-	2,085	-	2,085
Discontinued operations - settlement proceeds	-	(1,895)	-	(1,895)
Acquisition related costs	313	146	863	255
FFO, as adjusted	<u>\$ 22,603</u>	<u>\$ 16,363</u>	<u>\$ 43,142</u>	<u>\$ 30,339</u>
Earnings (loss) per share attributable to common shareholders - basic and diluted	\$ 0.01	\$ 0.01	\$ (0.04)	\$ 0.01
FFO per share and unit - fully diluted	\$ 0.17	\$ 0.15	\$ 0.33	\$ 0.28
FFO, as adjusted per share and unit - fully diluted	\$ 0.18	\$ 0.16	\$ 0.34	\$ 0.29
Weighted-average basic and diluted shares outstanding	122,599	98,844	122,433	98,807
Weighted-average diluted shares and units outstanding	128,760	105,071	128,156	104,959
Dividend per common share and unit	\$ 0.08	\$ 0.07	\$ 0.16	\$ 0.14
Payout ratio of FFO, as adjusted	44%	44%	47%	48%

CUBESMART
DEBT OVERVIEW (as of June 30, 2012)
(unaudited, dollars in thousands)

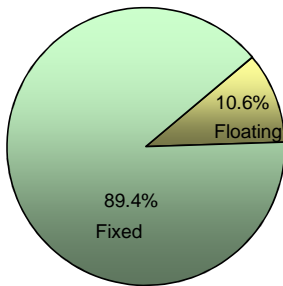
Debt Maturity Schedule



Market Capitalization

	Amount	Rate ⁽¹⁾	Weighted Average Maturity (in years)
Unsecured	\$ 750,000	3.78%	6.3
Secured	244,756	6.00%	4.3
Total Debt	\$ 994,756	4.32%	5.8
Market Equity Value	1,564,748		
Total Market Capitalization	\$ 2,559,504		

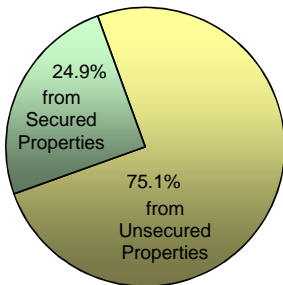
(1) Weighted average interest rate



Floating and Fixed

	Amount	Rate ⁽¹⁾	Weighted Average Maturity (in years)
Floating Rate Debt	\$ 105,415	2.08%	2.4
Fixed Rate Debt	889,341	4.59%	6.2
Total Debt	\$ 994,756	4.32%	5.8

(1) Weighted average interest rate



Portfolio Net Operating Income

NOI from Unencumbered Properties ⁽¹⁾	75.1%
NOI from Encumbered Properties ⁽¹⁾	24.9%
Total	100.0%

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

**CUBESMART
SECURED DEBT ANALYSIS**

(dollars in thousands)

As of June 30, 2012

<u>FIXED RATE MORTGAGES</u>	<u>Balance</u>		<u>Rate</u>	<u>Maturity Date</u>
YSI 14	\$ 1,674	FIXED	6.22%	Jan-13
YSI 7	2,997	FIXED	5.50%	Jun-13
YSI 8	1,713	FIXED	5.50%	Jun-13
YSI 9	1,884	FIXED	5.50%	Jun-13
YSI 17	3,918	FIXED	5.72%	Jul-13
YSI 27	471	FIXED	6.13%	Nov-13
YSI 30	6,909	FIXED	6.13%	Nov-13
YSI 11	2,314	FIXED	6.29%	Dec-13
YSI 5	3,051	FIXED	6.22%	Jan-14
YSI 28	1,485	FIXED	6.02%	Feb-14
YSI 37	2,154	FIXED	7.25%	Aug-14
YSI 44	1,055	FIXED	7.00%	Sep-14
YSI 41	3,720	FIXED	6.60%	Sep-14
YSI 45	5,307	FIXED	6.75%	Oct-14
YSI 48	18,360	FIXED	7.25%	Nov-14
YSI 50	2,229	FIXED	6.75%	Dec-14
YSI 10	3,970	FIXED	5.47%	Jan-15
YSI 15	1,808	FIXED	5.60%	Jan-15
YSI 52	4,803	FIXED	5.44%	Jan-15
YSI 58	9,116	FIXED	5.90%	Jan-15
YSI 29	13,158	FIXED	5.17%	Aug-15
YSI 20	59,552	FIXED	5.97%	Nov-15
YSI 51	7,375	FIXED	6.36%	Oct-16
YSI 31	13,285	FIXED	6.75%	Jun-19 (a)
YSI 35	4,419	FIXED	6.90%	Jul-19 (a)
YSI 32	5,893	FIXED	6.75%	Jul-19 (a)
YSI 33	11,045	FIXED	6.42%	Jul-19
YSI 39	3,834	FIXED	6.50%	Sep-19 (a)
YSI 26	9,176	FIXED	5.45%	Nov-20
YSI 57	3,221	FIXED	5.45%	Nov-20
YSI 55	24,674	FIXED	5.30%	Jun-21
Total Mortgages	\$ 234,570		6.07%	

