



**Fourth Quarter 2012
Supplemental Information**

Table of Contents

Company/Analyst Information	3
Legal Disclaimers	4
Earnings Release Text	5
Financial Highlights	11
Balance Sheets	12
Statements of Operations	13
Statements of Operations - Trailing Three Years	14
Same-Store Portfolio Net Operating Income	15
Same-Store Portfolio Net Operating Income - Trailing Five Quarters	16
Consolidating Statements of Net Operating Income	17
Investment Overview	18
Funds from Operations	19
Debt Overview	20
Secured Debt Analysis	21
Unsecured Debt Analysis	22
Operating Performance - By Region	23
Properties by State, Total Portfolio	24
Properties by State, Same-Store Portfolio	25

CUBESMART

December 31, 2012

Equity Research Coverage

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STIFEL NICOLAUS & COMPANY, INC. ROD PETRIK / SIMON YARMAK 443.224.1306 / 443.224.1345	UBS INVESTMENT RESEARCH ROSS NUSSBAUM / CHRISTY MCELROY 212.713.2484 / 203.719.7831	WELLS FARGO SECURITIES, LLC TODD STENDER 212.214.8067	

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

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

	4th Quarter 2012	3rd Quarter 2012	2nd Quarter 2012	1st Quarter 2012	4th Quarter 2011
Common Shares and Units:					
Share price, high	\$ 14.67	\$ 13.48	\$ 12.81	\$ 12.14	\$ 10.66
Share price, low	\$ 12.59	\$ 11.69	\$ 10.90	\$ 10.30	\$ 8.04
Share price, period end	\$ 14.57	\$ 12.87	\$ 11.67	\$ 11.90	\$ 10.64
Dividends declared per share	\$ 0.11	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
Dividend yield, period end	3.02%	2.49%	2.74%	2.69%	3.01%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	131,795	127,430	122,685	122,391	122,059
Closing Operating Partnership units outstanding	3,294	4,409	4,409	4,674	4,674
Total closing Common Shares and Units	135,089	131,839	127,094	127,065	126,733
Preferred Shares (Series A):					
Share price, high	\$ 27.02	\$ 27.18	\$ 26.39	\$ 25.80	\$ 25.01
Share price, low	\$ 26.05	\$ 26.20	\$ 25.28	\$ 24.77	\$ 24.31
Share price, period end	\$ 26.05	\$ 26.99	\$ 26.31	\$ 25.39	\$ 24.61
Dividends declared per share	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.3929
Dividend yield, period end	7.44%	7.18%	7.36%	7.63%	7.87%
Closing Preferred Shares outstanding (in thousands)	3,100	3,100	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”), contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such statements are based on estimates, assumptions and expectations that may not be realized and are inherently subject to risks and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Although we believe the estimates, assumptions and expectations reflected in these forward-looking statements are reasonable, our actual performance may differ materially from the results expressed or implied by the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to: changes in national and local economic, business, real estate and other market conditions which, among other things, reduce demand for self-storage facilities or increase costs of owning and operating self-storage facilities; competition from other self-storage facilities and storage alternatives, which could result in lower occupancy and decreased rents; the execution of our business plan; 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, 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; other factors affecting the real estate industry generally or the self-storage industry in particular; and other risks identified in Item 1A of our Annual Report on Form 10-K and, from time to time, in other reports we file with the Securities and Exchange Commission (the “SEC”) or in other documents that we publicly disseminate.

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

Non-GAAP Financial Measures

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

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

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

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

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



CubeSmart Reports Fourth Quarter and Annual 2012 Results; Same-Store Occupancy Increases 550 Basis Points; Same-Store NOI Grows 7.4%

WAYNE, PA -- (MARKET WIRE) – February 21, 2013 -- CubeSmart (NYSE: CUBE) announced its operating results for the three months and year ended December 31, 2012.

“We saw accelerating operational performance throughout 2012,” commented Chief Executive Officer Dean Jernigan. “Importantly, we are positioned to maintain this fundamental momentum into 2013. With a high-quality team, property portfolio, operating platform, and balance sheet in place, all in the context of steady demand and limited new supply, we remain optimistic about our business.”

Key Highlights for the Quarter

- Reported funds from operations (“FFO”) per share, as adjusted, of \$0.21, representing a year-over-year increase of 23.5%.
- Increased same-store (313 facilities) net operating income (“NOI”) 7.4% year over year, driven by 5.2% revenue growth and a 1.2% increase in property operating expenses.
- Gained 550 basis points year over year in period ending same-store occupancy, up from 79.1% at the end of 2011 to 84.6% at the end of 2012.
- Closed on five acquisitions totaling \$25.6 million, bringing full-year acquisition volume to \$442.7 million.
- Closed on dispositions totaling \$24.3 million, including eight assets in Ohio, two in Florida and one in Tennessee. Full-year disposition volume totaled \$60.0 million.

Funds from Operations

FFO, as adjusted, was \$28.9 million for the fourth quarter of 2012, compared with \$20.5 million for the fourth quarter of 2011. FFO per share, as adjusted, increased 23.5% to \$0.21 for the fourth quarter of 2012, compared with \$0.17 for the same quarter last year.

FFO, as adjusted, for the year ended December 31, 2012 was \$96.4 million, compared with \$70.9 million for the year ended December 31, 2011. FFO per share, as adjusted, increased 13.8% to \$0.74 for the year ended December 31, 2012, compared with \$0.65 for the year ended December 31, 2011.

“Our keen focus on operational execution continues to drive accelerating occupancy and revenue performance,” noted Chris Marr, President, Chief Operating Officer, and Chief Investment Officer. “We also had a very productive 2012 from an external growth perspective, as we exceeded our targets for acquisitions, dispositions, and third-party management contracts in a disciplined manner that meaningfully enhanced our portfolio.”

Investment Activity

The Company acquired five assets for \$25.6 million during the three months ended December 31, 2012. These properties are located in Florida, New Jersey, Pennsylvania and Texas. For the full year, excluding assets associated with the previously announced Storage Deluxe and joint

venture transactions, the Company closed on the acquisition of 22 assets for \$128.4 million. Including these transactions, full-year acquisition volume totaled \$442.7 million.

On the disposition front during the quarter, the Company sold 11 assets for total proceeds of \$24.3 million. The facilities are located in Ohio, Florida, and Tennessee. For the year, the Company disposed of 26 assets for \$60.0 million.

Third-Party Management

During the quarter, the Company was awarded eight new management contracts for properties located predominantly in the Southeast. At December 31, 2012, following the Company's acquisition of two facilities from the third-party management platform and the removal of five others due to sale, the Company managed for third parties 133 properties totaling 8.0 million square feet.

Same-Store Results

The Company's same-store pool at December 31, 2012 represented 313 facilities containing approximately 20.7 million rentable square feet and included approximately 81.1% of the aggregate rentable square feet of the Company's 381 owned facilities. These same-store facilities represent approximately 72.8% of property net operating income for the quarter ended December 31, 2012.

