



First Quarter 2016  
Supplemental Information

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## CUBESMART

March 31, 2016

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



# CUBESMART

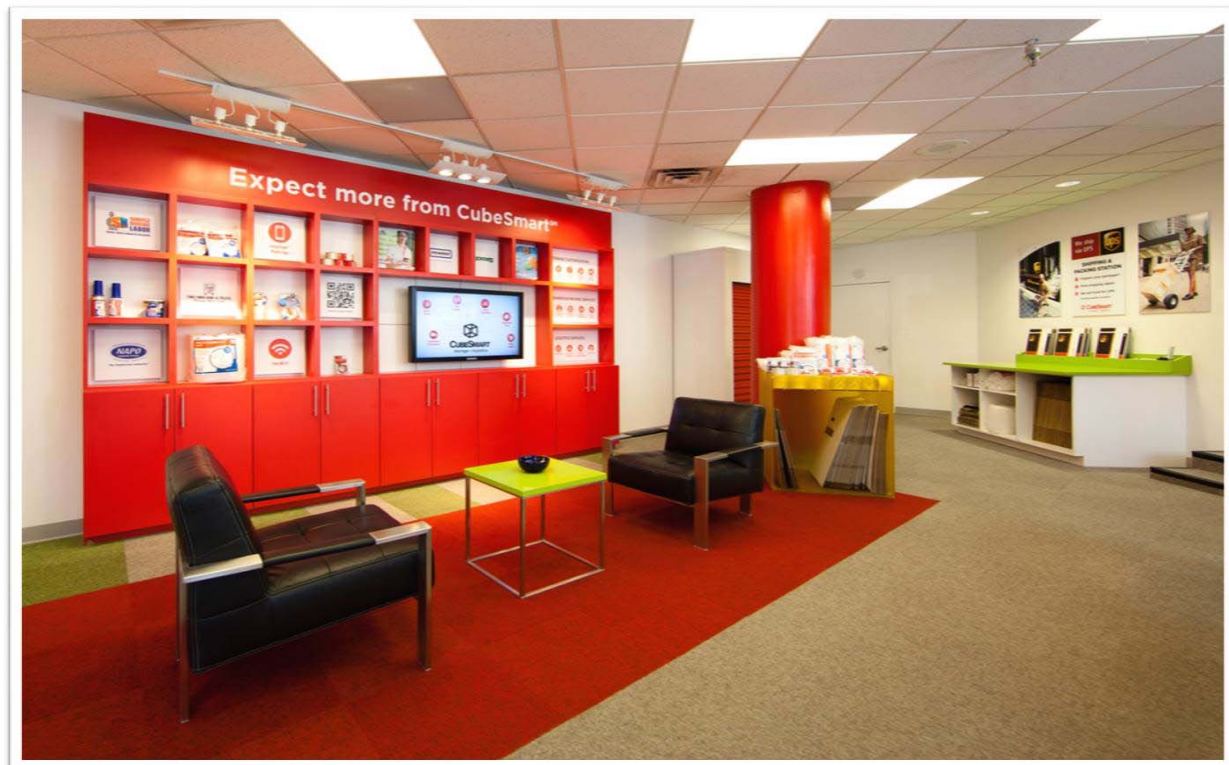
March 31, 2016

## Company Information

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

	1st Quarter 2016	4th Quarter 2015	3rd Quarter 2015	2nd Quarter 2015	1st Quarter 2015
<b>Common Shares and Units:</b>					
Share price, high	\$ 33.30	\$ 31.42	\$ 27.21	\$ 24.62	\$ 25.43
Share price, low	\$ 27.70	\$ 26.99	\$ 23.81	\$ 22.74	\$ 22.31
Share price, period end	\$ 33.30	\$ 30.62	\$ 27.21	\$ 23.16	\$ 24.15
Dividends declared per share	\$ 0.21	\$ 0.21	\$ 0.16	\$ 0.16	\$ 0.16
Dividend yield, period end	2.52%	2.74%	2.35%	2.76%	2.65%
Closing Common Shares outstanding (excluding unvested restricted shares, in thousands)	177,127	174,668	170,927	167,438	166,151
Closing Operating Partnership units outstanding	2,160	2,160	2,212	2,266	2,255
Total closing Common Shares and Units	179,287	176,828	173,139	169,704	168,406
<b>Preferred Shares (Series A):</b>					
Share price, high	\$ 26.50	\$ 26.85	\$ 26.84	\$ 27.33	\$ 27.35
Share price, low	\$ 25.84	\$ 25.98	\$ 26.12	\$ 26.33	\$ 26.57
Share price, period end	\$ 26.25	\$ 26.14	\$ 26.30	\$ 26.35	\$ 26.76
Dividends declared per share	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
Dividend yield, period end	7.38%	7.41%	7.37%	7.35%	7.24%
Closing Preferred Shares outstanding (in thousands)	3,100	3,100	3,100	3,100	3,100





## Forward Looking Statements

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This presentation, together with other statements and information publicly disseminated by CubeSmart ("we," "us," "our" or the "Company"), contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the "Exchange Act." Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as "believes," "expects," "estimates," "may," "will," "should," "anticipates," or "intends" or the negative of such terms or other comparable terminology, or by discussions of strategy. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, future events and actual results, performance, transactions or achievements, financial and otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by the forward-looking statements. As a result, you should not rely on or construe any forward-looking statements in this Report, or which management may make orally or in writing from time to time, as predictions of future events or as guarantees of future performance. We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this Report or as of the dates otherwise indicated in the statements. All of our forward-looking statements, including those in this Report, are qualified in their entirety by this statement.

## Non-GAAP Financial Measures

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

Management uses FFO as a key performance indicator in evaluating the operations of the Company's facilities. Given the nature of its business as a real estate owner and operator, the Company considers FFO a key measure of its operating performance that is not specifically defined by accounting principles generally accepted in the United States. The Company believes that FFO is useful to management and investors as a starting point in measuring its operational performance because FFO excludes various items included in net income that do not relate to or are not indicative of its operating performance such as gains (or losses) from sales of real estate, gains from remeasurement of investments in real estate ventures, impairments of depreciable assets, and depreciation, which can make periodic and peer analyses of operating performance more difficult. Our computation of FFO may not be comparable to FFO reported by other REITs or real estate companies.

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

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

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

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

**CubeSmart Reports First Quarter 2016 Results:  
FFO Per Share Grows 14.3%; Same-Store NOI Increases 12.9%**

MALVERN, PA -- (Marketwired) – April 28, 2016 -- CubeSmart (NYSE: CUBE) today announced its operating results for the three months ended March 31, 2016.