FIXED RATE DEBT PREMIUMS

Fixed Rate Debt Premiums 3,008

SECURED LOANS, VARIABLE RATE

USIFB	7,178	LIBOR + 2.75%	3.53% (b)	Dec-13
Total Secured Debt	\$ 244,756		6.00%	

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

CUBESMART
UNSECURED DEBT ANALYSIS

(dollars in thousands)

As of June 30, 2012

<u>LINE OF CREDIT</u>	<u>6/30/2012 Balance</u>		<u>Rate</u>		<u>Maturity Date</u>	<u>Total Available</u>	<u>Remaining Available</u>
Unsecured Revolving Credit Facility	\$ -	LIBOR + 1.80%	2.05%	(a)	Dec-15	(e) \$ 300,000	\$ 300,000
<u>UNSECURED BANK TERM LOANS</u>							
Unsecured Term Loan	100,000	LIBOR + 1.75%	2.00%	(a)	Dec-14		
Unsecured Term Loan	100,000	FIXED	3.65%	(a) (b)	Jun-16		
Unsecured Term Loan	200,000	FIXED	3.09%	(a) (c)	Mar-17		
Unsecured Term Loan	100,000	FIXED	4.47%	(a) (d)	Jun-18		
Total Unsecured Bank Term Loans	<u>\$ 500,000</u>						
<u>UNSECURED PUBLIC DEBT</u>							
Unsecured Senior Notes	250,000	FIXED	4.82%		Jul-22		
Total Unsecured Debt	<u>\$ 750,000</u>		<u>3.78%</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 1.803%, maturing in June 2016.
(c) Rate 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.
(d) Rate 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.
(e) The Company, at its option, can extend the maturity by one year.

UNSECURED SENIOR NOTES COVENANTS

	<u>Required</u>	<u>Actual</u>
Fixed Charge Coverage Ratio	≥ 1.50x	2.9x
Leverage Ratio	≤ 60%	41.5%
Secured Debt Limitation	≤ 40%	10.2%
Unencumbered Asset Ratio	≥ 150%	250.2%

CUBESMART
OPERATING PERFORMANCE - BY REGION
 Three Months Ended June 30, 2012

Region	Market	SAME-STORE						TOTAL PORTFOLIO		
		# of Facilities	Total Rentable Square Feet	Ending Occupancy		Revenue Growth ¹		# of Facilities	Total Rentable Square Feet	Ending Occupancy
				June 30, 2012	June 30, 2011	Change	% Change			
Northeast²										
	New York/Northern NJ	19	1,258,398	81.8%	77.6%	4.2%	5.4%	38	2,579,911	83.1%
	Baltimore / DC	9	776,439	86.0%	81.7%	4.3%	3.9%	13	1,114,414	86.7%
	Connecticut	17	847,402	82.8%	81.2%	1.6%	6.4%	19	1,010,342	82.2%
	Philadelphia / Southern NJ	5	354,449	84.5%	80.7%	3.8%	3.4%	6	406,450	82.7%
	Other	6	336,109	82.9%	78.6%	4.3%	9.7%	8	446,709	76.5%
Northeast	Region Sub-Total	56	3,572,797	83.3%	79.7%	3.6%	5.4%	84	5,557,826	83.1%
Southeast³										
	Florida Markets - Other	38	2,752,864	82.2%	77.9%	4.2%	1.0%	39	2,829,329	82.2%
	Tennessee	23	1,569,362	83.0%	83.3%	-0.3%	2.5%	24	1,665,525	83.2%
	Miami / Ft. Lauderdale	13	1,027,288	83.6%	78.1%	5.5%	0.8%	14	1,103,640	83.9%
	Atlanta	9	756,630	82.8%	79.6%	3.3%	3.7%	13	1,000,970	81.9%
	Other	6	462,962	85.4%	80.7%	4.7%	5.5%	6	462,962	85.4%
Southeast	Region Sub-Total	89	6,569,106	82.9%	79.6%	3.3%	1.8%	96	7,062,426	82.8%
Midwest⁴										
	Texas Markets - Major	33	2,146,709	86.4%	83.4%	3.0%	2.7%	36	2,307,381	86.6%
	Chicago	27	1,607,718	86.3%	83.6%	2.8%	1.7%	27	1,607,718	86.3%
	Indiana / Ohio	24	1,493,297	83.4%	79.1%	4.3%	4.8%	24	1,493,297	83.4%
	Other	12	629,254	81.6%	82.4%	-0.8%	0.2%	12	629,254	81.6%
Midwest	Region Sub-Total	96	5,876,978	85.1%	82.2%	2.9%	2.6%	99	6,037,650	85.2%
West⁵										
	Inland Empire	20	1,462,348	77.7%	68.4%	9.3%	4.4%	21	1,565,878	74.0%
	Arizona / Las Vegas	25	1,298,334	86.2%	85.1%	1.1%	-0.1%	26	1,381,494	85.7%
	Southern California	12	975,703	82.8%	73.6%	9.2%	6.6%	12	975,703	82.8%
	Colorado / Utah	12	733,389	88.6%	86.6%	2.0%	2.0%	12	733,389	88.6%
	Other	20	1,049,240	83.5%	82.9%	0.6%	-0.1%	20	1,049,240	83.5%
West	Region Sub-Total	89	5,519,014	83.1%	78.4%	4.7%	2.5%	91	5,705,704	82.0%
Total		330	21,537,895	83.6%	80.0%	3.6%	3.0%	370	24,363,606	83.3%