Same-store physical occupancy at period end for the fourth quarter of 2012 was 84.6%, compared with 79.1% for the same quarter of last year. Same-store net rental income for the fourth quarter of 2012 increased 3.9%, same-store total revenues increased 5.2%, and same-store operating expenses increased 1.2% from the same quarter in 2011. Same-store net operating income increased 7.4%, as compared with the same period in 2011.

For the year ended December 31, 2012, same-store net rental income increased 2.8%, same-store total revenues increased 3.8%, same-store operating expenses decreased 0.1%, and same-store net operating income increased 6.0%, as compared with the year ended December 31, 2011.

Operating Results

Total revenues increased \$16.0 million and total property operating expenses increased \$4.6 million in the fourth quarter of 2012, as compared with the same period in 2011. Increases in total revenues are primarily attributable to increased occupancy levels in the same-store portfolio and revenues generated from property acquisitions. Increases in total property operating expenses are attributable to the impact of newly acquired properties and an increase in same-store expenses, which was largely driven by increased advertising costs.

Interest expense increased from \$8.6 million in the fourth quarter of 2011 to \$11.0 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 and offset by lower interest rates on the Credit Facility in the 2012 period as compared with the 2011 period.

The Company's fourth quarter results include income of \$0.1 million from discontinued operations as of December 31, 2012, and \$3.4 million of gains on disposition of discontinued operations. These relate to the sale of 11 properties during the quarter.

The Company reported a net loss attributable to the Company's common shareholders of \$0.02 million, or \$0.00 per common share, in the fourth quarter of 2012, compared with a 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.

For the year ended December 31, 2012, the Company reported a net loss attributable to the Company's common shareholders of \$4.2 million, or \$0.03 per common share, compared with a net loss attributable to the Company's common shareholders of \$1.6 million, or \$0.02 per common share, for the year ended December 31, 2011.

The Company's 381 owned facilities, containing 25.5 million rentable square feet, had a physical occupancy at December 31, 2012 of 84.4%.

“At-The-Market” Equity Program

During the quarter, the Company sold 3.2 million common shares of beneficial interest through its “at-the-market” equity program at an average sales price of \$13.60 per share, resulting in net proceeds of \$43.0 million, bringing full-year net proceeds from the program to \$102.2 million. At December 31, 2012, the Company had 3.9 million shares available for sale under the existing Sales Agreement.

Quarterly Dividend

On December 10, 2012, the Company declared a dividend of \$0.11 per common share, representing a 37.5% increase from the previous quarterly rate. The dividend was paid on January 15, 2013 to common shareholders of record on January 2, 2013.

Also on December 10, 2012, the Company declared a dividend of \$0.484375 for the 7.75% Series A Cumulative Redeemable Preferred Shares. The dividend was paid on January 15, 2013 to holders of record on January 2, 2013.

2013 Financial Outlook

“Our expectations for 2013 reflect a continuation of the strong, accelerating performance that we have seen in recent periods,” stated Tim Martin, Chief Financial Officer. “Our 2013 NOI guidance contemplates healthy revenue growth as well as meaningful increases in real estate taxes. Additionally, our balance sheet remains well-positioned to support our strategic growth initiatives through broad access to a variety of capital sources.”

The Company estimates that its fully diluted FFO per share for 2013 will be between \$0.80 and \$0.86, and that its fully diluted net income (loss) per share for the period will be between (\$0.03) and \$0.03. The Company's estimate is based on the following key assumptions:

- For 2013, a same-store pool consisting of 333 assets totaling 22.1 million square feet.
- Same-store net operating income (“NOI”) growth of 5.0% to 6.0% over 2012, driven by revenue growth of 4.75% to 5.25% and expense growth of 3.5% to 4.5%.

- General and administrative expenses of approximately \$29.0 million to \$30.0 million.

Due to uncertainty related to the timing and terms of transactions, the impact of future investment activity is excluded from guidance. For 2013, the Company is targeting \$75 million to \$125 million of acquisitions and \$20 million to \$40 million of dispositions.

2013 Full Year Guidance	Range or Value		
Loss per diluted share allocated to common shareholders	\$ (0.03)	to	\$ 0.03
Plus: real estate depreciation and amortization	0.83		0.83
FFO per diluted share	\$ 0.80	to	\$ 0.86

The Company estimates that its fully-diluted FFO per share for the quarter ending March 31, 2013 will be between \$0.19 and \$0.20, and that its fully-diluted net loss per share for the period will be between \$0.02 and \$0.03.

1st Quarter 2013 Guidance	Range or Value		
Loss per diluted share allocated to common shareholders	\$ (0.03)	to	\$ (0.02)
Plus: real estate depreciation and amortization	0.22		0.22
FFO per diluted share	\$ 0.19	to	\$ 0.20

Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, February 22, 2013 to discuss financial results for the three months and year ended December 31, 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 1-888-317-6016 for domestic callers, +1-412-317-6016 for international callers and 1-855-669-9657 for callers in Canada. After the live webcast, the call will remain available on CubeSmart's website for 30 days. In addition, a telephonic replay of the call will be available through March 24, 2013. The replay dial-in number is 1-877-344-7529 for domestic callers and +1-412-317-0088 for international callers. The conference number for both is 10024576.

Supplemental operating and financial data as of December 31, 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 2012 Self-Storage Almanac, CubeSmart is one of the top four owners and operators of self-storage facilities in the United States.

Non-GAAP Performance Measurements

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

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

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

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

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

Forward-Looking Statements

This presentation, together with other statements and information publicly disseminated by CubeSmart (“we,” “us,” “our” or the “Company”), contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the

Securities Exchange Act of 1934, as amended (the “Exchange Act”). Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, future events and actual results, performance, transactions or achievements, financial and otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by the forward-looking statements. Risks, uncertainties and other factors that might cause such differences, some of which could be material, include, but are not limited to:

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

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

Contact:
CubeSmart
Daniel Ruble
Investor Relations
(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.

	Three Months Ended				
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
Selected Financial Information:					
Total portfolio:					
Revenue from continuing operations	\$ 77,370	\$ 73,329	\$ 67,775	\$ 64,602	\$ 61,328
EBITDA from continuing operations	\$ 42,014	\$ 37,610	\$ 34,531	\$ 31,969	\$ 30,811
Net income (loss) attributable to the Company	\$ 1,481	\$ 1,636	\$ 2,543	\$ (3,843)	\$ (8,011)
Funds from operations (FFO)	\$ 28,206	\$ 22,827	\$ 22,290	\$ 19,989	\$ 11,226
FFO, as adjusted	\$ 28,901	\$ 24,354	\$ 22,603	\$ 20,540	\$ 20,502
FFO per share - fully diluted	\$ 0.21	\$ 0.18	\$ 0.17	\$ 0.16	\$ 0.09
FFO, as adjusted per share - fully diluted	\$ 0.21	\$ 0.19	\$ 0.18	\$ 0.16	\$ 0.17
Earnings (loss) per share - basic	\$ 0.00	\$ 0.00	\$ 0.01	\$ (0.04)	\$ (0.08)
Earnings (loss) per share - diluted	\$ 0.00	\$ 0.00	\$ 0.01	\$ (0.04)	\$ (0.08)
Dividends per common share and unit	\$ 0.11	\$ 0.08	\$ 0.08	\$ 0.08	\$ 0.08
Dividends per preferred share, series A	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.3929
FFO payout ratio (1)	52.4%	42.1%	44.4%	50.0%	47.1%
Total assets	\$ 2,150,319	\$ 2,167,713	\$ 2,088,978	\$ 1,937,913	\$ 1,875,979
Total gross assets (total assets plus accumulated depreciation)	\$ 2,503,634	\$ 2,508,078	\$ 2,431,852	\$ 2,272,840	\$ 2,194,728
In place annual rent per occupied square foot (2) (6)	\$ 13.87	\$ 13.64	\$ 13.49	\$ 13.51	\$ 12.74
Realized annual rent per occupied square foot (3) (6)	\$ 12.81	\$ 12.53	\$ 12.46	\$ 12.61	\$ 11.79
Scheduled annual rent per square foot (4) (6)	\$ 13.83	\$ 13.55	\$ 13.27	\$ 13.56	\$ 13.01

