



**Fourth Quarter 2013
Supplemental Information**

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CUBESMART

December 31, 2013

Equity Research Coverage

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Company Information

Corporate Headquarters 5 Old Lancaster Road Malvern, PA 19355 610.535.5700	Trading Symbol Common Shares: CUBE Stock Exchange Listing New York Stock Exchange	Investor Relations Charles Place 5 Old Lancaster Road Malvern, PA 19355 610.535.5700	Information Requests To request an Investor Relations package or annual report, please visit our website at www.cubesmart.com
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Investor Information

	4th Quarter 2013	3rd Quarter 2013	2nd Quarter 2013	1st Quarter 2013	4th Quarter 2012
Common Shares and Units:					
Share price, high	\$ 19.48	\$ 17.96	\$ 17.57	\$ 15.92	\$ 14.67
Share price, low	\$ 15.12	\$ 15.94	\$ 15.48	\$ 14.24	\$ 12.59
Share price, period end	\$ 15.94	\$ 17.84	\$ 15.98	\$ 15.80	\$ 14.57
Dividends declared per share	\$ 0.13	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11
Dividend yield, period end	3.26%	2.47%	2.75%	2.78%	3.02%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	139,328	136,486	134,430	133,208	131,795
Closing Operating Partnership units outstanding	2,276	2,281	2,281	2,281	3,294
Total closing Common Shares and Units	141,604	138,767	136,711	135,489	135,089
Preferred Shares (Series A):					
Share price, high	\$ 26.18	\$ 26.43	\$ 27.80	\$ 27.25	\$ 27.02
Share price, low	\$ 25.15	\$ 25.36	\$ 25.94	\$ 26.17	\$ 26.05
Share price, period end	\$ 25.15	\$ 25.58	\$ 25.94	\$ 26.95	\$ 26.05
Dividends declared per share	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
Dividend yield, period end	7.70%	7.57%	7.47%	7.19%	7.44%
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; financing risks, including the risk of over-leverage and the corresponding risk of default on our mortgage and other debt and potential inability to refinance existing indebtedness; increases in interest rates and operating costs; counterparty non-performance related to the use of derivative financial instruments; our ability to maintain our status as a real estate investment trust ("REIT") for federal income tax purposes; acquisition and development risks, including unanticipated costs associated with the integration and operation of acquisitions; risks of investing through joint ventures, including risks that our joint venture partners may not fulfill their obligations or may pursue actions that are inconsistent with our objectives; changes in real estate and zoning laws or regulations; risks related to natural disasters; potential environmental and other liabilities; and other risks identified in Item 1A of our Annual Report on Form 10-K and, from time to time, in other reports we file with the Securities and Exchange Commission (the "SEC") or in other documents that we publicly disseminate.

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

Non-GAAP Financial Measures

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

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

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

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

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

CubeSmart Reports Annual 2013 Results: FFO Per Share Grows 23%; Same-Store NOI Increases 9.3%

MALVERN, PA -- (Marketwired) – February 27, 2014 -- CubeSmart (NYSE: CUBE) today announced its operating results for the three months and year ended December 31, 2013.

CubeSmart President and Chief Executive Officer Christopher P. Marr commented, “Fundamental trends in our self-storage portfolio continue to be positively impacted by consistently improving year-over-year demand and lack of new supply in our markets. As we enter 2014, CubeSmart is well positioned to execute its internal and external growth strategies and generate attractive risk adjusted returns for shareholders.”

Key Highlights for the Quarter

- Reported funds from operations (“FFO”) per share, as adjusted, of \$0.23, representing a year-over-year increase of 10%.
- Increased same-store (298 facilities) net operating income (“NOI”) 7.3% year over year, driven by 6.7% revenue growth and a 5.3% increase in property operating expenses.
- Same-store occupancy averaged 89.3% during the quarter, up 420 basis points year over year; ended the quarter with same-store occupancy of 88.9%.
- Closed on six facility acquisitions totaling \$56.7 million, including locations in Florida, Maryland, and Texas.
- Acquired 35 facilities located in Texas (34) and North Carolina (1) through a newly formed joint venture for an aggregate purchase price of \$315.7 million.
- Disposed of 22 facilities in California, Tennessee, and Texas for combined proceeds of \$90.0 million.

Funds from Operations

FFO, as adjusted, was \$33.0 million for the fourth quarter of 2013, compared with \$28.9 million for the fourth quarter of 2012. FFO per share, as adjusted, increased 10% to \$0.23 for the fourth quarter of 2013, compared with \$0.21 for the same period last year.

FFO, as adjusted, for the year ended December 31, 2013 was \$127.1 million, compared with \$96.4 million for the year ended December 31, 2012. FFO per share, as adjusted, increased 23% to \$0.91 for the year ended December 31, 2013, compared with \$0.74 for the year ended December 31, 2012.

Investment Activity

The Company acquired six assets for \$56.7 million during the three months ended December 31, 2013. These acquisitions included one asset in Florida, two in Maryland, and three in Texas. For the full year, the Company closed on the acquisition of 20 assets for \$189.8 million.

Subsequent to December 31, 2013, the Company acquired seven assets located in Connecticut, Florida, California and Maryland for an aggregate purchase price of \$73.0 million (including the

assumption of \$26.0 million of debt associated with two assets in Florida and two assets in Maryland).

On December 12, 2013, the Company completed the acquisition of 35 assets located in Texas (34) and North Carolina (1) through a newly formed joint venture for an aggregate purchase price of \$315.7 million. The Company and the joint venture partner each contributed capital equal to their 50% ownership in the venture.

During the quarter, the Company sold 22 assets in California, Tennessee, and Texas for total proceeds of \$90.0 million and recognized a gain of \$17.9 million. Gains from the sales of property are excluded from the Company's calculation of FFO and FFO, as adjusted.

For the full year, the Company sold 35 assets for total proceeds of \$126.4 million. Our dispositions in 2013 represent a complete exit from the Memphis and Knoxville, Tennessee markets and a 35% square footage reduction in the Inland Empire.

Third-Party Management

At December 31, 2013, the Company's third-party management program included 160 facilities totaling 9.8 million square feet. During the quarter and year ended December 31, 2013, the Company added 37 and 51 new management contracts to the Company's third-party management program, respectively.

Same-Store Results

The Company's same-store portfolio at December 31, 2013 represented 298 facilities containing approximately 19.8 million rentable square feet and included approximately 80.3% of the aggregate rentable square feet of the Company's 366 owned facilities. These same-store facilities represented approximately 78.3% of property net operating income for the quarter ended December 31, 2013.

Same-store physical occupancy at period end for the fourth quarter of 2013 was 88.9%, compared with 85.1% for the same quarter of last year. Same-store total revenues for the fourth quarter of 2013 increased 6.7%, and same-store operating expenses increased 5.3% from the same quarter in 2012. Same-store net operating income increased 7.3%, as compared with the same period in 2012.

For the year ended December 31, 2013, same-store total revenues increased 7.4%, same-store operating expenses increased 3.7%, and same-store net operating income increased 9.3%, as compared with the year ended December 31, 2012.

Operating Results

At December 31, 2013, the Company's total owned portfolio, represented 366 facilities containing 24.7 million rentable square feet and had a physical occupancy of 88.3%.