“Our first quarter performance speaks to the continued fundamental strength of the storage business and our operating platform’s ability to generate strong financial results during what is considered a seasonally slow period of the year,” commented President and Chief Executive Officer Christopher P. Marr. “As we head into the busy rental season, we are focused on delivering strong property level results while pursuing external growth opportunities that create attractive long-term shareholder value.”

**Key Highlights for the Quarter**

- Reported funds from operations (“FFO”) per share, as adjusted, of \$0.32, representing a year-over-year increase of 14.3%.
- Increased same-store (407 facilities) net operating income (“NOI”) 12.9% year over year, driven by 8.4% revenue growth and a 1.0% decrease in property operating expenses.
- Same-store occupancy averaged 91.9% during the quarter, ending the quarter with same-store occupancy of 92.3%, a 130 basis point increase year over year.
- Closed on nine facility acquisitions totaling \$135.9 million.
- Opened for operation one joint venture development property for a total investment of \$31.8 million.
- Acquired one property upon completion of construction and issuance of certificate of occupancy (“C/O”) for \$48.5 million.

**Funds from Operations**

FFO, as adjusted, was \$58.2 million for the first quarter of 2016, compared with \$46.8 million for the first quarter of 2015. FFO per share, as adjusted, increased 14.3% to \$0.32 for the first quarter of 2016, compared with \$0.28 for the same period last year.

**Investment Activity**

*Acquisition Activity*

The Company acquired nine properties for \$135.9 million during the three months ended March 31, 2016. These acquisitions are located in Texas (4), Florida (3), Connecticut (1), and Washington, D.C. (1). Subsequent to March 31, 2016, the Company acquired two facilities located in Colorado (1) and Texas (1) for \$23.0 million. The Company has four additional properties under contract for \$58.5 million.

*Development Activity*

The Company has agreements with developers for the construction of Class A self-storage facilities in high-barrier-to-entry locations. These agreements are structured as either purchases at C/O or as joint venture developments. During the first quarter of 2016, the Company acquired a Brooklyn, New York property at C/O



for \$48.5 million and opened for operation a joint venture development property in Queens, New York for a total investment of \$31.8 million.

As of March 31, 2016, the Company had five facilities under contract to purchase at C/O for a total acquisition price of \$64.2 million. The properties are located in Texas (2), Illinois (2), and Florida (1). The purchase of these facilities is expected to occur at various times between the second quarter of 2016 and the first quarter of 2017. These acquisitions are subject to due diligence and other customary closing conditions, and no assurance can be provided that these acquisitions will be completed on the terms described, or at all.

As of March 31, 2016, the Company had four joint venture development properties and one wholly owned project under development. The Company anticipates investing a total of \$206.6 million related to these projects and had invested \$58.3 million of that total as of March 31, 2016. These facilities are located in New York (3), Washington, D.C. (1), and Florida (1). The five projects are expected to open at various times between the third quarter of 2016 and the second quarter of 2018.

### *Unconsolidated Joint Venture Activity*

On December 8, 2015, HVP, an unconsolidated joint venture, was formed to acquire a 37 property portfolio for an aggregate purchase price of \$242.5 million. The venture closed on the acquisition of 30 of the properties in the fourth quarter of 2015 for \$193.7 million, one of the properties during the first quarter of 2016 for \$5.7 million, five of the properties subsequent to March 31, 2016 for \$36.1 million, and expects to close on the remaining asset for \$7.0 million during the second quarter of 2016. The Company's contribution to HVP related to this portfolio acquisition was \$8.6 million as of March 31, 2016 and the total expected contribution for this portfolio after closing on the remaining assets is expected to be \$10.5 million.

On March 30, 2016, HVP agreed to acquire a 31 property portfolio for an aggregate purchase price of \$115.5 million. The facilities were previously managed by the Company and are located in South Carolina (21), Georgia (5), North Carolina (4), and Michigan (1). As of March 31, 2016, HVP acquired 30 of the assets for \$112.8 million and expects to close on the remaining asset during the second quarter for \$2.7 million. The Company's contribution to HVP related to this portfolio acquisition was \$5.3 million as of March 31, 2016 and the total expected contribution for this portfolio after closing on the remaining assets is expected to be \$5.4 million.

### **Third-Party Management**

As of March 31, 2016, the Company's third-party management program included 252 facilities totaling 15.9 million square feet. During the quarter ended March 31, 2016, the Company added 28 properties to its third-party management program.

### **Same-Store Results**

The Company's same-store portfolio at March 31, 2016 included 407 facilities containing approximately 27.8 million rentable square feet, or approximately 88.7% of the aggregate rentable square feet of the Company's 456 owned facilities. These same-store facilities represented approximately 93.2% of property net operating income for the quarter ended March 31, 2016.

Same-store physical occupancy at period end for the first quarter of 2016 was 92.3%, compared with 91.0% for the same quarter of last year. Same-store revenues for the first quarter of 2016 increased 8.4%, and same-store operating expenses decreased 1.0% from the same quarter in 2015. The decrease in operating expenses was

primarily due to a relatively mild winter during the first quarter of 2016, resulting in lower utility and snow removal costs. Same-store net operating income increased 12.9%, as compared with the same period in 2015.

## **Operating Results**

As of March 31, 2016, the Company's total owned portfolio included 456 properties containing 31.4 million rentable square feet and had a physical occupancy of 90.3%.

Revenues increased \$15.2 million and property operating expenses increased \$2.8 million in the first quarter of 2016, as compared with the same period in 2015. Increases in revenues were primarily attributable to increased net effective rents and occupancy levels in the same-store portfolio and revenues generated from property acquisitions. Increases in property operating expenses were primarily attributable to a \$0.3 million decrease in same-store expenses offset by \$3.1 million of increased expenses associated with newly acquired facilities.

Interest expense increased from \$11.1 million during the three months ended March 31, 2015 to \$12.1 million during the three months ended March 31, 2016, an increase of \$1.0 million. The increase is attributable to a higher amount of outstanding debt during the 2016 period. To fund a portion of the Company's growth, the average debt balance during the three months ended March 31, 2016 increased approximately \$116.0 million from the same period in 2015 from \$1,175 million to \$1,291 million.

The Company reported net income attributable to the Company's common shareholders of \$14.2 million, or \$0.08 per common share, in the first quarter of 2016, compared with net income attributable to the Company's common shareholders of \$6.9 million, or \$0.04 per common share, in the first quarter of 2015.

## **Financing Activity**

During the quarter, the Company sold 2.0 million common shares of beneficial interest through its ATM program at an average sales price of \$31.47 per share, resulting in net proceeds of \$63.0 million, after deducting offering costs. As of March 31, 2016, the Company had 8.2 million shares available for issuance under the existing equity distribution agreements.

## **Quarterly Dividend**

On February 16, 2016, the Company declared a dividend of \$0.21 per common share. The dividend was paid on April 15, 2016 to common shareholders of record on April 1, 2016.