Same-store:					
Revenue	\$ 55,529	\$ 55,642	\$ 53,384	\$ 52,331	\$ 52,772
Expense	\$ 18,731	\$ 19,949	\$ 19,403	\$ 19,382	\$ 18,509
NOI	\$ 36,798	\$ 35,693	\$ 33,981	\$ 32,949	\$ 34,263
Gross margin	66.3%	64.1%	63.7%	63.0%	64.9%
Period ending occupancy	84.6%	84.8%	83.9%	79.1%	79.1%
Period average occupancy	84.7%	85.0%	81.7%	78.8%	79.7%
Total rentable square feet	20,681	20,681	20,681	20,681	20,681
REVPAF (5)	\$ 9.70	\$ 9.69	\$ 9.35	\$ 9.27	\$ 9.34
In place annual rent per occupied square foot (2)	\$ 12.38	\$ 12.39	\$ 12.38	\$ 12.60	\$ 12.65
Realized annual rent per occupied square foot (3)	\$ 11.46	\$ 11.40	\$ 11.44	\$ 11.77	\$ 11.71
Scheduled annual rent per square foot (4)	\$ 12.13	\$ 12.19	\$ 12.11	\$ 12.64	\$ 12.92

Capitalization:					
Total Debt	\$ 1,023,759	\$ 1,074,349	\$ 994,756	\$ 837,802	\$ 758,441
Price per common share at quarter end	\$ 14.57	\$ 12.87	\$ 11.67	\$ 11.90	\$ 10.64
Price per preferred share at quarter end	\$ 26.05	\$ 26.99	\$ 26.31	\$ 25.39	\$ 24.61
Market Equity Value at quarter end	\$ 2,049,002	\$ 1,780,437	\$ 1,564,748	\$ 1,590,783	\$ 1,424,730
Total Market Capitalization	\$ 3,072,761	\$ 2,854,786	\$ 2,559,504	\$ 2,428,585	\$ 2,183,171
Total Debt/Total Gross Assets	40.9%	42.8%	40.9%	36.9%	34.6%
Total Debt/Total Market Capitalization	33.3%	37.6%	38.9%	34.5%	34.7%

Shares and Units:					
Closing Common Shares outstanding (excluding unvested restricted shares)	131,795	127,430	122,685	122,391	122,059
Closing Operating Partnership Units outstanding	3,294	4,409	4,409	4,674	4,674
Closing total Common Shares and Operating Partnership Units outstanding	135,089	131,839	127,094	127,065	126,733
Average Common Shares outstanding (excluding unvested restricted shares)	129,111	124,169	122,599	122,266	115,260
Average Operating Partnership Units outstanding	4,324	4,409	4,486	4,674	4,722
Average total Common Shares and Operating Partnership Units outstanding	133,435	128,578	127,085	126,940	119,982
Total weighted-average shares and units outstanding (including dilutive effect of options)	135,678	130,384	128,760	128,470	121,210
Closing Preferred Shares outstanding	3,100	3,100	3,100	3,100	3,100

(1) Payout ratio represents common 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 excluding late charges and administrative fees.

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

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

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

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

CUBESMART
BALANCE SHEETS
(unaudited, in thousands)

	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
ASSETS					
Storage facilities	\$ 2,443,022	\$ 2,432,415	\$ 2,226,295	\$ 2,190,998	\$ 2,107,469
Less: Accumulated depreciation	(353,315)	(340,365)	(342,874)	(334,927)	(318,749)
Storage facilities, net	2,089,707	2,092,050	1,883,421	1,856,071	1,788,720
Cash and cash equivalents	4,495	2,707	137,796	7,465	9,069
Restricted cash	6,070	7,579	6,618	11,486	11,291
Loan procurement costs, net of amortization	8,253	8,943	9,190	7,643	8,073
Investment in real estate ventures, at equity	-	-	14,087	14,564	15,181
Assets held for sale	-	6,452	4,738	-	-
Other assets, net	41,794	49,982	33,128	40,684	43,645
Total assets	<u>\$ 2,150,319</u>	<u>\$ 2,167,713</u>	<u>\$ 2,088,978</u>	<u>\$ 1,937,913</u>	<u>\$ 1,875,979</u>
LIABILITIES AND EQUITY					
Unsecured senior notes	\$ 250,000	\$ 250,000	\$ 250,000	\$ -	\$ -
Revolving credit facility	45,000	65,500	-	50,000	-
Unsecured term loans	500,000	500,000	500,000	400,000	400,000
Mortgage loans and notes payable	228,759	258,849	244,756	387,802	358,441
Accounts payable, accrued expenses and other liabilities	60,708	63,033	55,453	46,263	51,025
Distributions payable	16,419	12,110	11,712	11,710	11,401
Deferred revenue	11,090	10,950	10,607	10,630	9,568
Security deposits	444	487	501	506	490
Total liabilities	<u>1,112,420</u>	<u>1,160,929</u>	<u>1,073,029</u>	<u>906,911</u>	<u>830,925</u>
Noncontrolling interests in the Operating Partnership	47,990	56,740	51,450	55,622	49,732
Commitments and contingencies					
Equity					
7.75% Series A Preferred shares	31	31	31	31	31
Common shares	1,318	1,274	1,227	1,224	1,221
Additional paid in capital	1,418,463	1,357,888	1,315,424	1,310,755	1,309,505
Accumulated other comprehensive loss	(19,796)	(21,203)	(18,710)	(12,052)	(12,831)
Accumulated deficit	(410,225)	(388,061)	(372,082)	(363,576)	(342,013)
Total CubeSmart shareholders' equity	<u>989,791</u>	<u>949,929</u>	<u>925,890</u>	<u>936,382</u>	<u>955,913</u>
Noncontrolling interest in subsidiaries	118	115	38,609	38,998	39,409
Total equity	<u>989,909</u>	<u>950,044</u>	<u>964,499</u>	<u>975,380</u>	<u>995,322</u>
Total liabilities and equity	<u>\$ 2,150,319</u>	<u>\$ 2,167,713</u>	<u>\$ 2,088,978</u>	<u>\$ 1,937,913</u>	<u>\$ 1,875,979</u>