Total revenues increased \$9.9 million and total property operating expenses increased \$3.5 million in the fourth quarter of 2013, as compared with the same period in 2012. Increases in total revenues are primarily attributable to increased occupancy levels in the same-store portfolio

and revenues generated from property acquisitions. Increases in total property operating expenses are attributable to the impact of newly acquired facilities and an increase of 5.3% in same-store expenses.

Interest expense decreased from \$10.9 million during the three months ended December 31, 2012 to \$9.6 million during the three months ended December 31, 2013, a decrease of \$1.3 million.

The Company reported net income attributable to the Company's common shareholders of \$21.4 million, or \$0.15 per common share, in the fourth quarter of 2013, compared with 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.

For the year ended December 31, 2013, the Company reported net income attributable to the Company's common shareholders of \$35.4 million, or \$0.26 per common share, compared with net loss attributable to the Company's common shareholders of \$4.2 million, or \$0.03 per common share, for the year ended December 31, 2012.

Balance Sheet

During the quarter, the Company sold 2.6 million common shares of beneficial interest through its "at-the-market" equity program at an average sales price of \$18.70 per share, resulting in net proceeds of \$47.9 million, bringing full-year net proceeds from the program to \$100.6 million. At December 31, 2013, the Company had 6.4 million shares available for issuance under the existing equity distribution agreements.

On December 10, 2013, the Company issued \$250 million of 4.375% senior notes due December 15, 2023. The net proceeds from the offering were used to repay the \$100 million unsecured term loan maturing in 2014. The balance of the net proceeds were used to repay outstanding indebtedness incurred under the Company's revolving credit facility.

Quarterly Dividend

On December 19, 2013, the Company declared a dividend of \$0.13 per common share, an 18.2% increase compared to Company's previously declared quarterly dividend. The dividend was paid on January 15, 2014 to common shareholders of record on January 2, 2014.

Also on December 19, 2013, 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, 2014 to holders of record on January 2, 2014.

2014 Financial Outlook

"Our expectations for 2014 reflect a continuation of positive fundamental trends that we have seen in recent periods," stated Tim Martin, Chief Financial Officer. "Our 2014 guidance contemplates meaningful revenue growth as well as increases in weather-related costs and continued pressure on 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, as adjusted, for 2014 will be between \$0.98 and \$1.02, and that its fully diluted net income per share for the period will be between \$0.06 and \$0.10. The Company's estimate is based on the following key assumptions:

- For 2014, a same-store pool consisting of 346 assets totaling 23.2 million square feet
- Same-store net operating income ("NOI") growth of 6.0% to 7.0% over 2013, driven by revenue growth of 5.0% to 6.0% and expense growth of 3.0% to 4.0%
- General and administrative expenses of approximately \$27.5 million to \$28.5 million

Due to uncertainty related to the timing and terms of transactions, the impact of future investment activity is excluded from guidance. For 2014, the Company is targeting \$150 million to \$200 million of acquisitions.

2014 Full Year Guidance	Range or Value		
Earnings per diluted share allocated to common shareholders	\$ 0.06	to	\$ 0.10
Plus: real estate depreciation and amortization	0.92		0.92
FFO per diluted share, as adjusted	\$ 0.98	to	\$ 1.02

The Company estimates that its fully diluted FFO, as adjusted, per share for the quarter ending March 31, 2014 will be between \$0.23 and \$0.24, and that its fully diluted earnings per share for the period will be between \$0.00 and \$0.01.

1st Quarter 2014 Guidance	Range or Value		
Earnings per diluted share allocated to common shareholders	\$ 0.00	to	\$ 0.01
Plus: real estate depreciation and amortization	0.23		0.23
FFO per diluted share, as adjusted	\$ 0.23	to	\$ 0.24

Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, February 28, 2014 to discuss financial results for the three months and year ended December 31, 2013.

A live webcast of the conference call will be available online from the investor relations page of the Company's corporate website at www.CubeSmart.com. 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 30, 2014. The replay dial-in numbers are 1-877-344-7529 for domestic callers, +1-412-317-0088 for international callers, and 1-855-669-9658 for callers in Canada. The conference number is 10039376.

Supplemental operating and financial data as of December 31, 2013 is available on the Company's corporate website under Investor Relations - Financial Information - Financial Reports.

About CubeSmart

CubeSmart is a self-administered and self-managed real estate investment trust. The Company's self-storage facilities are designed to offer affordable, easily accessible and secure storage space for residential and commercial customers. According to the 2014 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 real estate and related impairment charges, plus real estate depreciation and amortization, and after adjustments for unconsolidated partnerships and joint ventures.

Management uses FFO as a key performance indicator in evaluating the operations of the Company's facilities. Given the nature of its business as a real estate owner and operator, the Company considers FFO a key measure of its operating performance that is not specifically defined by accounting principles generally accepted in the United States. The Company believes that FFO is useful to management and investors as a starting point in measuring its operational performance because 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 real estate, 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. Our computation of FFO may not be comparable to FFO reported by other REITs or real estate companies. FFO should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance. FFO does not represent cash generated from operating activities determined in accordance with GAAP and is not a measure of liquidity or an indicator of our ability to make cash distributions. We believe that to further understand our performance, FFO should be compared with our reported net income and considered in addition to cash flows computed in accordance with GAAP, as presented in our Consolidated Financial Statements.

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

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

We use 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
Charles Place
Director, Investor Relations
(610) 535-5700

**CUBESMART
FINANCIAL HIGHLIGHTS**

(unaudited, in thousands, except per share data)