Also on February 16, 2016, the Company declared a dividend of \$0.484375 for the 7.75% Series A Cumulative Redeemable Preferred Shares. The dividend was paid on April 15, 2016 to holders of record on April 1, 2016.

## **2016 Financial Outlook**

"Our solid first quarter performance supports increasing the midpoint of our full-year guidance ranges for same-store operating metrics and FFO per share," commented Chief Financial Officer Tim Martin. "From a balance sheet perspective, we remain disciplined in our strategy to fund the Company's external growth, utilizing a balance of cash flow, equity proceeds and unsecured borrowings in a manner consistent with our investment grade profile."



The Company is adjusting its previously issued estimates as well as underlying assumptions, and now expects that its fully diluted FFO per share, as adjusted, for 2016 will be between \$1.36 and \$1.40 (previously between \$1.35 and \$1.40). The Company's estimates are based on the following key operating assumptions:

- For 2016, a same-store pool consisting of 407 assets totaling 27.8 million square feet
- Same-store net operating income ("NOI") growth of 7.75% to 8.75% over 2015 (previously 7.5% to 8.5%), driven by revenue growth of 6.25% to 7.0% (previously 6.0% to 7.0%) and expense growth of 2.5% to 3.5% (previously 3.0% to 4.0%)
- General and administrative expenses of approximately \$30.0 million to \$31.0 million

Key investment and financing assumptions include:

- Impact of development activity:
  - Four new facilities opened in 2015 for a total investment of \$65.1 million.
  - Four new joint venture development facilities are expected to open in 2016 for a total investment of \$98.6 million, of which one property opened in the first quarter for \$31.8 million.
  - Three new facilities are expected to be acquired at C/O in 2016 for a total investment of \$69.4 million, of which one property was acquired at C/O in the first quarter for \$48.5 million.
  - Approximately \$0.03 per share of dilution in 2016 related to development activity.
- Impact of acquisition activity:
  - Acquired nine facilities for \$135.9 million during the first quarter and two additional properties were acquired subsequent to quarter-end for \$23.0 million.
- Impact of financing activity:
  - Funding 2016 debt maturities and our acquisition and development commitments with long-term capital, with specific impact to 2016 earnings dependent upon the amount, timing, cost and form of capital we raise.

Due to uncertainty related to the timing and terms of transactions, the impact of any potential future speculative investment activity not contemplated above, is excluded from guidance. For 2016, the Company is targeting \$250 million to \$300 million of acquisitions (previously \$200 million to \$250 million), excluding contracts related to joint venture development or purchase at completion of construction and issuance of C/O investments discussed above.

<u>2016 Full Year Guidance</u>	<u>Range or Value</u>	
Earnings per diluted share allocated to common shareholders	\$ 0.42	to \$ 0.46
Plus: real estate depreciation and amortization	<u>0.94</u>	<u>0.94</u>
FFO per diluted share, as adjusted	<u>\$ 1.36</u>	<u>to \$ 1.40</u>

The Company estimates that its fully diluted FFO, as adjusted, per share for the quarter ending June 30, 2016 will be between \$0.34 and \$0.35, and that its fully diluted earnings per share for the period will be between \$0.10 and \$0.11.

<u>2nd Quarter 2016 Guidance</u>	<u>Range or Value</u>	
Earnings per diluted share allocated to common shareholders	\$ 0.10	to \$ 0.11
Plus: real estate depreciation and amortization	<u>0.24</u>	<u>0.24</u>
FFO per diluted share, as adjusted	<u>\$ 0.34</u>	<u>to \$ 0.35</u>

## Conference Call

Management will host a conference call at 11:00 a.m. ET on Friday, April 29, 2016 to discuss financial results for the three months ended March 31, 2016.

A live webcast of the conference call will be available online from the investor relations page of the Company's corporate website at [www.CubeSmart.com](http://www.CubeSmart.com). Telephone participants may avoid any delays in joining the conference call by pre-registering for the call using the following link to receive a special dial-in number and PIN: <http://dpreregister.com/10083873>.

Telephone participants who are unable to pre-register for the conference call may join on the day of the call using 1-877-506-3281 for domestic callers, +1-412-902-6677 for international callers, or 1-855-669-9657 for callers in Canada. After the live webcast, the call will remain available on CubeSmart's website for 30 days. In addition, a telephonic replay of the call will be available through May 29, 2016. The replay numbers are 1-877-344-7529 for domestic callers, +1-412-317-0088 for international callers, and 1-855-669-9658 for callers in Canada. For callers accessing a telephonic replay, the conference number is 10083873.

Supplemental operating and financial data as of March 31, 2016 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 2016 Self-Storage Almanac, CubeSmart is one of the top four owners and operators of self-storage facilities in the United States.

## Non-GAAP Financial Measures

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Management uses FFO as a key performance indicator in evaluating the operations of the Company's facilities. Given the nature of its business as a real estate owner and operator, the Company considers FFO a key measure of its operating performance that is not specifically defined by accounting principles generally accepted in the United States. The Company believes that FFO is useful to management and investors as a starting point in measuring its operational performance because FFO excludes various items included in net income that do not relate to or are not indicative of its operating performance such as gains (or losses) from sales of real estate, gains from remeasurement of investments in real estate ventures, impairments of depreciable assets, and depreciation, which can make periodic and peer analyses of operating performance more difficult. The Company's computation of FFO may not be comparable to FFO reported by other REITs or real estate companies.

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

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

The Company defines net operating income, which it refers to as "NOI," as total continuing revenues less continuing property operating expenses. NOI also can be calculated by adding back to net income (loss): interest expense on loans, loan procurement amortization expense, loan procurement amortization expense – early repayment of debt, acquisition related costs, equity in losses of real estate ventures, other expense, depreciation and amortization expense, general and administrative expense, and deducting from net income (loss): gains from sale of real estate, net, other income, gains from remeasurement of investments in real estate ventures and interest income. NOI is not a measure of performance calculated in accordance with GAAP.

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

### **Forward-Looking Statements**

This presentation, together with other statements and information publicly disseminated by CubeSmart ("we," "us," "our" or the "Company"), contain certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the "Exchange Act." Forward-looking statements include statements concerning the Company's plans, objectives, goals, strategies, future events, future revenues or performance, capital expenditures, financing needs, plans or intentions relating to acquisitions and other information that is not historical information. In some cases, forward-looking statements can be identified by terminology such as "believes," "expects," "estimates," "may," "will," "should," "anticipates," or "intends" or the negative of such terms or other comparable terminology, or by discussions of strategy. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, future events and actual results, performance, transactions or achievements, financial and otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by the forward-looking statements. As a result, you should not rely on or construe any forward-looking statements in this presentation, or which management may make orally or in writing from time to time, as predictions of future events or as guarantees of future performance. We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this presentation or as of the dates otherwise indicated in the statements. All of our forward-looking statements, including those in this presentation, are qualified in their entirety by this statement.