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

	Three Months Ended				
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
REVENUES					
Rental income	\$ 68,678	\$ 64,662	\$ 59,866	\$ 57,753	\$ 54,606
Other property related income	7,568	7,573	6,806	5,829	5,589
Property management fee income	1,124	1,094	1,103	1,020	1,133
Total revenues	<u>77,370</u>	<u>73,329</u>	<u>67,775</u>	<u>64,602</u>	<u>61,328</u>
OPERATING EXPENSES					
Property operating expenses	28,807	28,859	26,966	26,189	24,174
Depreciation and amortization	31,906	29,620	27,164	25,184	20,845
General and administrative	6,549	6,860	6,278	6,444	6,343
Total operating expenses	<u>67,262</u>	<u>65,339</u>	<u>60,408</u>	<u>57,817</u>	<u>51,362</u>
OPERATING INCOME	<u>10,108</u>	<u>7,990</u>	<u>7,367</u>	<u>6,785</u>	<u>9,966</u>
OTHER INCOME (EXPENSE)					
Interest:					
Interest expense on loans	(11,022)	(11,092)	(9,280)	(9,321)	(8,602)
Loan procurement amortization expense	(695)	(699)	(1,114)	(771)	(903)
Loan procurement amortization expense - early repayment of debt	-	-	-	-	(6,082)
Acquisition related costs	(695)	(1,527)	(313)	(551)	(3,194)
Equity in losses of real estate ventures	-	(284)	(210)	(251)	(257)
Gain from remeasurement of investment in real estate venture	-	7,023	-	-	-
Other	268	166	(107)	(71)	96
Total other expense	<u>(12,144)</u>	<u>(6,413)</u>	<u>(11,024)</u>	<u>(10,965)</u>	<u>(18,942)</u>
(LOSS) INCOME FROM CONTINUING OPERATIONS	<u>(2,036)</u>	<u>1,577</u>	<u>(3,657)</u>	<u>(4,180)</u>	<u>(8,976)</u>
DISCONTINUED OPERATIONS					
Income from discontinued operations	108	277	806	922	1,055
Gain on dispositions of discontinued operations	3,408	197	6,206	-	376
Total discontinued operations	<u>3,516</u>	<u>474</u>	<u>7,012</u>	<u>922</u>	<u>1,431</u>
NET INCOME (LOSS)	<u>1,480</u>	<u>2,051</u>	<u>3,355</u>	<u>(3,258)</u>	<u>(7,545)</u>
NET LOSS (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTERESTS					
Noncontrolling interests in the Operating Partnership	1	(5)	(38)	149	333
Noncontrolling interest in subsidiaries	-	(410)	(774)	(734)	(799)
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	<u>1,481</u>	<u>1,636</u>	<u>2,543</u>	<u>(3,843)</u>	<u>(8,011)</u>
Distribution to preferred shareholders	<u>(1,502)</u>	<u>(1,502)</u>	<u>(1,502)</u>	<u>(1,502)</u>	<u>(1,218)</u>
NET (LOSS) INCOME ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS	<u>\$ (21)</u>	<u>\$ 134</u>	<u>\$ 1,041</u>	<u>\$ (5,345)</u>	<u>\$ (9,229)</u>
Basic (loss) earnings per share from continuing operations attributable to common shareholders	\$ (0.03)	\$ 0.00	\$ (0.05)	\$ (0.05)	\$ (0.09)
Basic earnings per share from discontinued operations attributable to common shareholders	0.03	0.00	0.06	0.01	0.01
Basic earnings (loss) per share attributable to common shareholders	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.01</u>	<u>\$ (0.04)</u>	<u>\$ (0.08)</u>
Diluted (loss) earnings per share from continuing operations attributable to common shareholders	\$ (0.03)	\$ 0.00	\$ (0.05)	\$ (0.05)	\$ (0.09)
Diluted earnings per share from discontinued operations attributable to common shareholders	0.03	0.00	0.06	0.01	0.01
Diluted earnings (loss) per share attributable to common shareholders	<u>\$ 0.00</u>	<u>\$ 0.00</u>	<u>\$ 0.01</u>	<u>\$ (0.04)</u>	<u>\$ (0.08)</u>
Weighted-average basic shares outstanding	129,111	124,169	122,599	122,266	115,260
Weighted-average diluted shares outstanding	129,111	125,976	122,599	122,266	115,260
AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:					
Loss from continuing operations	\$ (3,453)	\$ (328)	\$ (5,803)	\$ (6,245)	\$ (10,594)
Total discontinued operations	3,432	462	6,844	900	1,365
Net (loss) income	<u>\$ (21)</u>	<u>\$ 134</u>	<u>\$ 1,041</u>	<u>\$ (5,345)</u>	<u>\$ (9,229)</u>

CUBESMART
STATEMENTS OF OPERATIONS - TRAILING THREE YEARS
(unaudited, in thousands, except per share data,

	Year Ended December 31,		
	2012	2011	2010
REVENUES			
Rental income	\$ 250,959	\$ 202,762	\$ 179,748
Other property related income	27,776	20,715	17,114
Property management fee income	4,341	3,768	2,829
Total revenues	<u>283,076</u>	<u>227,245</u>	<u>199,691</u>
OPERATING EXPENSES			
Property operating expenses	110,821	94,630	85,779
Depreciation and amortization	113,874	65,955	58,876
General and administrative	26,131	24,693	25,406
Total operating expenses	<u>250,826</u>	<u>185,278</u>	<u>170,061</u>
OPERATING INCOME	<u>32,250</u>	<u>41,967</u>	<u>29,630</u>
OTHER INCOME (EXPENSE)			
Interest:			
Interest expense on loans	(40,715)	(33,199)	(37,794)
Loan procurement amortization expense	(3,279)	(5,028)	(6,463)
Loan procurement amortization expense - early repayment of debt	-	(8,167)	-
Acquisition related costs	(3,086)	(3,823)	(759)
Equity in losses of real estate ventures	(745)	(281)	-
Gain from remeasurement of investment in real estate venture	7,023	-	-
Other	256	(83)	386
Total other expense	<u>(40,546)</u>	<u>(50,581)</u>	<u>(44,630)</u>
(LOSS) INCOME FROM CONTINUING OPERATIONS	<u>(8,296)</u>	<u>(8,614)</u>	<u>(15,000)</u>
DISCONTINUED OPERATIONS			
Income from discontinued operations	2,113	7,158	7,155
Gain on dispositions of discontinued operations	9,811	3,903	1,826
Total discontinued operations	<u>11,924</u>	<u>11,061</u>	<u>8,981</u>
NET INCOME (LOSS)	<u>3,628</u>	<u>2,447</u>	<u>(6,019)</u>
NET LOSS (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTERESTS			
Noncontrolling interests in the Operating Partnership	107	(35)	381
Noncontrolling interest in subsidiaries	(1,918)	(2,810)	(1,755)
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	<u>1,817</u>	<u>(398)</u>	<u>(7,393)</u>
Distribution to preferred shareholders	(6,008)	(1,218)	-
NET (LOSS) INCOME ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS	<u>\$ (4,191)</u>	<u>\$ (1,616)</u>	<u>\$ (7,393)</u>
Basic (loss) earnings per share from continuing operations attributable to common shareholders	\$ (0.13)	\$ (0.12)	\$ (0.17)
Basic earnings per share from discontinued operations attributable to common shareholders	0.10	0.10	0.09
Basic earnings (loss) per share attributable to common shareholders	<u>\$ (0.03)</u>	<u>\$ (0.02)</u>	<u>\$ (0.08)</u>
Weighted-average basic and diluted shares outstanding	124,548	102,976	93,998
AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:			
Loss from continuing operations	\$ (15,829)	\$ (12,168)	\$ (15,907)
Total discontinued operations	11,638	10,552	8,514
Net (loss) income	<u>\$ (4,191)</u>	<u>\$ (1,616)</u>	<u>\$ (7,393)</u>