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

	Three Months Ended				
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
Selected Financial Information:					
Total portfolio:					
Revenue from continuing operations	\$ 82,964	\$ 82,487	\$ 78,289	\$ 74,655	\$ 73,075
EBITDA from continuing operations	\$ 45,274	\$ 45,150	\$ 42,305	\$ 37,881	\$ 39,484
Net income (loss) attributable to the Company	\$ 22,948	\$ 16,342	\$ 2,550	\$ (392)	\$ 1,481
Funds from operations (FFO)	\$ 30,658	\$ 34,583	\$ 29,926	\$ 27,362	\$ 28,206
FFO, as adjusted	\$ 33,009	\$ 35,053	\$ 31,574	\$ 27,477	\$ 28,901
FFO per share - fully diluted	\$ 0.21	\$ 0.25	\$ 0.22	\$ 0.20	\$ 0.21
FFO, as adjusted per share - fully diluted	\$ 0.23	\$ 0.25	\$ 0.23	\$ 0.20	\$ 0.21
Earnings (loss) per share - basic	\$ 0.15	\$ 0.11	\$ 0.01	\$ (0.01)	\$ 0.00
Earnings (loss) per share - diluted	\$ 0.15	\$ 0.11	\$ 0.01	\$ (0.01)	\$ 0.00
Dividends per common share and unit	\$ 0.13	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11
Dividends per preferred share, series A	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
FFO payout ratio (1)	56.5%	44.0%	47.8%	55.0%	52.4%
Total assets	\$ 2,358,624	\$ 2,203,163	\$ 2,197,722	\$ 2,112,933	\$ 2,150,319
Total gross assets (total assets plus accumulated depreciation)	\$ 2,757,160	\$ 2,583,784	\$ 2,584,646	\$ 2,480,269	\$ 2,503,634
Realized annual rent per occupied square foot (3) (6)	\$ 13.53	\$ 13.38	\$ 13.24	\$ 13.33	\$ 13.30
In place annual rent per occupied square foot (2) (6)	\$ 14.46	\$ 14.31	\$ 14.18	\$ 14.30	\$ 14.38
Scheduled annual rent per square foot (4) (6)	\$ 14.64	\$ 14.63	\$ 14.55	\$ 14.33	\$ 14.35
Same-store:					
Revenue	\$ 62,247	\$ 62,739	\$ 61,050	\$ 58,759	\$ 58,360
Expense	\$ 19,892	\$ 20,480	\$ 20,033	\$ 20,496	\$ 18,897
NOI	\$ 42,355	\$ 42,259	\$ 41,017	\$ 38,263	\$ 39,463
Gross margin	68.0%	67.4%	67.2%	65.1%	67.6%
Period ending occupancy	88.9%	90.0%	90.3%	85.9%	85.1%
Period average occupancy	89.3%	90.5%	88.4%	85.5%	85.1%
Total rentable square feet	19,801	19,801	19,801	19,801	19,801
REVPAF (5)	\$ 11.38	\$ 11.43	\$ 11.08	\$ 10.76	\$ 10.69
Realized annual rent per occupied square foot (3)	\$ 12.74	\$ 12.63	\$ 12.53	\$ 12.59	\$ 12.56
In place annual rent per occupied square foot (2)	\$ 13.64	\$ 13.50	\$ 13.42	\$ 13.52	\$ 13.57
Scheduled annual rent per square foot (4)	\$ 13.65	\$ 13.66	\$ 13.69	\$ 13.48	\$ 13.43
Capitalization:					
Total Debt	\$ 1,138,818	\$ 1,044,400	\$ 1,074,453	\$ 1,006,460	\$ 1,023,759
Price per common share at quarter end	\$ 15.94	\$ 17.84	\$ 15.98	\$ 15.80	\$ 14.57
Price per preferred share at quarter end	\$ 25.15	\$ 25.58	\$ 25.94	\$ 26.95	\$ 26.05
Market Equity Value at quarter end	\$ 2,335,133	\$ 2,554,901	\$ 2,265,056	\$ 2,224,271	\$ 2,049,002
Total Market Capitalization	\$ 3,473,951	\$ 3,599,301	\$ 3,339,509	\$ 3,230,731	\$ 3,072,761
Total Debt/Total Gross Assets	41.3%	40.4%	41.6%	40.6%	40.9%
Total Debt/Total Market Capitalization	32.8%	29.0%	32.2%	31.2%	33.3%
Shares and Units:					
Closing Common Shares outstanding (excluding unvested restricted shares)	139,328	136,486	134,430	133,208	131,795
Closing Operating Partnership Units outstanding	2,276	2,281	2,281	2,281	3,294
Closing total Common Shares and Operating Partnership Units outstanding	141,604	138,767	136,711	135,489	135,089
Average Common Shares outstanding (excluding unvested restricted shares)	138,705	135,365	133,677	132,951	129,111
Average Operating Partnership Units outstanding	2,277	2,281	2,281	2,397	4,324
Average total Common Shares and Operating Partnership Units outstanding	140,982	137,646	135,958	135,348	133,435
Total weighted-average shares and units outstanding (including dilutive effect of options)	143,615	140,387	138,610	137,738	135,678
Closing Preferred Shares outstanding	3,100	3,100	3,100	3,100	3,100

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

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

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

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

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

(6) Excludes assets that were classified as held for sale or were not owned for the entirety of the respective quarter.

CUBESMART
BALANCE SHEETS
(unaudited, in thousands)

	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
ASSETS					
Storage facilities	\$ 2,553,706	\$ 2,473,889	\$ 2,536,592	\$ 2,436,455	\$ 2,443,022
Less: Accumulated depreciation	(398,536)	(380,621)	(386,924)	(367,336)	(353,315)
Storage facilities, net	2,155,170	2,093,268	2,149,668	2,069,119	2,089,707
Cash and cash equivalents	3,176	2,940	4,021	2,625	4,495
Restricted cash	4,025	4,226	4,540	5,484	6,070
Loan procurement costs, net of amortization	12,687	8,885	9,421	7,777	8,253
Investment in real estate ventures, at equity	156,310	-	-	-	-
Assets held for sale	-	67,924	-	-	-
Other assets, net	27,256	25,920	30,072	27,928	41,794
Total assets	<u>\$ 2,358,624</u>	<u>\$ 2,203,163</u>	<u>\$ 2,197,722</u>	<u>\$ 2,112,933</u>	<u>\$ 2,150,319</u>
LIABILITIES AND EQUITY					
Unsecured senior notes	\$ 500,000	\$ 250,000	\$ 250,000	\$ 250,000	\$ 250,000
Revolving credit facility	38,600	88,300	110,000	30,000	45,000
Unsecured term loans	400,000	500,000	500,000	500,000	500,000
Mortgage loans and notes payable	200,218	206,100	214,453	226,460	228,759
Accounts payable, accrued expenses and other liabilities	57,599	55,113	54,241	52,405	60,708
Distributions payable	19,955	16,813	16,550	16,455	16,419
Deferred revenue	12,394	12,338	12,682	11,866	11,090
Security deposits	376	388	427	437	444
Other liabilities held for sale	-	975	-	-	-
Total liabilities	<u>1,229,142</u>	<u>1,130,027</u>	<u>1,158,353</u>	<u>1,087,623</u>	<u>1,112,420</u>
Noncontrolling interests in the Operating Partnership	36,275	40,688	36,446	36,036	47,990
Commitments and contingencies					
Equity					
7.75% Series A Preferred shares	31	31	31	31	31
Common shares	1,393	1,365	1,344	1,332	1,318
Additional paid in capital	1,542,703	1,492,055	1,457,271	1,436,378	1,418,463
Accumulated other comprehensive loss	(11,014)	(12,626)	(11,794)	(18,839)	(19,796)
Accumulated deficit	(440,837)	(448,519)	(444,044)	(429,736)	(410,225)
Total CubeSmart shareholders' equity	<u>1,092,276</u>	<u>1,032,306</u>	<u>1,002,808</u>	<u>989,166</u>	<u>989,791</u>
Noncontrolling interest in subsidiaries	931	142	115	108	118
Total equity	<u>1,093,207</u>	<u>1,032,448</u>	<u>1,002,923</u>	<u>989,274</u>	<u>989,909</u>
Total liabilities and equity	<u>\$ 2,358,624</u>	<u>\$ 2,203,163</u>	<u>\$ 2,197,722</u>	<u>\$ 2,112,933</u>	<u>\$ 2,150,319</u>