There are a number of risks and uncertainties that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this presentation. Any forward-looking statements should be considered in light of the risks and uncertainties referred to in Item 1A. "Risk Factors" in our Annual

Report on Form 10-K and in our other filings with the Securities and Exchange Commission (“SEC”). These risks include, but are not limited to, the following:

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

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

Contact:

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

**CUBESMART  
FINANCIAL HIGHLIGHTS**

(unaudited, in thousands, except per share data)

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

	Three Months Ended				
	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
<b>Selected Financial Information:</b>					
<b>Total portfolio:</b>					
Revenue from continuing operations	\$ 118,871	\$ 114,992	\$ 115,970	\$ 109,871	\$ 103,688
EBITDA from continuing operations	\$ 68,082	\$ 68,860	\$ 68,449	\$ 63,794	\$ 58,574
Net income attributable to the Company	\$ 15,750	\$ 37,116	\$ 18,438	\$ 13,724	\$ 8,434
Funds from operations (FFO)	\$ 55,710	\$ 57,123	\$ 57,271	\$ 51,793	\$ 46,263
FFO, as adjusted	\$ 58,188	\$ 58,146	\$ 58,493	\$ 52,546	\$ 46,773
FFO per share - fully diluted	\$ 0.31	\$ 0.32	\$ 0.33	\$ 0.30	\$ 0.27
FFO, as adjusted per share - fully diluted	\$ 0.32	\$ 0.33	\$ 0.34	\$ 0.31	\$ 0.28
Earnings per share - basic	\$ 0.08	\$ 0.21	\$ 0.10	\$ 0.07	\$ 0.04
Earnings per share - diluted	\$ 0.08	\$ 0.20	\$ 0.10	\$ 0.07	\$ 0.04
Dividends per common share and unit	\$ 0.21	\$ 0.21	\$ 0.16	\$ 0.16	\$ 0.16
Dividends per preferred share, series A	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844	\$ 0.4844
FFO payout ratio (1)	65.6%	63.6%	47.1%	51.6%	57.1%
Total assets	\$ 3,206,687	\$ 3,104,164	\$ 2,921,628	\$ 2,855,300	\$ 2,798,924
Total gross assets (total assets plus accumulated depreciation)	\$ 3,829,511	\$ 3,698,213	\$ 3,491,121	\$ 3,404,506	\$ 3,319,038
Realized annual rent per occupied square foot (3) (6)	\$ 15.07	\$ 15.12	\$ 14.91	\$ 14.45	\$ 14.24
In place annual rent per occupied square foot (2) (6)	\$ 15.92	\$ 15.95	\$ 15.66	\$ 15.16	\$ 15.08
Scheduled annual rent per square foot (4) (6)	\$ 16.28	\$ 16.17	\$ 16.65	\$ 16.44	\$ 15.46
<b>Same-store:</b>					
Revenue	\$ 106,641	\$ 106,415	\$ 107,385	\$ 103,127	\$ 98,416
Expense	\$ 31,818	\$ 30,987	\$ 32,149	\$ 31,938	\$ 32,135
NOI	\$ 74,823	\$ 75,428	\$ 75,236	\$ 71,189	\$ 66,281
Gross margin	70.2%	70.9%	70.1%	69.0%	67.3%
Period ending occupancy	92.3%	91.6%	92.7%	93.8%	91.0%
Period average occupancy	91.9%	91.9%	93.4%	92.8%	90.4%
Total rentable square feet	27,812				
REVPAF (5)	\$ 13.89	\$ 13.85	\$ 13.94	\$ 13.37	\$ 12.79
Realized annual rent per occupied square foot (3)	\$ 15.11	\$ 15.07	\$ 14.93	\$ 14.40	\$ 14.15
In place annual rent per occupied square foot (2)	\$ 15.94	\$ 15.89	\$ 15.67	\$ 15.13	\$ 15.01
Scheduled annual rent per square foot (4)	\$ 16.04	\$ 15.95	\$ 16.50	\$ 16.29	\$ 15.28
<b>Capitalization:</b>					
Total Debt	\$ 1,296,494	\$ 1,251,542	\$ 1,179,966	\$ 1,195,239	\$ 1,167,792
Price per common share at quarter end	\$ 33.30	\$ 30.62	\$ 27.21	\$ 23.16	\$ 24.15
Price per preferred share at quarter end	\$ 26.25	\$ 26.14	\$ 26.30	\$ 26.35	\$ 26.76
Market Equity Value at quarter end	\$ 6,051,632	\$ 5,495,507	\$ 4,792,642	\$ 4,012,030	\$ 4,149,961
Total Market Capitalization	\$ 7,348,126	\$ 6,747,049	\$ 5,972,608	\$ 5,207,269	\$ 5,317,753
Total Debt/Total Gross Assets	33.9%	33.8%	33.8%	35.1%	35.2%
Total Debt/Total Market Capitalization	17.6%	18.5%	19.8%	23.0%	22.0%
<b>Shares and Units:</b>					
Closing Common Shares outstanding (excluding unvested restricted shares)	177,127	174,668	170,927	167,438	166,151
Closing Operating Partnership Units outstanding	2,160	2,160	2,212	2,266	2,255
Closing total Common Shares and Operating Partnership Units outstanding	179,287	176,828	173,139	169,704	168,406
Average Common Shares outstanding (excluding unvested restricted shares)	175,798	172,984	169,304	166,683	165,502
Average Operating Partnership Units outstanding	2,160	2,203	2,237	2,262	2,256
Average total Common Shares and Operating Partnership Units outstanding	177,958	175,187	171,541	168,945	167,758
Total weighted-average shares and units outstanding (including dilutive effect of options)	179,421	176,881	173,138	170,486	169,421
Closing Preferred Shares outstanding	3,100	3,100	3,100	3,100	3,100

- (1) Payout ratio represents common distributions declared per share during the period divided by FFO per share, as adjusted.  
(2) In place annual rent per occupied square foot represents annualized contractual rents per occupied square foot without reductions for promotional discounts and excluding late charges and administrative fees.  
(3) Realized annual rent per occupied square foot is computed by dividing rental income by the weighted average occupied square feet for the period.  
(4) Scheduled annual rent per square foot represents annualized asking rents per available square foot for the period.  
(5) Realized annual rent per available foot or "REVPAF" is computed by dividing rental income (which excludes late charges and administrative fees) by the total available net rentable square feet for the period.  
(6) Excludes assets that were classified as held for sale or were not owned for the entirety of the respective quarter.