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

	Three months ended			Year ended		
	December 31,		Percent Change	December 31,		Percent Change
	2012	2011		2012	2011	
REVENUES						
Net rental income	\$ 50,159	\$ 48,284	3.9%	\$ 196,556	\$ 191,222	2.8%
Other property related income	5,370	4,488	19.7%	20,331	17,811	14.1%
Total revenues	<u>55,529</u>	<u>52,772</u>	5.2%	<u>216,887</u>	<u>209,033</u>	3.8%
OPERATING EXPENSES						
Property taxes	5,852	6,075	-3.7%	24,550	24,896	-1.4%
Personnel expense	5,793	5,645	2.6%	23,274	22,135	5.1%
Advertising	1,196	1,035	15.6%	5,932	5,284	12.3%
Repair and maintenance	810	711	13.9%	2,937	2,758	6.5%
Utilities	1,878	1,888	-0.5%	7,798	8,307	-6.1%
Property insurance	656	644	1.9%	2,655	2,615	1.5%
Other expenses	2,546	2,511	1.4%	10,320	11,523	-10.4%
Total operating expenses	<u>18,731</u>	<u>18,509</u>	1.2%	<u>77,466</u>	<u>77,518</u>	-0.1%
Net operating income (1)	<u>\$ 36,798</u>	<u>\$ 34,263</u>	7.4%	<u>\$ 139,421</u>	<u>\$ 131,515</u>	6.0%
Gross margin	66.3%	64.9%		64.3%	62.9%	
Period end occupancy (2)	84.6%	79.1%		84.6%	79.1%	
Period average occupancy (3)	84.7%	79.7%		82.6%	79.2%	
Total rentable square feet	20,681	20,681		20,681	20,681	
Realized annual rent per occupied square foot (4)	\$ 11.46	\$ 11.71	-2.1%	\$ 11.51	\$ 11.67	-1.4%
Scheduled annual rent per square foot (5)	\$ 12.13	\$ 12.92	-6.1%	\$ 12.27	\$ 12.76	-3.8%
Reconciliation of Same-Store Net Operating Income to Operating Income						
Same-store net operating income (1)	\$ 36,798	\$ 34,263		\$ 139,421	\$ 131,515	
Non same-store net operating income (1)	13,772	4,550		40,365	7,764	
Indirect property overhead (6)	(2,007)	(1,659)		(7,531)	(6,664)	
Depreciation and amortization	(31,906)	(20,845)		(113,874)	(65,955)	
General and administrative expense	(6,549)	(6,343)		(26,131)	(24,693)	
Operating Income	<u>\$ 10,108</u>	<u>\$ 9,966</u>		<u>\$ 32,250</u>	<u>\$ 41,967</u>	

- (1) Net operating income (NOI) is a non-GAAP (generally accepted accounting principles) financial measure that excludes from operating income the impact of depreciation and general & administrative expense.
- (2) Represents occupancy at December 31 of the respective year.
- (3) Represents the weighted average occupancy for the period.
- (4) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period.
- (5) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period.
- (6) Includes property management income earned in conjunction with managed properties.

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

	Three months ended				
	December 31, 2012	September 30, 2012	June 30, 2012	March 31, 2012	December 31, 2011
REVENUES					
Net rental income	\$ 50,159	\$ 50,104	\$ 48,352	\$ 47,940	\$ 48,284
Other property related income	5,370	5,538	5,032	4,391	4,488
Total revenues	<u>55,529</u>	<u>55,642</u>	<u>53,384</u>	<u>52,331</u>	<u>52,772</u>
OPERATING EXPENSES					
Property taxes	5,852	6,198	6,157	6,344	6,075
Personnel expense	5,793	5,873	5,705	5,903	5,645
Advertising	1,196	1,737	1,687	1,312	1,035
Repair and maintenance	810	756	716	655	711
Utilities	1,878	2,199	1,801	1,920	1,888
Property insurance	656	688	639	672	644
Other expenses	2,546	2,498	2,698	2,576	2,511
Total operating expenses	<u>18,731</u>	<u>19,949</u>	<u>19,403</u>	<u>19,382</u>	<u>18,509</u>
Net operating income (1)	<u>\$ 36,798</u>	<u>\$ 35,693</u>	<u>\$ 33,981</u>	<u>\$ 32,949</u>	<u>\$ 34,263</u>
Gross margin	66.3%	64.1%	63.7%	63.0%	64.9%
Period end occupancy (2)	84.6%	84.8%	83.9%	79.1%	79.1%
Period average occupancy (3)	84.7%	85.0%	81.7%	78.8%	79.7%
Total rentable square feet	20,681	20,681	20,681	20,681	20,681
Realized annual rent per occupied square foot (4)	\$ 11.46	\$ 11.40	\$ 11.44	\$ 11.77	\$ 11.71
Scheduled annual rent per square foot (5)	\$ 12.13	\$ 12.19	\$ 12.11	\$ 12.64	\$ 12.92
Reconciliation of Same-Store Net Operating Income to Operating Income					
Same-store net operating income (1)	\$ 36,798	\$ 35,693	\$ 33,981	\$ 32,949	\$ 34,263
Non same-store net operating income (1)	13,772	11,055	8,276	7,259	4,550
Indirect property overhead (6)	(2,007)	(2,278)	(1,448)	(1,795)	(1,659)
Depreciation and amortization	(31,906)	(29,620)	(27,164)	(25,184)	(20,845)
General and administrative expense	(6,549)	(6,860)	(6,278)	(6,444)	(6,343)
Operating Income	<u>\$ 10,108</u>	<u>\$ 7,990</u>	<u>\$ 7,367</u>	<u>\$ 6,785</u>	<u>\$ 9,966</u>