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

	Three months ended				
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
REVENUES					
Rental income	\$ 73,515	\$ 72,744	\$ 68,739	\$ 66,252	\$ 64,908
Other property related income	8,216	8,558	8,333	7,258	7,043
Property management fee income	1,233	1,185	1,217	1,145	1,124
Total revenues	<u>82,964</u>	<u>82,487</u>	<u>78,289</u>	<u>74,655</u>	<u>73,075</u>
OPERATING EXPENSES					
Property operating expenses	30,581	30,011	28,469	29,161	27,042
Depreciation and amortization	26,490	28,448	28,393	28,982	30,968
General and administrative	7,109	7,326	7,515	7,613	6,549
Total operating expenses	<u>64,180</u>	<u>65,785</u>	<u>64,377</u>	<u>65,756</u>	<u>64,559</u>
OPERATING INCOME	<u>18,784</u>	<u>16,702</u>	<u>13,912</u>	<u>8,899</u>	<u>8,516</u>
OTHER INCOME (EXPENSE)					
Interest:					
Interest expense on loans	(9,596)	(9,968)	(10,588)	(10,272)	(10,924)
Loan procurement amortization expense	(549)	(536)	(497)	(476)	(695)
Loan procurement amortization expense - early repayment of debt	(414)	-	-	-	-
Acquisition related costs	(1,616)	(470)	(1,648)	(115)	(695)
Equity in losses of real estate ventures	(1,151)	-	-	-	-
Other	290	(22)	(187)	(73)	268
Total other expense	<u>(13,036)</u>	<u>(10,996)</u>	<u>(12,920)</u>	<u>(10,936)</u>	<u>(12,046)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>5,748</u>	<u>5,706</u>	<u>992</u>	<u>(2,037)</u>	<u>(3,530)</u>
DISCONTINUED OPERATIONS					
(Loss) income from discontinued operations	(397)	1,585	1,576	1,381	1,602
Gain on dispositions of discontinued operations	17,902	9,310	-	228	3,408
Total discontinued operations	<u>17,505</u>	<u>10,895</u>	<u>1,576</u>	<u>1,609</u>	<u>5,010</u>
NET INCOME (LOSS)	<u>23,253</u>	<u>16,601</u>	<u>2,568</u>	<u>(428)</u>	<u>1,480</u>
NET LOSS (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTERESTS					
Noncontrolling interests in the Operating Partnership	(348)	(257)	(18)	35	1
Noncontrolling interest in subsidiaries	43	(2)	-	1	-
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY	<u>22,948</u>	<u>16,342</u>	<u>2,550</u>	<u>(392)</u>	<u>1,481</u>
Distribution to preferred shareholders	(1,502)	(1,502)	(1,502)	(1,502)	(1,502)
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS	<u>\$ 21,446</u>	<u>\$ 14,840</u>	<u>\$ 1,048</u>	<u>\$ (1,894)</u>	<u>\$ (21)</u>
Basic earnings (loss) per share from continuing operations attributable to common shareholders	\$ 0.03	\$ 0.03	\$ 0.00	\$ (0.03)	\$ (0.04)
Basic earnings per share from discontinued operations attributable to common shareholders	0.12	0.08	0.01	0.02	0.04
Basic earnings (loss) per share attributable to common shareholders	<u>\$ 0.15</u>	<u>\$ 0.11</u>	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>
Diluted earnings (loss) per share from continuing operations attributable to common shareholders	\$ 0.03	\$ 0.03	\$ 0.00	\$ (0.03)	\$ (0.04)
Diluted earnings per share from discontinued operations attributable to common shareholders	0.12	0.08	0.01	0.02	0.04
Diluted earnings (loss) per share attributable to common shareholders	<u>\$ 0.15</u>	<u>\$ 0.11</u>	<u>\$ 0.01</u>	<u>\$ (0.01)</u>	<u>\$ 0.00</u>
Weighted-average basic shares outstanding	138,705	135,365	133,677	132,951	129,111
Weighted-average diluted shares outstanding	141,338	138,106	133,677	132,951	129,111
AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:					
Income (loss) from continuing operations	\$ 4,240	\$ 4,130	\$ (501)	\$ (3,476)	\$ (4,911)
Total discontinued operations	17,206	10,710	1,549	1,582	4,890
Net income (loss)	<u>\$ 21,446</u>	<u>\$ 14,840</u>	<u>\$ 1,048</u>	<u>\$ (1,894)</u>	<u>\$ (21)</u>

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

	Three months ended December 31,		Year ended December 31,	
	2013	2012	2013	2012
REVENUES				
Rental income	\$ 73,515	\$ 64,908	\$ 281,250	\$ 236,160
Other property related income	8,216	7,043	32,365	25,821
Property management fee income	1,233	1,124	4,780	4,341
Total revenues	<u>82,964</u>	<u>73,075</u>	<u>318,395</u>	<u>266,322</u>
OPERATING EXPENSES				
Property operating expenses	30,581	27,042	118,222	103,488
Depreciation and amortization	26,490	30,968	112,313	109,830
General and administrative	7,109	6,549	29,563	26,131
Total operating expenses	<u>64,180</u>	<u>64,559</u>	<u>260,098</u>	<u>239,449</u>
OPERATING INCOME	<u>18,784</u>	<u>8,516</u>	<u>58,297</u>	<u>26,873</u>
OTHER (EXPENSE) INCOME				
Interest:				
Interest expense on loans	(9,596)	(10,924)	(40,424)	(40,318)
Loan procurement amortization expense	(549)	(695)	(2,058)	(3,279)
Loan procurement amortization expense - early repayment of debt	(414)	-	(414)	-
Acquisition related costs	(1,616)	(695)	(3,849)	(3,086)
Equity in losses of real estate venture	(1,151)	-	(1,151)	(745)
Gain from remeasurement of investment in real estate venture	-	-	-	7,023
Other	290	268	8	256
Total other expense	<u>(13,036)</u>	<u>(12,046)</u>	<u>(47,888)</u>	<u>(40,149)</u>
INCOME (LOSS) FROM CONTINUING OPERATIONS	<u>5,748</u>	<u>(3,530)</u>	<u>10,409</u>	<u>(13,276)</u>
DISCONTINUED OPERATIONS				
(Loss) income from discontinued operations	(397)	1,602	4,145	7,093
Gain on dispositions of discontinued operations	17,902	3,408	27,440	9,811
Total discontinued operations	<u>17,505</u>	<u>5,010</u>	<u>31,585</u>	<u>16,904</u>
NET INCOME	<u>23,253</u>	<u>1,480</u>	<u>41,994</u>	<u>3,628</u>
NET (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS				
Noncontrolling interests in the Operating Partnership	(348)	1	(588)	107
Noncontrolling interest in subsidiaries	43	-	42	(1,918)
NET INCOME ATTRIBUTABLE TO THE COMPANY	<u>22,948</u>	<u>1,481</u>	<u>41,448</u>	<u>1,817</u>
Distribution to preferred shareholders	<u>(1,502)</u>	<u>(1,502)</u>	<u>(6,008)</u>	<u>(6,008)</u>
NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS	<u>\$ 21,446</u>	<u>\$ (21)</u>	<u>\$ 35,440</u>	<u>\$ (4,191)</u>
Basic earnings (loss) per share from continuing operations attributable to common shareholders	\$ 0.03	\$ (0.04)	\$ 0.03	\$ (0.17)
Basic earnings per share from discontinued operations attributable to common shareholders	0.12	0.04	0.23	0.14
Basic earnings (loss) per share attributable to common shareholders	<u>\$ 0.15</u>	<u>\$ 0.00</u>	<u>\$ 0.26</u>	<u>\$ (0.03)</u>
Diluted earnings (loss) per share from continuing operations attributable to common shareholders	\$ 0.03	\$ (0.04)	\$ 0.03	\$ (0.17)
Diluted earnings per share from discontinued operations attributable to common shareholders	0.12	0.04	0.23	0.14
Diluted earnings (loss) per share attributable to common shareholders	<u>\$ 0.15</u>	<u>\$ 0.00</u>	<u>\$ 0.26</u>	<u>\$ (0.03)</u>
Weighted-average basic shares outstanding	138,705	129,111	135,191	124,548
Weighted-average diluted shares outstanding	141,338	129,111	137,742	124,548
AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS:				
Income (loss) from continuing operations	\$ 4,240	\$ (4,911)	\$ 4,392	\$ (20,689)
Total discontinued operations	17,206	4,890	31,048	16,498
Net income (loss)	<u>\$ 21,446</u>	<u>\$ (21)</u>	<u>\$ 35,440</u>	<u>\$ (4,191)</u>