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

	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
<b>ASSETS</b>					
Storage facilities	\$ 3,679,665	\$ 3,467,032	\$ 3,323,554	\$ 3,260,426	\$ 3,178,202
Less: Accumulated depreciation	(622,824)	(594,049)	(569,493)	(549,206)	(520,114)
Storage facilities, net	3,056,841	2,872,983	2,754,061	2,711,220	2,658,088
Cash and cash equivalents	2,754	62,869	3,018	3,167	3,017
Restricted cash	2,652	24,600	2,746	3,229	3,675
Loan procurement costs, net of amortization	2,637	2,800	2,962	3,125	1,097
Investment in real estate ventures, at equity	100,477	97,281	90,825	92,371	93,918
Assets held for sale	-	-	27,505	-	-
Other assets, net	41,326	43,631	40,511	42,188	39,129
Total assets	<u>\$ 3,206,687</u>	<u>\$ 3,104,164</u>	<u>\$ 2,921,628</u>	<u>\$ 2,855,300</u>	<u>\$ 2,798,924</u>
<b>LIABILITIES AND EQUITY</b>					
Unsecured senior notes	\$ 742,153	\$ 741,904	\$ 494,491	\$ 494,313	\$ 494,135
Revolving credit facility	54,300	-	167,800	161,600	80,000
Unsecured term loans	398,325	398,183	398,042	397,900	397,759
Mortgage loans and notes payable	101,716	111,455	119,633	141,426	195,898
Accounts payable, accrued expenses and other liabilities	96,245	85,034	88,259	81,805	70,116
Distributions payable	39,210	38,685	29,241	28,685	28,480
Deferred revenue	18,673	17,519	17,079	17,141	16,242
Security deposits	397	403	393	403	399
Other liabilities held for sale	-	-	725	-	-
Total liabilities	<u>1,451,019</u>	<u>1,393,183</u>	<u>1,315,663</u>	<u>1,323,273</u>	<u>1,283,029</u>
Noncontrolling interests in the Operating Partnership	<u>71,916</u>	<u>66,128</u>	<u>60,180</u>	<u>52,472</u>	<u>54,446</u>
Commitments and contingencies					
<b>Equity</b>					
7.75% Series A Preferred shares	31	31	31	31	31
Common shares	1,771	1,747	1,709	1,674	1,661
Additional paid in capital	2,299,527	2,231,181	2,127,252	2,040,861	2,011,695
Accumulated other comprehensive loss	(5,302)	(4,978)	(8,824)	(8,378)	(9,835)
Accumulated deficit	(613,734)	(584,654)	(576,086)	(556,385)	(543,860)
Total CubeSmart shareholders' equity	<u>1,682,293</u>	<u>1,643,327</u>	<u>1,544,082</u>	<u>1,477,803</u>	<u>1,459,692</u>
Noncontrolling interest in subsidiaries	<u>1,459</u>	<u>1,526</u>	<u>1,703</u>	<u>1,752</u>	<u>1,757</u>
Total equity	<u>1,683,752</u>	<u>1,644,853</u>	<u>1,545,785</u>	<u>1,479,555</u>	<u>1,461,449</u>
Total liabilities and equity	<u>\$ 3,206,687</u>	<u>\$ 3,104,164</u>	<u>\$ 2,921,628</u>	<u>\$ 2,855,300</u>	<u>\$ 2,798,924</u>



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

	Three months ended				
	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
<b>REVENUES</b>					
Rental income	\$ 104,997	\$ 101,732	\$ 102,385	\$ 96,803	\$ 91,556
Other property related income	11,763	11,434	11,827	11,385	10,543
Property management fee income	2,111	1,826	1,758	1,683	1,589
Total revenues	<u>118,871</u>	<u>114,992</u>	<u>115,970</u>	<u>109,871</u>	<u>103,688</u>
<b>OPERATING EXPENSES</b>					
Property operating expenses	40,219	38,234	39,297	38,210	37,431
Depreciation and amortization	39,356	37,064	38,744	38,086	37,895
General and administrative	8,228	7,082	7,002	7,114	7,173
Acquisition related costs	2,342	816	1,222	753	510
Total operating expenses	<u>90,145</u>	<u>83,196</u>	<u>86,265</u>	<u>84,163</u>	<u>83,009</u>
<b>OPERATING INCOME</b>	<u>28,726</u>	<u>31,796</u>	<u>29,705</u>	<u>25,708</u>	<u>20,679</u>
<b>OTHER (EXPENSE) INCOME</b>					
Interest:					
Interest expense on loans	(12,084)	(11,412)	(10,399)	(10,868)	(11,057)
Loan procurement amortization expense	(605)	(582)	(537)	(659)	(546)
Equity in (losses) earnings of real estate ventures	(512)	(212)	139	(100)	(238)
Gains from sale of real estate, net	-	17,567	-	-	-
Other	330	584	(288)	(208)	(316)
Total other (expense) income	<u>(12,871)</u>	<u>5,945</u>	<u>(11,085)</u>	<u>(11,835)</u>	<u>(12,157)</u>
<b>NET INCOME</b>	<u>15,855</u>	<u>37,741</u>	<u>18,620</u>	<u>13,873</u>	<u>8,522</u>
<b>NET (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS</b>					
Noncontrolling interests in the Operating Partnership	(172)	(485)	(223)	(161)	(91)
Noncontrolling interests in subsidiaries	67	(140)	41	12	3
<b>NET INCOME ATTRIBUTABLE TO THE COMPANY</b>	<u>15,750</u>	<u>37,116</u>	<u>18,438</u>	<u>13,724</u>	<u>8,434</u>
Distribution to Preferred Shares	(1,502)	(1,502)	(1,502)	(1,502)	(1,502)
<b>NET INCOME ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS</b>	<u>\$ 14,248</u>	<u>\$ 35,614</u>	<u>\$ 16,936</u>	<u>\$ 12,222</u>	<u>\$ 6,932</u>
Basic earnings per share attributable to common shareholders	\$ 0.08	\$ 0.21	\$ 0.10	\$ 0.07	\$ 0.04
Diluted earnings per share attributable to common shareholders	\$ 0.08	\$ 0.20	\$ 0.10	\$ 0.07	\$ 0.04
Weighted-average basic shares outstanding	175,798	172,984	169,304	166,683	165,502
Weighted-average diluted shares outstanding	177,261	174,679	170,901	168,224	167,165