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

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

For the three months ended December 31, 2012 and 2011

	Same-Store Property Portfolio			Non Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2012	2011	Increase/ (Decrease)	2012	2011	2012	2011	2012	2011	Increase/ (Decrease)
	REVENUES:									
Rental income	\$ 50,159	\$ 48,284	\$ 1,875	\$ 18,519	\$ 6,322	\$ -	\$ -	\$ 68,678	\$ 54,606	\$ 14,072
Other property related income	5,370	4,488	882	1,687	594	511	507	7,568	5,589	1,979
Property management fee income	-	-	-	-	-	1,124	1,133	1,124	1,133	(9)
Total revenues	55,529	52,772	2,757	20,206	6,916	1,635	1,640	77,370	61,328	16,042
OPERATING EXPENSES:										
Property operating expenses	18,731	18,509	222	6,434	2,366	3,642	3,299	28,807	24,174	4,633
NET OPERATING INCOME	36,798	34,263	2,535	13,772	4,550	(2,007)	(1,659)	48,563	37,154	11,409
Property count	313	313		68	57			381	370	
Total square footage	20,681	20,681		4,804	3,739			25,485	24,420	
Period End Occupancy	84.6%	79.1%		84.2%	75.8%			84.4%	78.6%	
Period Average Occupancy	84.7%	79.7%								
Realized annual rent per occupied square foot	\$ 11.46	\$ 11.71								

For the years ended December 31, 2012 and 2011

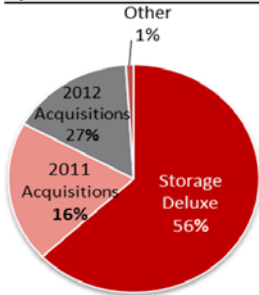
	Same-Store Property Portfolio			Non Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2012	2011	Increase/ (Decrease)	2012	2011	2012	2011	2012	2011	Increase/ (Decrease)
	REVENUES:									
Rental income	\$ 196,556	\$ 191,222	\$ 5,334	\$ 54,403	\$ 11,540	\$ -	\$ -	\$ 250,959	\$ 202,762	\$ 48,197
Other property related income	20,331	17,811	2,520	5,473	1,314	1,972	1,590	27,776	20,715	7,061
Property management fee income	-	-	-	-	-	4,341	3,768	4,341	3,768	573
Total revenues	216,887	209,033	7,854	59,876	12,854	6,313	5,358	283,076	227,245	55,831
OPERATING EXPENSES:										
Property operating expenses	77,466	77,518	(52)	19,511	5,090	13,844	12,022	110,821	94,630	16,191
NET OPERATING INCOME	139,421	131,515	7,906	40,365	7,764	(7,531)	(6,664)	172,255	132,615	39,640
Property count	313	313		68	57			381	370	
Total square footage	20,681	20,681		4,804	3,739			25,485	24,420	
Period End Occupancy	84.6%	79.1%		84.2%	75.8%			84.4%	78.6%	
Period Average Occupancy	82.6%	79.2%								
Realized annual rent per occupied square foot	\$ 11.51	\$ 11.67								

CUBESMART
INVESTMENT OVERVIEW

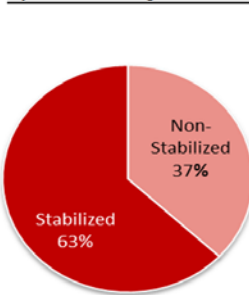
Storage Deluxe & Other 2011 Acquisitions¹



Non-Same-Store Asset Composition, by 2012 NOI



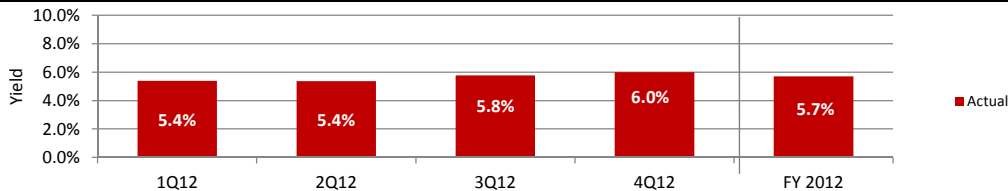
Stabilization of 2011 Acquisitions¹, by 2012 Wtd Avg Basis²



Operating Metrics, As of December 31, 2012

	Same-Store	Non Same-Store	Total Portfolio
Period End Occupancy ³	84.6%	84.2%	84.4%
Realized Ann'l Rent / Occ Sq Ft ⁴	\$ 11.46	\$ 19.16	\$ 12.81

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



(\$000s)

	1Q12	2Q12	3Q12	4Q12	FY 2012
NOI	\$6,684	\$7,823	\$9,313	\$10,015	\$33,835
Basis²	\$495,756	\$583,018	\$644,975	\$668,475	\$598,056

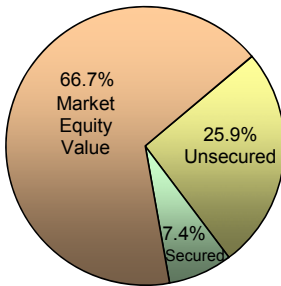
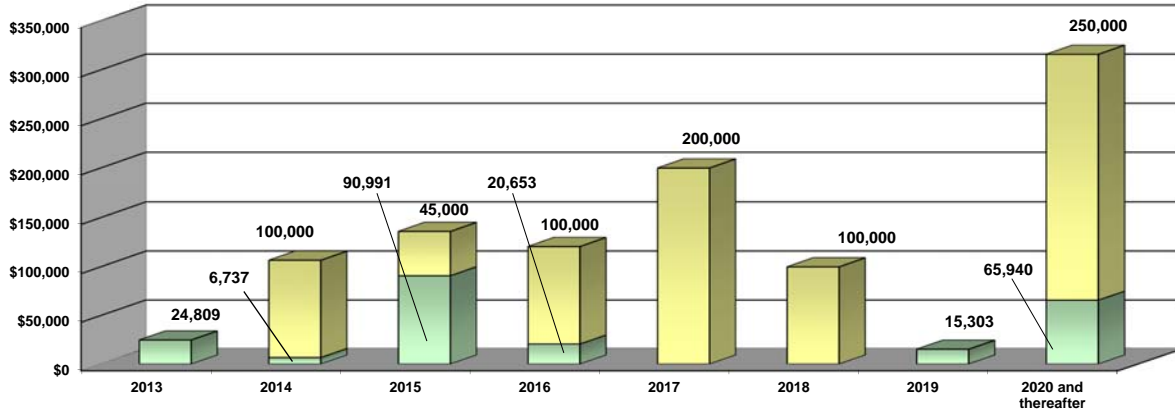
- (1) Includes 2011 acquisitions and acquired Storage Deluxe assets. Excludes 2012 acquisitions and other non same-store assets.
- (2) To provide a more useful measure of performance, investment basis for assets acquired during 2012 is prorated based on the portion of the period the properties were owned.
- (3) Represents occupancy at December 31, 2012.
- (4) For the three months ended 12/31/12. Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period. Excludes assets that were not owned for the entirety of the respective quarter.
- (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 December 31,		Year ended December 31,	
	2012	2011	2012	2011
Net loss attributable to common shareholders	\$ (21)	\$ (9,229)	\$ (4,191)	\$ (1,616)
Add (deduct):				
Real estate depreciation and amortization:				
Real property - continuing operations	31,557	20,489	112,449	64,319
Real property - discontinued operations	79	569	1,504	3,116
Company's share of unconsolidated real estate ventures	-	514	1,540	542
Noncontrolling interest's share of consolidated real estate ventures	-	(408)	(1,049)	(1,731)
Gains on sale of real estate	(3,408)	(376)	(9,811)	(3,903)
Gain on remeasurement of investment in real estate venture	-	-	(7,023)	-
Noncontrolling interests in the Operating Partnership	(1)	(333)	(107)	35
FFO	\$ 28,206	\$ 11,226	\$ 93,312	\$ 60,762
Add (deduct):				
Loan procurement amortization expense - early repayment of debt	-	6,082	-	8,167
Discontinued operations - settlement proceeds	-	-	-	(1,895)
Acquisition related costs	695	3,194	3,086	3,823
FFO, as adjusted	\$ 28,901	\$ 20,502	\$ 96,398	\$ 70,857
Earnings (loss) per share attributable to common shareholders - basic and diluted	\$ 0.00	\$ (0.08)	\$ (0.03)	\$ (0.02)
FFO per share and unit - fully diluted	\$ 0.21	\$ 0.09	\$ 0.71	\$ 0.56
FFO, as adjusted per share and unit - fully diluted	\$ 0.21	\$ 0.17	\$ 0.74	\$ 0.65
Weighted-average basic and diluted shares outstanding	129,111	115,260	124,548	102,976
Weighted-average diluted shares and units outstanding	135,678	121,210	131,021	109,085
Dividend per common share and unit	\$ 0.11	\$ 0.08	\$ 0.35	\$ 0.29
Payout ratio of FFO, as adjusted	52%	47%	47%	45%