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

	Three months ended			Year ended		
	December 31,		Percent Change	December 31,		Percent Change
	2013	2012		2013	2012	
REVENUES						
Net rental income	\$ 56,341	\$ 52,924	6.5%	\$ 221,015	\$ 207,416	6.6%
Other property related income	5,906	5,436	8.6%	23,780	20,575	15.6%
Total revenues	<u>62,247</u>	<u>58,360</u>	6.7%	<u>244,795</u>	<u>227,991</u>	7.4%
OPERATING EXPENSES						
Property taxes	6,676	5,767	15.8%	26,035	24,093	8.1%
Personnel expense	6,058	5,773	4.9%	24,325	23,228	4.7%
Advertising	933	1,143	-18.4%	5,174	5,888	-12.1%
Repair and maintenance	941	878	7.2%	3,204	3,064	4.6%
Utilities	1,959	1,951	0.4%	8,351	8,161	2.3%
Property insurance	588	660	-10.9%	2,485	2,634	-5.7%
Other expenses	2,737	2,725	0.5%	11,329	10,977	3.2%
Total operating expenses	<u>19,892</u>	<u>18,897</u>	5.3%	<u>80,903</u>	<u>78,045</u>	3.7%
Net operating income (1)	<u>\$ 42,355</u>	<u>\$ 39,463</u>	7.3%	<u>\$ 163,892</u>	<u>\$ 149,946</u>	9.3%
Gross margin	68.0%	67.6%		67.0%	65.8%	
Period end occupancy (2)	88.9%	85.1%		88.9%	85.1%	
Period average occupancy (3)	89.3%	85.1%		88.4%	83.1%	
Total rentable square feet	19,801	19,801		19,801	19,801	
Realized annual rent per occupied square foot (4)	\$ 12.74	\$ 12.56	1.4%	12.62	12.61	0.1%
Scheduled annual rent per square foot (5)	\$ 13.65	\$ 13.43	1.6%	\$ 13.62	\$ 13.48	1.0%
Reconciliation of Same-Store Net Operating Income to Operating Income						
Same-store net operating income (1)	\$ 42,355	\$ 39,463		\$ 163,892	\$ 149,946	
Non same-store net operating income (1)	11,705	8,577		43,213	20,419	
Indirect property overhead (6)	(1,677)	(2,007)		(6,932)	(7,531)	
Depreciation and amortization	(26,490)	(30,968)		(112,313)	(109,830)	
General and administrative expense	(7,109)	(6,549)		(29,563)	(26,131)	
Operating Income	<u>\$ 18,784</u>	<u>\$ 8,516</u>		<u>\$ 58,297</u>	<u>\$ 26,873</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)

	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
REVENUES					
Net rental income	\$ 56,341	\$ 56,561	\$ 54,826	\$ 53,287	\$ 52,924
Other property related income	5,906	6,178	6,224	5,472	5,436
Total revenues	<u>62,247</u>	<u>62,739</u>	<u>61,050</u>	<u>58,759</u>	<u>58,360</u>
OPERATING EXPENSES					
Property taxes	6,676	6,461	6,386	6,511	5,767
Personnel expense	6,058	6,216	5,949	6,101	5,773
Advertising	933	1,393	1,609	1,239	1,143
Repair and maintenance	941	775	766	722	878
Utilities	1,959	2,310	1,957	2,125	1,951
Property insurance	588	586	641	670	660
Other expenses	2,737	2,739	2,725	3,128	2,725
Total operating expenses	<u>19,892</u>	<u>20,480</u>	<u>20,033</u>	<u>20,496</u>	<u>18,897</u>
Net operating income (1)	<u>\$ 42,355</u>	<u>\$ 42,259</u>	<u>\$ 41,017</u>	<u>\$ 38,263</u>	<u>\$ 39,463</u>
Gross margin	68.0%	67.4%	67.2%	65.1%	67.6%
Period end occupancy (2)	88.9%	90.0%	90.3%	85.9%	85.1%
Period average occupancy (3)	89.3%	90.5%	88.4%	85.5%	85.1%
Total rentable square feet	19,801	19,801	19,801	19,801	19,801
Realized annual rent per occupied square foot (4)	\$ 12.74	\$ 12.63	\$ 12.53	\$ 12.59	\$ 12.56
Scheduled annual rent per square foot (5)	\$ 13.65	\$ 13.66	\$ 13.69	\$ 13.48	\$ 13.43
Reconciliation of Same-Store Net Operating Income to Operating Income					
Same-store net operating income (1)	\$ 42,355	\$ 42,259	\$ 41,017	\$ 38,263	\$ 39,463
Non same-store net operating income (1)	11,705	11,883	10,343	9,277	8,577
Indirect property overhead (6)	(1,677)	(1,666)	(1,540)	(2,046)	(2,007)
Depreciation and amortization	(26,490)	(28,448)	(28,393)	(28,982)	(30,968)
General and administrative expense	(7,109)	(7,326)	(7,515)	(7,613)	(6,549)
Operating Income	<u>\$ 18,784</u>	<u>\$ 16,702</u>	<u>\$ 13,912</u>	<u>\$ 8,899</u>	<u>\$ 8,516</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, 2013 and 2012

	Same-Store Property Portfolio			Non-Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2013	2012	Increase/ (Decrease)	2013	2012	2013	2012	2013	2012	Increase/ (Decrease)
REVENUES:										
Rental income	\$ 56,341	\$ 52,924	\$ 3,417	\$ 17,174	\$ 11,984	\$ -	\$ -	\$ 73,515	\$ 64,908	\$ 8,607
Other property related income	5,906	5,436	470	1,655	1,096	655	511	8,216	7,043	1,173
Property management fee income	-	-	-	-	-	1,233	1,124	1,233	1,124	109
Total revenues	62,247	58,360	3,887	18,829	13,080	1,888	1,635	82,964	73,075	9,889
OPERATING EXPENSES:										
Property operating expenses	19,892	18,897	995	7,124	4,503	3,565	3,642	30,581	27,042	3,539
NET OPERATING INCOME	\$ 42,355	\$ 39,463	\$ 2,892	\$ 11,705	\$ 8,577	\$ (1,677)	\$ (2,007)	\$ 52,383	\$ 46,033	\$ 6,350
Property count	298	298		68	48			366	346	
Total square footage	19,801	19,801		4,861	3,365			24,662	23,166	
Period end occupancy	88.9%	85.1%		85.6%	82.4%			88.3%	84.7%	
Period average occupancy	89.3%	85.1%								
Realized annual rent per occupied square foot	\$ 12.74	\$ 12.56								