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

	Three months ended		Percent Change
	March 31,		
	2016	2015	
<b>REVENUES</b>			
Rental income	\$ 96,568	\$ 88,941	8.6%
Other property related income	10,073	9,475	6.3%
Total revenues	<u>106,641</u>	<u>98,416</u>	<u>8.4%</u>
<b>OPERATING EXPENSES</b>			
Property taxes	11,021	10,630	3.7%
Personnel expense	9,213	9,169	0.5%
Advertising	1,372	1,396	-1.7%
Repair and maintenance	1,110	1,030	7.8%
Utilities	3,559	3,790	-6.1%
Property insurance	896	935	-4.2%
Other expenses	4,647	5,185	-10.4%
Total operating expenses	<u>31,818</u>	<u>32,135</u>	<u>-1.0%</u>
Net operating income (1)	<u>\$ 74,823</u>	<u>\$ 66,281</u>	<u>12.9%</u>
Gross margin	70.2%	67.3%	
Period end occupancy (2)	92.3%	91.0%	
Period average occupancy (3)	91.9%	90.4%	
Total rentable square feet	27,812		
Realized annual rent per occupied square foot (4)	\$ 15.11	\$ 14.15	6.8%
Scheduled annual rent per square foot (5)	\$ 16.04	\$ 15.28	5.0%

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

Same-store net operating income (1)	\$ 74,823	\$ 66,281
Non same-store net operating income (1)	5,476	1,634
Indirect property overhead (6)	(1,647)	(1,658)
Depreciation and amortization	(39,356)	(37,895)
General and administrative expense	(8,228)	(7,173)
Acquisition related costs	<u>(2,342)</u>	<u>(510)</u>
Operating Income	<u>\$ 28,726</u>	<u>\$ 20,679</u>

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

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

	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
<b>REVENUES</b>					
Rental income	96,568	96,331	96,934	92,943	88,941
Other property related income	10,073	10,084	10,451	10,184	9,475
Total revenues	<u>106,641</u>	<u>106,415</u>	<u>107,385</u>	<u>103,127</u>	<u>98,416</u>
<b>OPERATING EXPENSES</b>					
Property taxes	11,021	10,564	10,682	10,675	10,630
Personnel expense	9,213	8,861	9,103	9,121	9,169
Advertising	1,372	1,474	1,800	2,115	1,396
Repair and maintenance	1,110	1,582	1,354	1,286	1,030
Utilities	3,559	3,126	3,834	3,285	3,790
Property insurance	896	848	932	937	935
Other expenses	4,647	4,532	4,444	4,519	5,185
Total operating expenses	<u>31,818</u>	<u>30,987</u>	<u>32,149</u>	<u>31,938</u>	<u>32,135</u>
Net operating income (1)	<u>\$ 74,823</u>	<u>\$ 75,428</u>	<u>\$ 75,236</u>	<u>\$ 71,189</u>	<u>\$ 66,281</u>
Gross margin	70.2%	70.9%	70.1%	69.0%	67.3%
Period end occupancy (2)	92.3%	91.6%	92.7%	93.8%	91.0%
Period average occupancy (3)	91.9%	91.9%	93.4%	92.8%	90.4%
Total rentable square feet	27,812				
Realized annual rent per occupied square foot (4)	\$ 15.11	\$ 15.07	\$ 14.93	\$ 14.40	\$ 14.15
Scheduled annual rent per square foot (5)	\$ 16.04	\$ 15.95	\$ 16.50	\$ 16.29	\$ 15.28
<b>Reconciliation of Same-Store Net Operating Income to Operating Income</b>					
Same-store net operating income (1)	\$ 74,823	\$ 75,428	\$ 75,236	\$ 71,189	\$ 66,281
Non same-store net operating income (1)	5,476	3,688	3,376	2,458	1,634
Indirect property overhead (6)	(1,647)	(2,358)	(1,939)	(1,986)	(1,658)
Depreciation and amortization	(39,356)	(37,064)	(38,744)	(38,086)	(37,895)
General and administrative expense	(8,228)	(7,082)	(7,002)	(7,114)	(7,173)
Acquisition related costs	(2,342)	(816)	(1,222)	(753)	(510)
Operating Income	<u>\$ 28,726</u>	<u>\$ 31,796</u>	<u>\$ 29,705</u>	<u>\$ 25,708</u>	<u>\$ 20,679</u>

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

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

For the three months ended March 31, 2016 and 2015

	Same-Store Property Portfolio			Non-Same-Store Properties		Other/ Eliminations		Total Portfolio		
	2016	2015	Increase/ (Decrease)	2016	2015	2016	2015	2016	2015	Increase/ (Decrease)
REVENUES:										
Rental income	\$ 96,568	\$ 88,941	\$ 7,627	\$ 8,429	\$ 2,615	\$ -	\$ -	\$ 104,997	\$ 91,556	\$ 13,441
Other property related income	10,073	9,475	598	866	318	824	750	11,763	10,543	1,220
Property management fee income	-	-	-	-	-	2,111	1,589	2,111	1,589	522
Total revenues	106,641	98,416	8,225	9,295	2,933	2,935	2,339	118,871	103,688	15,183
OPERATING EXPENSES:										
Property operating expenses	31,818	32,135	(317)	3,819	1,299	4,582	3,997	40,219	37,431	2,788
NET OPERATING INCOME (LOSS)	\$ 74,823	\$ 66,281	\$ 8,542	\$ 5,476	\$ 1,634	\$ (1,647)	\$ (1,658)	\$ 78,652	\$ 66,257	\$ 12,395
Property count	407	407		49	21			456	428	
Total square footage	27,812	27,812		3,538	1,234			31,350	29,046	
Period end occupancy	92.3%	91.0%		74.1%	76.9%			90.3%	90.3%	
Period average occupancy	91.9%	90.4%								
Realized annual rent per occupied square foot	\$ 15.11	\$ 14.15								

**SAME-STORE PERFORMANCE BREAKDOWN**

For the three months ended March 31, 2016 and 2015

Same-Store Pool	# of Properties	Total Square Feet	Occupancy		Year Over Year Change			
			3/31/2016	3/31/2015	Occupancy	Revenue	Expense	NOI
2016 Same-Store Pool	407	27,812	92.3%	91.0%	1.3%	8.4%	-1.0%	12.9%
2015 Same-Store Pool (1)	353	23,861	92.2%	91.3%	0.9%	7.6%	-1.4%	11.9%
2014 Same-Store Pool (2)	338	22,708	92.2%	91.3%	0.9%	7.6%	-1.4%	11.8%

(1) Represents the subset of properties in the 2016 same-store pool that were in our same-store pool reported in 2015.

(2) Represents the subset of properties in the 2016 same-store pool that were in our same-store pool reported in 2014.