CUBESMART
DEBT OVERVIEW (as of December 31, 2012)
(unaudited, dollars in thousands)

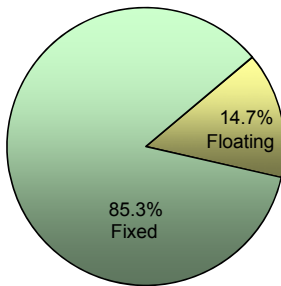
Debt Maturity Schedule



Market Capitalization

	Amount	Rate ⁽¹⁾	Weighted Average Maturity (in years)
Unsecured	\$ 795,000	3.67%	5.6
Secured	228,759	5.68%	4.3
Total Debt	\$ 1,023,759	4.12%	5.3
Market Equity Value	2,049,002		
Total Market Capitalization	\$ 3,072,761		

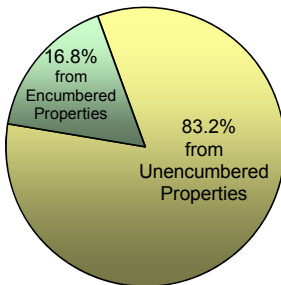
(1) Weighted average interest rate



Floating and Fixed

	Amount	Rate ⁽¹⁾	Weighted Average Maturity (in years)
Floating Rate Debt	\$ 150,431	2.01%	2.2
Fixed Rate Debt	873,328	4.48%	5.8
Total Debt	\$ 1,023,759	4.12%	5.3

(1) Weighted average interest rate



Portfolio Net Operating Income

NOI from Unencumbered Properties ⁽¹⁾	83.2%
NOI from Encumbered Properties ⁽¹⁾	16.8%
Total	100.0%

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

**CUBESMART
SECURED DEBT ANALYSIS**

(dollars in thousands)

As of December 31, 2012

<u>FIXED RATE MORTGAGES</u>	<u>Balance</u>		<u>Rate</u>	<u>Maturity Date</u>
YSI 7	\$ 2,962	FIXED	5.50%	Jun-13
YSI 8	1,692	FIXED	5.50%	Jun-13
YSI 9	1,862	FIXED	5.50%	Jun-13
YSI 17	3,846	FIXED	5.72%	Jul-13
YSI 27	461	FIXED	6.13%	Nov-13
YSI 30	6,765	FIXED	6.13%	Nov-13
YSI 11	2,276	FIXED	6.29%	Jan-14
YSI 5	3,001	FIXED	6.22%	Jan-14
YSI 28	1,460	FIXED	6.02%	Mar-14
YSI 10	3,928	FIXED	5.47%	Jan-15
YSI 15	1,784	FIXED	5.60%	Jan-15
YSI 52	4,721	FIXED	5.44%	Jan-15
YSI 58	8,974	FIXED	5.90%	Jan-15
YSI 29	13,060	FIXED	5.17%	Aug-15
YSI 20	58,524	FIXED	5.97%	Nov-15
YSI 59	9,603	FIXED	5.87%	Mar-16
YSI 60	3,725	FIXED	6.25%	Aug-16
YSI 51	7,325	FIXED	6.36%	Oct-16
YSI 35	4,373	FIXED	6.90%	Jul-19 (a)
YSI 33	10,930	FIXED	6.42%	Jul-19
YSI 26	9,102	FIXED	5.45%	Nov-20
YSI 57	3,195	FIXED	5.45%	Nov-20
YSI 55	24,502	FIXED	5.30%	Jun-21
YSI 24	29,141	FIXED	5.30%	Jun-21
Total Mortgages	<u>\$ 217,212</u>		<u>5.75%</u>	
<u>FIXED RATE DEBT PREMIUMS</u>				
Fixed Rate Debt Premiums	4,326			
<u>SECURED LOANS, VARIABLE RATE</u>				
USIFB	7,221	LIBOR + 2.75%	3.49% (b)	Dec-13
Total Secured Debt	<u>\$ 228,759</u>		<u>5.68%</u>	

(a) This borrowing has 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 December 31, 2012

	12/31/2012 Balance		Rate		Maturity Date	Total Available	Remaining Available
<u>LINE OF CREDIT</u>							
Unsecured Revolving Credit Facility	\$ 45,000	LIBOR + 1.80%	2.01%	(a)	Dec-15	(e) \$ 300,000	\$ 254,848 (f)
<u>UNSECURED BANK TERM LOANS</u>							
Unsecured Term Loan	100,000	LIBOR + 1.75%	1.96%	(a)	Dec-14		
Unsecured Term Loan	100,000	FIXED	3.65%	(b)	Jun-16		
Unsecured Term Loan	200,000	FIXED	3.09%	(c)	Mar-17		
Unsecured Term Loan	100,000	FIXED	4.47%	(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>\$ 795,000</u>		<u>3.67%</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 \$200 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.
(f) The available balance under the Unsecured Revolving Credit Facility is reduced by an outstanding letter of credit of \$152 thousand.