For the years ended December 31, 2013 and 2012

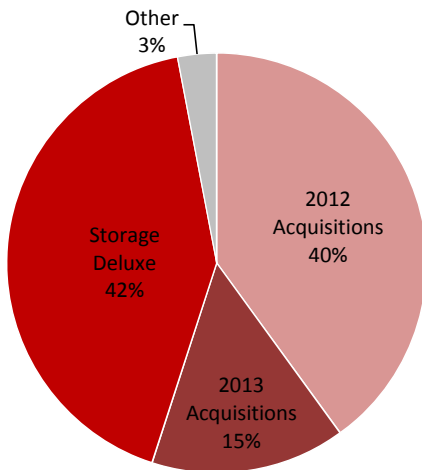
	Same-Store Property Portfolio			Non-Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2013	2012	Increase/ (Decrease)	2013	2012	2013	2012	2013	2012	Increase/ (Decrease)
REVENUES:										
Rental income	\$ 221,015	\$ 207,416	\$ 13,599	\$ 60,235	\$ 28,744	\$ -	\$ -	\$ 281,250	\$ 236,160	\$ 45,090
Other property related income	23,780	20,575	3,205	5,993	3,274	2,592	1,972	32,365	25,821	6,544
Property management fee income	-	-	-	-	-	4,780	4,341	4,780	4,341	439
Total revenues	244,795	227,991	16,804	66,228	32,018	7,372	6,313	318,395	266,322	52,073
OPERATING EXPENSES:										
Property operating expenses	80,903	78,045	2,858	23,015	11,599	14,304	13,844	118,222	103,488	14,734
NET OPERATING INCOME	\$ 163,892	\$ 149,946	\$ 13,946	\$ 43,213	\$ 20,419	\$ (6,932)	\$ (7,531)	\$ 200,173	\$ 162,834	\$ 37,339
Property count	298	298		68	48			366	346	
Total square footage	19,801	19,801		4,861	3,365			24,662	23,166	
Period end occupancy	88.9%	85.1%		85.6%	82.4%			88.3%	84.7%	
Period average occupancy	88.4%	83.1%								
Realized annual rent per occupied square foot	\$ 12.62	\$ 12.61								

Non-Same-Store Portfolio Composition

Geographic Location



Non-Same-Store Asset Composition by 4Q13 Net Operating Income



Operating Metrics

As of December 31, 2013

	Same-Store	Non-Same-Store	Total Portfolio
Store count	298	68	366
% of Total Property Net Operating Income	78.3%	21.7%	100.0%
Period End Occupancy ⁽¹⁾	88.9%	85.6%	88.3%
Realized Annual Rent / Occupied Square Foot ⁽²⁾	\$ 12.74	\$ 17.17	\$ 13.53

(1) Represents occupancy at December 31, 2013.

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

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

	Three months ended				
	December 31, 2013	September 30, 2013	June 30, 2013	March 31, 2013	December 31, 2012
Net income (loss) attributable to common shareholders	\$ 21,446	\$ 14,840	\$ 1,048	\$ (1,894)	\$ (21)
Add (deduct):					
Real estate depreciation and amortization:					
Real property - continuing operations	25,464	28,069	28,012	28,612	30,382
Real property - discontinued operations	222	727	848	907	1,254
Company's share of unconsolidated real estate ventures	1,080	-	-	-	-
Gains from sale of real estate	(17,902)	(9,310)	-	(228)	(3,408)
Noncontrolling interests in the Operating Partnership	348	257	18	(35)	(1)
FFO	<u>\$ 30,658</u>	<u>\$ 34,583</u>	<u>\$ 29,926</u>	<u>\$ 27,362</u>	<u>\$ 28,206</u>
Add:					
Loan procurement amortization expense - early repayment of debt	414	-	-	-	-
Acquisition related costs (1)	1,937	470	1,648	115	695
FFO, as adjusted	<u>\$ 33,009</u>	<u>\$ 35,053</u>	<u>\$ 31,574</u>	<u>\$ 27,477</u>	<u>\$ 28,901</u>
Earnings (loss) per share attributable to common shareholders - basic	\$ 0.15	\$ 0.11	\$ 0.01	\$ (0.01)	\$ 0.00
Earnings (loss) per share attributable to common shareholders - fully diluted	\$ 0.15	\$ 0.11	\$ 0.01	\$ (0.01)	\$ 0.00
FFO per share and unit - fully diluted	\$ 0.21	\$ 0.25	\$ 0.22	\$ 0.20	\$ 0.21
FFO, as adjusted per share and unit - fully diluted	\$ 0.23	\$ 0.25	\$ 0.23	\$ 0.20	\$ 0.21
Weighted-average basic shares outstanding	138,705	135,365	133,677	132,951	129,111
Weighted-average diluted shares outstanding	141,338	138,106	133,677	132,951	129,111
Weighted-average diluted shares and units outstanding	143,615	140,387	138,610	137,738	135,678
Dividend per common share and unit	\$ 0.13	\$ 0.11	\$ 0.11	\$ 0.11	\$ 0.11
Payout ratio of FFO, as adjusted	57%	44%	48%	55%	52%

(1) Quarter ended December 31, 2013 includes \$0.3 million of acquisition related costs that are included in the Company's share of equity in losses of real estate ventures.

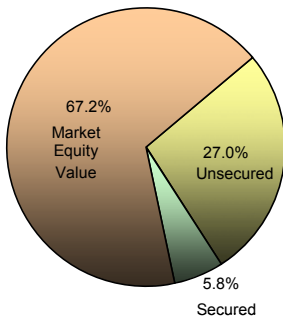
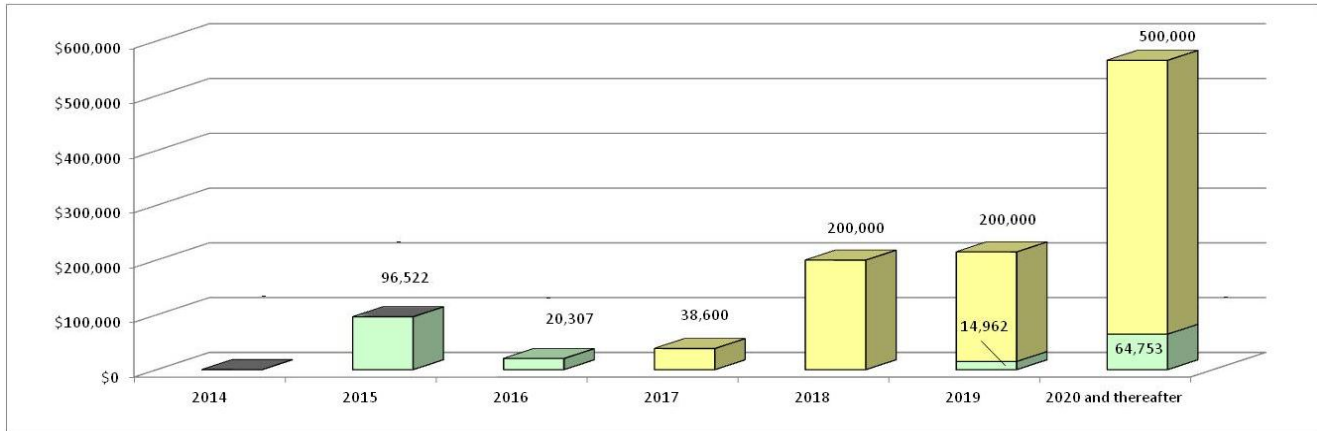
CUBESMART
FUNDS FROM OPERATIONS
(in thousands, except per share data)