**CUBESMART**  
**FUNDS FROM OPERATIONS - TRAILING FIVE QUARTERS**

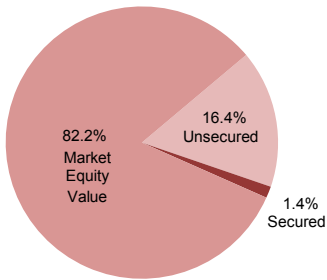
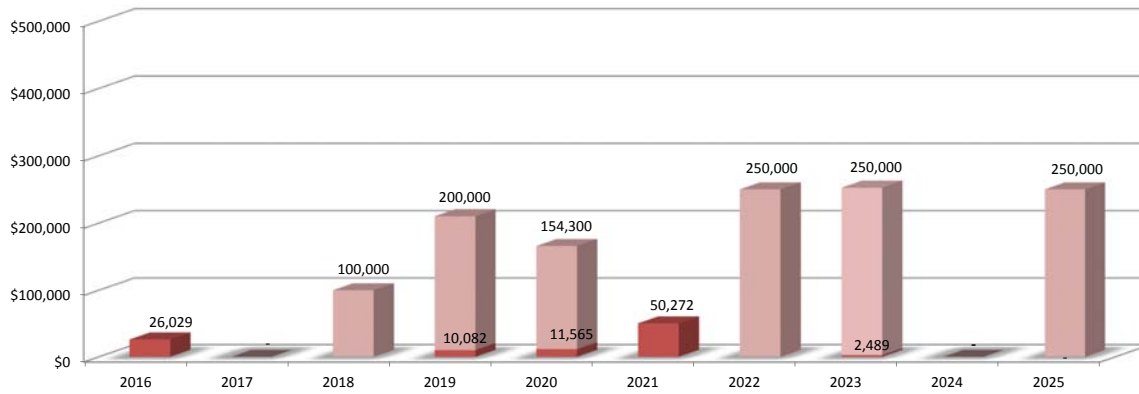
(in thousands, except per share data)

	Three months ended				
	March 31, 2016	December 31, 2015	September 30, 2015	June 30, 2015	March 31, 2015
<b>Net income attributable to common shareholders</b>	\$ 14,248	\$ 35,614	\$ 16,936	\$ 12,222	\$ 6,932
Add (deduct):					
Real estate depreciation and amortization:					
Real property	38,899	36,608	38,328	37,630	37,464
Company's share of unconsolidated real estate ventures	2,391	1,983	1,784	1,780	1,776
Gains from sale of real estate, net	-	(17,567)	-	-	-
Noncontrolling interests in the Operating Partnership	172	485	223	161	91
<b>FFO attributable to common shareholders and OP unitholders</b>	<u>\$ 55,710</u>	<u>\$ 57,123</u>	<u>\$ 57,271</u>	<u>\$ 51,793</u>	<u>\$ 46,263</u>
Add:					
Acquisition related costs (1)	2,478	1,023	1,222	753	510
<b>FFO attributable to common shareholders and OP unitholders, as adjusted</b>	<u>\$ 58,188</u>	<u>\$ 58,146</u>	<u>\$ 58,493</u>	<u>\$ 52,546</u>	<u>\$ 46,773</u>
Earnings per share attributable to common shareholders - basic	\$ 0.08	\$ 0.21	\$ 0.10	\$ 0.07	\$ 0.04
Earnings per share attributable to common shareholders - diluted	\$ 0.08	\$ 0.20	\$ 0.10	\$ 0.07	\$ 0.04
FFO per share and unit - fully diluted	\$ 0.31	\$ 0.32	\$ 0.33	\$ 0.30	\$ 0.27
FFO, as adjusted per share and unit - fully diluted	\$ 0.32	\$ 0.33	\$ 0.34	\$ 0.31	\$ 0.28
Weighted-average basic shares outstanding	175,798	172,984	169,304	166,683	165,502
Weighted-average diluted shares outstanding	177,261	174,679	170,901	168,224	167,165
Weighted-average diluted shares and units outstanding	179,421	176,881	173,138	170,486	169,421
Dividend per common share and unit	\$ 0.21	\$ 0.21	\$ 0.16	\$ 0.16	\$ 0.16
Payout ratio of FFO, as adjusted	65.6%	63.6%	47.1%	51.6%	57.1%

(1) Quarters ended March 31, 2016 and December 31, 2015 include \$0.1 million and \$0.2 million, respectively, of acquisition related costs that are included in the Company's share of equity in losses (earnings) of real estate ventures.

**CUBESMART**  
**DEBT OVERVIEW**  
*(unaudited, dollars in thousands)*  
As of March 31, 2016

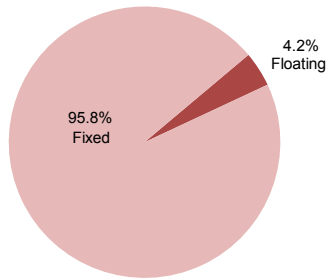
**Debt Maturity Schedule**



**Market Capitalization**

	Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
Unsecured	\$ 1,204,300	3.81%	6.1
Secured	102,420	5.63%	3.7
<b>Total Debt</b>	<b>\$ 1,306,720</b>	<b>3.95%</b>	<b>5.9</b>
Market Equity Value	6,051,632		
<b>Total Market Capitalization</b>	<b>\$ 7,358,352</b>		

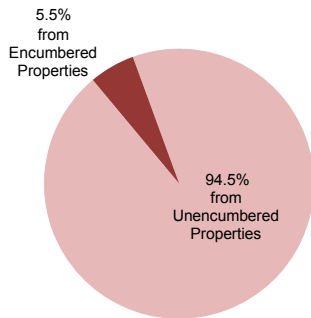
(1) Weighted average interest rate



**Floating and Fixed**

	Amount	Rate <sup>(1)</sup>	Weighted Average Maturity (in years)
Floating Rate Debt	\$ 54,300	1.68%	4.1
Fixed Rate Debt	1,252,420	4.05%	6.0
<b>Total Debt</b>	<b>\$ 1,306,720</b>	<b>3.95%</b>	<b>5.9</b>

(1) Weighted average interest rate



**Portfolio Net Operating Income**

NOI from Unencumbered Properties <sup>(1)</sup>	94.5%
NOI from Encumbered Properties <sup>(1)</sup>	5.5%
<b>Total</b>	<b>100.0%</b>

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



**CUBESMART  
SECURED DEBT ANALYSIS**

*(dollars in thousands)*

As of March 31, 2016

<b><u>FIXED RATE MORTGAGES</u></b>	<u>Balance</u>		<u>Rate</u>	<u>Maturity Date</u>
YSI 60	3,530	FIXED	6.25%	Aug-16
YSI 51	6,953	FIXED	6.36%	Sep-16
YSI 64	7,745	FIXED	6.23%	Oct-16
YSI 62	7,801	FIXED	5.78%	Dec-16
YSI 33	10,082	FIXED	6.42%	Jul-19
YSI 26	8,560	FIXED	5.45%	Nov-20
YSI 57	3,005	FIXED	5.45%	Nov-20
YSI 55	23,265	FIXED	5.30%	Jun-21
YSI 24	27,007	FIXED	5.30%	Jun-21
YSI 65	2,489	FIXED	4.72%	Jun-23
Total Mortgages	<u>\$ 100,437</u>		<u>5.63%</u>	