- (1) Year over year
- (2) 64.3% of total Northeast Region Square Footage is classified as Same Store
- (3) 93.0% of total Southeast Region Square Footage is classified as Same Store
- (4) 97.3% of total Midwest Region Square Footage is classified as Same Store
- (5) 96.7% of total West Region Square Footage is classified as Same Store

CUBESMART
PROPERTIES BY STATE, Total Portfolio

As of June 30, 2012

<u>State</u>	<u>Number of Facilities</u>	<u>Number of Units</u>	<u>Total Rentable Square Feet</u>	<u>% of Total Rentable Square Feet</u>	<u>June 30, 2012 Occupancy</u>
Florida	53	37,124	3,932,969	16.1%	82.6%
Texas	47	22,961	2,878,135	11.8%	85.5%
California	44	27,080	3,203,231	13.2%	78.3%
New York	28	30,657	1,883,706	7.7%	83.9%
Illinois	27	13,828	1,607,718	6.6%	86.3%
Tennessee	24	12,715	1,665,525	6.8%	83.2%
Arizona	24	11,942	1,284,112	5.3%	85.7%
Ohio	23	11,851	1,420,283	5.8%	83.2%
Connecticut	19	8,728	1,010,342	4.2%	82.2%
New Jersey	16	10,359	1,039,510	4.3%	77.7%
Georgia	13	8,095	1,000,970	4.1%	81.9%
New Mexico	9	3,396	387,590	1.6%	86.6%
Colorado	8	4,076	493,406	2.0%	88.8%
Maryland	6	5,112	597,012	2.5%	85.2%
North Carolina	6	3,860	462,962	1.9%	85.4%
Virginia	6	4,315	449,397	1.8%	86.2%
Utah	4	2,217	239,983	1.0%	88.0%
Massachusetts	4	2,383	206,519	0.9%	84.4%
Pennsylvania	3	2,134	225,470	0.9%	85.3%
Washington DC	2	1,799	145,870	0.6%	93.5%
Nevada	2	886	97,382	0.4%	85.5%
Indiana	1	710	73,014	0.3%	87.5%
Wisconsin	1	485	58,500	0.2%	85.3%
Total/Weighted Average	370	226,713	24,363,606	100.0%	83.3%

CUBESMART
PROPERTIES BY STATE, Same-Store Portfolio

As of June 30, 2012

<u>State</u>	<u>Number of Facilities</u>	<u>Number of Units</u>	<u>Total Rentable Square Feet</u>	<u>% of Total Rentable Square Feet</u>	<u>June 30, 2012 Occupancy</u>	<u>June 30, 2011 Occupancy</u>
Florida	51	35,552	3,780,152	17.6%	82.5%	77.9%
Texas	44	21,364	2,717,463	12.6%	85.3%	83.3%
California	43	26,204	3,099,701	14.4%	80.2%	72.6%
Illinois	27	13,828	1,607,718	7.5%	86.3%	83.6%
Arizona	23	11,124	1,200,952	5.6%	86.2%	85.1%
Ohio	23	11,851	1,420,283	6.6%	83.2%	79.5%
Tennessee	23	12,225	1,569,362	7.3%	83.0%	83.3%
Connecticut	17	7,102	847,402	3.9%	82.8%	81.2%
New Jersey	14	9,368	928,910	4.3%	80.1%	76.4%
Georgia	9	6,002	756,630	3.5%	82.8%	79.5%
New Mexico	9	3,396	387,590	1.8%	86.6%	87.6%
New York	9	7,267	562,193	2.6%	83.1%	76.8%
Colorado	8	4,076	493,406	2.3%	88.8%	88.0%
North Carolina	6	3,860	462,962	2.2%	85.4%	80.7%
Maryland	5	4,157	518,252	2.4%	86.9%	82.4%
Massachusetts	4	2,383	206,519	1.0%	84.4%	77.1%
Utah	4	2,217	239,983	1.1%	88.0%	83.7%
Virginia	4	2,515	272,967	1.3%	82.1%	79.3%
Pennsylvania	2	1,610	173,469	0.8%	89.8%	91.1%
Nevada	2	886	97,382	0.5%	85.5%	85.6%
Washington DC	1	753	63,085	0.3%	95.2%	92.3%
Indiana	1	710	73,014	0.3%	87.5%	70.1%
Wisconsin	1	485	58,500	0.3%	85.3%	77.8%
Total/Weighted Average	330	188,935	21,537,895	100.0%	83.6%	80.0%