	Three months ended December 31,		Year ended December 31,	
	2013	2012	2013	2012
Net income (loss) attributable to common shareholders	\$ 21,446	\$ (21)	\$ 35,440	\$ (4,191)
Add (deduct):				
Real estate depreciation and amortization:				
Real property - continuing operations	25,464	30,382	110,157	108,405
Real property - discontinued operations	222	1,254	2,703	5,548
Company's share of unconsolidated real estate ventures	1,080	-	1,080	1,540
Noncontrolling interest's share of consolidated real estate ventures	-	-	-	(1,049)
Gains from sale of real estate	(17,902)	(3,408)	(27,440)	(9,811)
Gain from remeasurement of investment in real estate venture	-	-	-	(7,023)
Noncontrolling interests in the Operating Partnership	348	(1)	588	(107)
FFO	\$ 30,658	\$ 28,206	\$ 122,528	\$ 93,312
Add:				
Loan procurement amortization expense - early repayment of debt	414	-	414	-
Acquisition related costs (1)	1,937	695	4,170	3,086
FFO, as adjusted	\$ 33,009	\$ 28,901	\$ 127,112	\$ 96,398
Earnings (loss) per share attributable to common shareholders - basic	\$ 0.15	\$ 0.00	\$ 0.26	\$ (0.03)
Earnings (loss) per share attributable to common shareholders - fully diluted	\$ 0.15	\$ 0.00	\$ 0.26	\$ (0.03)
FFO per share and unit - fully diluted	\$ 0.21	\$ 0.21	\$ 0.87	\$ 0.71
FFO, as adjusted per share and unit - fully diluted	\$ 0.23	\$ 0.21	\$ 0.91	\$ 0.74
Weighted-average basic shares outstanding	138,705	129,111	135,191	124,548
Weighted-average diluted shares outstanding	141,338	129,111	137,742	124,548
Weighted-average diluted shares and units outstanding	143,615	135,678	140,051	131,021
Dividend per common share and unit	\$ 0.13	\$ 0.11	\$ 0.46	\$ 0.35
Payout ratio of FFO, as adjusted	57%	52%	51%	47%

(1) Quarter and year ended December 31, 2013 includes \$0.3 million of acquisition related costs that are included in the Company's share of equity in losses of real estate ventures.

CUBESMART
DEBT OVERVIEW (as of December 31, 2013)
(unaudited, dollars in thousands)

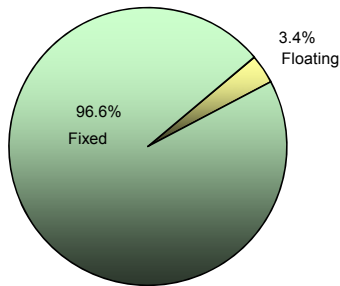
Debt Maturity Schedule



Market Capitalization

	Amount	Rate ⁽¹⁾	Weighted Average Maturity (in years)
Unsecured	\$ 938,600	3.95%	7.1
Secured	200,218	5.69%	3.8
Total Debt	\$ 1,138,818	4.26%	6.5
Market Equity Value	2,335,133		
Total Market Capitalization	\$ 3,473,951		

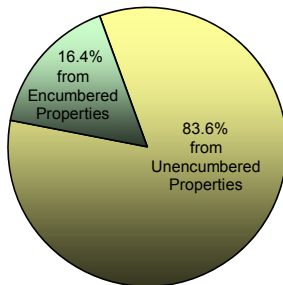
(1) Weighted average interest rate



Floating and Fixed

	Amount	Rate ⁽¹⁾	Weighted Average Maturity (in years)
Floating Rate Debt	\$ 38,600	1.77%	3.5
Fixed Rate Debt	1,100,218	4.35%	6.6
Total Debt	\$ 1,138,818	4.26%	6.5

(1) Weighted average interest rate



Portfolio Net Operating Income

NOI from Unencumbered Properties ⁽¹⁾	83.6%
NOI from Encumbered Properties ⁽¹⁾	16.4%
Total	100.0%

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

**CUBESMART
SECURED DEBT ANALYSIS**

(dollars in thousands)

As of December 31, 2013

FIXED RATE MORTGAGES	Balance		Rate	Maturity Date
YSI 10	3,839	FIXED	5.47%	Jan-15
YSI 15	1,733	FIXED	5.60%	Jan-15
YSI 52	4,548	FIXED	5.44%	Jan-15
YSI 58	8,676	FIXED	5.90%	Jan-15
YSI 29	12,853	FIXED	5.17%	Aug-15
YSI 13	8,500	FIXED	4.80%	Oct-15
YSI 20	56,373	FIXED	5.97%	Nov-15
YSI 59	9,418	FIXED	5.87%	Mar-16
YSI 60	3,670	FIXED	6.25%	Aug-16
YSI 51	7,219	FIXED	6.36%	Sep-16
YSI 35	4,274	FIXED	6.90%	Jul-19 (a)
YSI 33	10,688	FIXED	6.42%	Jul-19
YSI 26	8,945	FIXED	5.45%	Nov-20
YSI 57	3,140	FIXED	5.45%	Nov-20
YSI 55	24,145	FIXED	5.30%	Jun-21
YSI 24	28,523	FIXED	5.30%	Jun-21
Total Mortgages	<u>\$ 196,544</u>		<u>5.69%</u>	
FIXED RATE DEBT PREMIUMS				
Fixed Rate Debt Premiums	3,674			
Total Secured Debt	<u>\$ 200,218</u>		<u>5.69%</u>	

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

CUBESMART
UNSECURED DEBT ANALYSIS
(dollars in thousands)
As of December 31, 2013

	12/31/2013 Balance		Rate		Maturity Date	Total Available	Remaining Available
<u>LINE OF CREDIT</u>							
Unsecured Revolving Credit Facility	\$ 38,600	LIBOR + 1.60%	1.77%	(a)	Jun-17	(e) \$ 300,000	\$ 261,248 (f)
<u>UNSECURED BANK TERM LOANS</u>							
Unsecured Term Loan	100,000	FIXED	3.30%	(b)	Jun-18		
Unsecured Term Loan	100,000	FIXED	4.47%	(c)	Jun-18		
Unsecured Term Loan	200,000	FIXED	2.84%	(d)	Jan-19		
Total Unsecured Bank Term Loans	<u>\$ 400,000</u>						
<u>UNSECURED PUBLIC DEBT</u>							
Unsecured Senior Notes	250,000	FIXED	4.80%		Jul-22		
Unsecured Senior Notes	250,000	FIXED	4.38%		Dec-23		
Total Unsecured Debt	<u>\$ 938,600</u>		<u>3.95%</u>				

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

UNSECURED SENIOR NOTES COVENANTS

	Required	Actual
Fixed Charge Coverage Ratio	≥ 1.5x	3.9x
Leverage Ratio	≤ 60%	41.8%
Secured Debt Limitation	≤ 40%	7.3%
Unencumbered Asset Ratio	≥ 150%	290.7%