UNSECURED SENIOR NOTES COVENANTS

	Required	Actual
Fixed Charge Coverage Ratio	≥ 1.50x	3.7x
Leverage Ratio	≤ 60%	41.5%
Secured Debt Limitation	≤ 40%	9.3%
Unencumbered Asset Ratio	≥ 150%	274.3%

CUBESMART
OPERATING PERFORMANCE - BY REGION
 Three Months Ended December 31, 2012

Region	Market	SAME-STORE						TOTAL PORTFOLIO		
		# of Facilities	Total Rentable Square Feet	Ending Occupancy		Quarterly Revenue Growth ¹		# of Facilities	Total Rentable Square Feet	Ending Occupancy
				December 31, 2012	December 31, 2011	Change	% Change			
Northeast²										
	New York/Northern NJ	19	1,258,235	84.1%	79.0%	5.1%	6.9%	41	2,881,074	84.5%
	Baltimore / DC	9	776,439	85.3%	80.5%	4.8%	3.8%	16	1,356,677	85.3%
	Connecticut	17	847,502	84.9%	82.2%	2.7%	5.1%	20	1,041,681	85.0%
	Philadelphia / Southern NJ	5	354,449	83.5%	79.6%	3.9%	5.3%	13	906,535	82.5%
	Other	6	336,009	81.5%	78.6%	2.9%	10.1%	9	523,954	80.1%
Northeast	Region Sub-Total	56	3,572,634	84.3%	80.1%	4.1%	6.0%	99	6,709,921	84.1%
Southeast³										
	Florida Markets - Other	36	2,601,888	85.2%	77.5%	7.6%	5.7%	39	2,839,271	84.8%
	Tennessee	22	1,510,810	83.9%	79.2%	4.7%	4.3%	23	1,606,973	84.0%
	Miami / Ft. Lauderdale	13	1,026,357	84.8%	78.5%	6.3%	4.4%	16	1,237,669	85.3%
	Atlanta	9	756,780	84.8%	77.8%	7.0%	7.1%	16	1,182,150	83.9%
	Other	6	463,062	82.2%	79.2%	3.1%	5.4%	6	463,062	82.2%
Southeast	Region Sub-Total	86	6,358,897	84.6%	78.2%	6.3%	5.3%	100	7,329,125	84.4%
Midwest⁴										
	Texas Markets - Major	33	2,148,051	85.5%	79.6%	6.0%	7.0%	42	2,687,184	84.8%
	Chicago	27	1,607,406	88.0%	83.6%	4.3%	3.8%	27	1,607,406	88.0%
	Indiana / Ohio	16	1,052,863	86.1%	80.8%	5.3%	6.2%	16	1,052,863	86.1%
	Other	12	629,330	79.1%	80.4%	-1.2%	-7.1%	12	629,330	79.1%
Midwest	Region Sub-Total	88	5,437,650	85.6%	81.1%	4.5%	4.4%	97	5,976,783	85.3%
West⁵										
	Inland Empire	20	1,462,344	82.3%	72.4%	9.9%	5.8%	20	1,462,344	82.3%
	Arizona / Las Vegas	25	1,297,230	83.7%	79.7%	4.0%	3.3%	26	1,380,539	83.6%
	Southern California	12	975,703	83.2%	78.3%	5.0%	7.1%	12	975,703	83.2%
	Colorado / Utah	12	732,659	87.4%	80.0%	7.4%	8.7%	13	807,179	87.3%
	Other	14	843,711	84.0%	79.3%	4.6%	2.3%	14	843,711	84.0%
West	Region Sub-Total	83	5,311,647	83.8%	77.4%	6.4%	5.2%	85	5,469,476	83.8%
Total		313	20,680,828	84.6%	79.1%	5.5%	5.2%	381	25,485,304	84.4%

- (1) Year over year
- (2) 53.2% of total Northeast Region Square Footage is classified as Same Store
- (3) 86.8% of total Southeast Region Square Footage is classified as Same Store
- (4) 91.0% of total Midwest Region Square Footage is classified as Same Store
- (5) 97.1% of total West Region Square Footage is classified as Same Store

CUBESMART
PROPERTIES BY STATE, Total Portfolio

As of December 31, 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>December 31, 2012 Occupancy</u>
Florida	55	38,802	4,076,940	16.0%	85.0%
Texas	53	25,859	3,258,014	12.8%	83.8%
California	43	26,196	3,099,697	12.2%	82.9%
New York	30	34,219	2,127,114	8.4%	84.7%
Illinois	27	13,829	1,607,406	6.3%	88.0%
Arizona	24	11,931	1,283,093	5.0%	83.5%
Tennessee	23	12,327	1,606,973	6.3%	84.0%
New Jersey	21	13,418	1,386,285	5.4%	81.9%
Connecticut	20	9,089	1,041,681	4.1%	85.0%
Georgia	16	9,645	1,182,150	4.6%	83.9%
Ohio	15	8,453	979,849	3.8%	86.1%
Virginia	9	6,722	692,015	2.7%	83.9%
Colorado	9	4,755	567,556	2.2%	87.2%
Maryland	6	5,117	596,912	2.3%	84.4%
North Carolina	6	3,873	463,062	1.8%	82.2%
Pennsylvania	7	4,829	513,880	2.0%	84.5%
Utah	4	2,207	239,623	0.9%	87.5%
Massachusetts	4	2,379	206,419	0.8%	81.9%
New Mexico	3	1,620	182,061	0.7%	85.3%
Washington DC	2	1,799	145,615	0.6%	92.8%
Nevada	2	885	97,446	0.4%	85.6%
Indiana	1	713	73,014	0.3%	86.6%
Wisconsin	1	486	58,500	0.2%	81.2%
Total/Weighted Average	381	239,153	25,485,304	100.0%	84.4%

CUBESMART
PROPERTIES BY STATE, Same-Store Portfolio

As of December 31, 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>December 31, 2012 Occupancy</u>	<u>December 31, 2011 Occupancy</u>
Florida	49	34,305	3,628,245	17.5%	85.1%	77.8%
Texas	44	21,349	2,718,881	13.2%	84.1%	79.8%
California	43	26,196	3,099,697	15.0%	82.9%	75.7%
Illinois	27	13,829	1,607,406	7.8%	88.0%	83.6%
Arizona	23	11,138	1,199,784	5.8%	83.5%	79.7%
Tennessee	22	11,794	1,510,810	7.3%	83.9%	79.2%
Connecticut	17	7,112	847,502	4.1%	84.9%	82.2%
Ohio	15	8,453	979,849	4.7%	86.1%	80.7%
New Jersey	14	9,367	929,080	4.5%	83.0%	77.6%
Georgia	9	6,003	756,780	3.7%	84.8%	77.8%
New York	9	7,270	561,860	2.7%	84.9%	79.7%
Colorado	8	4,080	493,036	2.4%	87.4%	81.5%
North Carolina	6	3,873	463,062	2.2%	82.2%	79.2%
Maryland	5	4,163	518,252	2.5%	85.1%	81.0%
Virginia	4	2,524	272,967	1.3%	82.2%	78.6%
Utah	4	2,207	239,623	1.2%	87.5%	76.9%
Massachusetts	4	2,379	206,419	1.0%	81.9%	77.1%
New Mexico	3	1,620	182,061	0.9%	85.3%	81.1%
Pennsylvania	2	1,609	173,469	0.8%	85.7%	85.2%
Nevada	2	885	97,446	0.5%	85.6%	79.3%
Indiana	1	713	73,014	0.4%	86.6%	82.3%
Washington DC	1	754	63,085	0.3%	93.7%	87.9%
Wisconsin	1	486	58,500	0.3%	81.2%	76.3%
Total/Weighted Average	313	182,109	20,680,828	100.0%	84.6%	79.1%