CUBESMART
OPERATING PERFORMANCE - BY REGION
Three Months Ended December 31, 2013

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 December 31, 2013
				December 31, 2013	December 31, 2012	Change	Change			
Northeast²										
	New York / Northern NJ	28	1,870,371	88.8%	85.4%	3.5%	7.0%	44	3,149,205	86.9%
	Connecticut	17	847,302	88.8%	84.9%	3.9%	5.5%	20	1,040,489	88.6%
	Baltimore / DC	13	1,115,575	87.9%	85.7%	2.2%	4.9%	21	1,684,935	86.7%
	Philadelphia / Southern NJ	5	353,520	89.9%	83.7%	6.2%	10.1%	13	905,391	87.1%
	Boston	3	152,431	83.2%	82.2%	1.0%	5.7%	4	214,531	78.1%
	Other	4	219,013	88.5%	81.9%	6.7%	4.9%	6	370,883	89.0%
Northeast	Region Sub-Total	70	4,558,212	88.5%	85.0%	3.5%	6.4%	108	7,365,434	86.9%
Southeast^{3,6}										
	Florida Markets - Other	37	2,678,963	90.6%	85.3%	5.4%	8.5%	40	2,908,006	90.5%
	Miami / Ft. Lauderdale	14	1,102,390	93.1%	85.2%	7.9%	10.8%	18	1,358,966	91.9%
	Atlanta	10	808,461	89.2%	85.5%	3.7%	6.4%	16	1,184,811	88.8%
	Tennessee	5	467,159	90.8%	89.1%	1.7%	6.9%	5	467,159	90.8%
	Other	6	463,459	88.1%	82.1%	5.9%	8.1%	6	463,459	88.1%
Southeast	Region Sub-Total	72	5,520,432	90.7%	85.3%	5.4%	8.7%	85	6,382,401	90.3%
Midwest^{4,7}										
	Texas Markets - Major	28	1,841,503	89.4%	86.0%	3.4%	7.4%	40	2,724,662	89.0%
	Chicago	27	1,604,130	90.1%	88.2%	1.9%	7.2%	28	1,662,180	90.3%
	Ohio	14	928,434	89.8%	86.2%	3.6%	5.1%	14	928,434	89.8%
	Other	9	466,469	80.1%	78.6%	1.5%	-3.0%	9	466,469	80.1%
Midwest	Region Sub-Total	78	4,840,536	88.8%	86.0%	2.8%	6.2%	91	5,781,745	88.7%
West⁵										
	Arizona / Las Vegas	26	1,380,687	85.9%	83.6%	2.3%	2.5%	29	1,557,101	84.4%
	Inland Empire	14	948,220	86.3%	82.3%	4.0%	3.5%	14	948,220	86.3%
	Southern California	12	975,618	90.6%	83.2%	7.4%	7.3%	12	975,618	90.6%
	Colorado / Utah	12	733,227	87.2%	87.4%	-0.2%	4.5%	13	807,662	87.7%
	Other	14	843,924	87.7%	84.0%	3.7%	4.8%	14	843,924	87.7%
West	Region Sub-Total	78	4,881,676	87.4%	83.9%	3.5%	4.5%	82	5,132,525	87.0%
Total		298	19,800,856	88.9%	85.1%	3.8%	6.7%	366	24,662,105	88.3%

- (1) Year over year
(2) 61.9% of total Northeast Region Square Footage is classified as Same Store
(3) 86.5% of total Southeast Region Square Footage is classified as Same Store
(4) 83.7% of total Midwest Region Square Footage is classified as Same Store
(5) 95.1% of total West Region Square Footage is classified as Same Store
(6) These amounts do not include an asset the Company owns through a 50% joint venture with 81,198 total rentable square feet and ending occupancy of 87.9%.
(7) These amounts do not include 35 assets the Company owns through a 50% joint venture with 2,351,845 total rentable square feet and ending occupancy of 85.3%.

CUBESMART
PROPERTIES BY STATE, Total Portfolio

As of December 31, 2013

<u>State</u>	<u>Number of Facilities</u>	<u>Number of Units</u>	<u>Total Rentable Square Feet</u>	<u>% of Total Rentable Square Feet</u>	<u>December 31, 2013 Occupancy</u>
Florida	58	41,488	4,266,972	17.4%	91.0%
Texas	49	25,244	3,191,131	12.9%	87.7%
California	37	22,897	2,585,788	10.5%	88.1%
New York	31	35,211	2,219,593	9.0%	86.4%
Illinois	28	14,346	1,662,180	6.7%	90.3%
Arizona	27	13,998	1,459,919	5.9%	84.3%
New Jersey	23	15,268	1,560,033	6.3%	87.6%
Connecticut	20	9,065	1,040,489	4.2%	88.6%
Georgia	16	9,695	1,184,811	4.8%	88.8%
Ohio	14	8,084	928,434	3.8%	89.8%
Maryland	11	8,534	923,563	3.7%	86.6%
Virginia	9	6,717	692,935	2.8%	87.0%
Colorado	9	4,760	568,039	2.3%	87.1%
Pennsylvania	7	4,828	513,990	2.1%	88.0%
North Carolina	6	3,898	463,459	1.9%	88.1%
Tennessee	5	3,270	467,159	1.9%	90.8%
Massachusetts	5	2,968	268,554	1.1%	80.0%
Utah	4	2,199	239,623	1.0%	88.9%
New Mexico	3	1,614	181,974	0.7%	89.7%
Washington DC	2	1,801	146,277	0.6%	86.9%
Nevada	2	891	97,182	0.4%	86.1%
Total/Weighted Average	366	236,776	24,662,105	100.0%	88.3%

CUBESMART
PROPERTIES BY STATE, Same-Store Portfolio

As of December 31, 2013

<u>State</u>	<u>Number of Facilities</u>	<u>Number of Units</u>	<u>Total Rentable Square Feet</u>	<u>% of Total Rentable Square Feet</u>	<u>December 31, 2013 Occupancy</u>	<u>December 31, 2012 Occupancy</u>
Florida	51	35,859	3,781,353	19.1%	91.4%	85.2%
California	37	22,897	2,585,788	13.1%	88.1%	83.0%
Texas	37	18,447	2,307,972	11.7%	87.5%	84.5%
Illinois	27	13,753	1,604,130	8.1%	90.1%	88.2%
Arizona	24	11,926	1,283,505	6.5%	85.8%	83.4%
New York	18	17,445	1,173,785	5.9%	88.6%	86.5%
Connecticut	17	7,092	847,302	4.3%	88.8%	84.9%
New Jersey	15	9,638	963,712	4.9%	89.5%	83.2%
Ohio	14	8,084	928,434	4.7%	89.8%	86.2%
Georgia	10	6,461	808,461	4.1%	89.2%	85.5%
Colorado	8	4,085	493,604	2.5%	86.4%	87.3%
Maryland	6	5,119	597,201	3.0%	89.4%	84.4%
North Carolina	6	3,898	463,459	2.3%	88.1%	82.1%
Virginia	6	4,320	449,937	2.3%	86.1%	84.2%
Tennessee	5	3,270	467,159	2.4%	90.8%	89.1%
Utah	4	2,199	239,623	1.2%	88.9%	87.5%
Massachusetts	4	2,369	206,454	1.0%	84.4%	81.9%
New Mexico	3	1,614	181,974	0.9%	89.7%	85.4%
Pennsylvania	2	1,618	173,544	0.9%	89.1%	85.7%
Washington DC	2	1,801	146,277	0.7%	86.9%	92.4%
Nevada	2	891	97,182	0.5%	86.1%	85.8%
Total/Weighted Average	298	182,786	19,800,856	100.0%	88.9%	85.1%