**FIXED RATE DEBT PREMIUMS**

Fixed Rate Debt Premiums 1,983

Total Secured Debt \$ 102,420 5.63%

**CUBESMART  
UNSECURED DEBT ANALYSIS**

*(dollars in thousands)*

As of March 31, 2016

	<u>3/31/2016 Balance</u>		<u>Rate</u>	<u>Maturity Date</u>	<u>Total Available</u>	<u>Remaining Available</u>
<b><u>LINE OF CREDIT</u></b>						
Unsecured Revolving Credit Facility	\$ 54,300	LIBOR + 1.25%	1.68% (a)	Apr-20	\$ 500,000	\$ 445,700
<b><u>UNSECURED BANK TERM LOANS</u></b>						
Unsecured Term Loan	100,000	FIXED	3.10% (b)	Jun-18		
Unsecured Term Loan	200,000	FIXED	2.64% (c)	Jan-19		
Unsecured Term Loan	100,000	FIXED	3.62% (d)	Jan-20		
Total Unsecured Bank Term Loans	<u>\$ 400,000</u>					
<b><u>UNSECURED PUBLIC DEBT</u></b>						
Unsecured Senior Notes	250,000	FIXED	4.80%	Jul-22		
Unsecured Senior Notes	250,000	FIXED	4.38%	Dec-23		
Unsecured Senior Notes	250,000	FIXED	4.00%	Nov-25		
Total Unsecured Debt	<u>\$1,204,300</u>		<u>3.81%</u>			

(a) Rate on these borrowings calculated based on 30 day LIBOR.

(b) Rate includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 1.80%, maturing in June 2016.

(c) Rate includes the impact of interest rate swaps to fix LIBOR on \$200 million of borrowings at a blended rate of 1.34%, maturing in March 2017.

(d) Rate includes the impact of interest rate swaps to fix LIBOR on \$100 million of borrowings at a blended rate of 2.47%, maturing in June 2018.

**UNSECURED SENIOR NOTES COVENANTS**

	<u>Required</u>	<u>Actual</u>
Fixed Charge Coverage Ratio	≥ 1.5x	6.9x
Leverage Ratio	≤ 60%	40.4%
Secured Debt Limitation	≤ 40%	3.2%
Unencumbered Asset Ratio	≥ 150%	251.5%

**INVESTMENT GRADE RATING**



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

**New Development Facilities**

Location	Expected Opening	As of March 31, 2016	
		CUBE's Investment to-date	CUBE's Anticipated Total Investment
Bronx, NY	Q3 2016	\$ 8,025	\$ 32,000
Washington, D.C.	Q3 2016	18,489	25,400
North Palm Beach, FL	Q4 2016	3,306	9,400
Brooklyn, NY	Q4 2017	8,642	49,800
Bronx, NY	Q2 2018	19,831	90,000
<b>Total</b>		<b>\$ 58,293</b>	<b>\$ 206,600</b>

**Facility Acquisitions at C/O <sup>(1)</sup>**

Location	Expected Opening	Contract Price
Fort Worth, TX	Q2 2016	\$ 10,100
Grapevine, TX	Q2 2016	10,800
Miami, FL	Q1 2017	20,800
Riverwoods, IL	Q1 2017	11,200
Chicago, IL	Q1 2017	11,300
<b>Total</b>		<b>\$ 64,200</b>



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

**CUBESMART  
DEVELOPMENT COMPLETIONS**

(dollars in thousands)

**New Development Facilities**

Location	Date Completed	Total Rentable Square Feet	Total Cost	Ending Occupancy		Revenue for the Three Months Ended		Expenses for the Three Months Ended		NOI for the Three Months Ended	
				March 31,		March 31,		March 31,		March 31,	
				2016	2015	2016	2015	2016	2015	2016	2015
Bronx, NY	Q1 2014	46,477	\$ 17,200	69.7%	53.6%	\$ 286	\$ 208	\$ 157	\$ 157	\$ 130	\$ 51
Arlington, VA <sup>(1)</sup>	Q2 2015	96,382	17,100	54.3%	0.0%	327	-	105	7	202	(7)
Queens, NY <sup>(1)(2)</sup>	Q4 2015	74,163	17,400	13.0%	0.0%	22	-	124	-	(118)	-
Brooklyn, NY <sup>(1)(3)</sup>	Q4 2015	56,563	14,800	10.4%	0.0%	17	-	68	-	(66)	-
Queens, NY <sup>(4)</sup>	Q1 2016	84,498	31,800	11.7%	0.0%	14	-	44	-	(38)	-
<b>Total</b>		<b>358,081</b>	<b>\$ 98,300</b>			<b>\$ 666</b>	<b>\$ 208</b>	<b>\$ 498</b>	<b>\$ 164</b>	<b>\$ 110</b>	<b>\$ 44</b>

**Facility Acquisitions at C/O**

Location	Date Completed	Total Rentable Square Feet	Total Cost	Ending Occupancy		Revenue for the Three Months Ended		Expenses for the Three Months Ended		NOI for the Three Months Ended	
				March, 31		March, 31		March, 31		March, 31	
				2016	2015	2016	2015	2016	2015	2016	2015
Long Island City, NY	Q4 2014	88,925	\$ 38,000	43.3%	14.8%	\$ 307	\$ 55	\$ 148	\$ 123	\$ 159	\$ (67)
Dallas, TX	Q2 2015	114,590	15,800	37.1%	0.0%	145	1	126	35	20	(35)
Brooklyn, NY	Q1 2016	109,796	48,500	16.6%	0.0%	63	-	96	-	(33)	-
<b>Total</b>		<b>313,311</b>	<b>\$ 102,300</b>			<b>\$ 515</b>	<b>\$ 56</b>	<b>\$ 370</b>	<b>\$ 158</b>	<b>\$ 146</b>	<b>\$ (102)</b>

(1) The company owns a 90% interest in this facility.

(2) This facility opened for operation on December 21, 2015.

(3) This facility opened for operation on December 31, 2015.

(4) This facility opened for operation on February 16, 2016.



**CUBESMART**  
**SAME STORE OPERATING PERFORMANCE - BY MSA**  
*(in thousands)*

MSA	# of Facilities	Total Rentable Square Feet	Realized Annual Rent per Occupied Sq. Ft.	Average Occupancy for the Three Months Ended March 31,			Revenue for the Three Months Ended March 31,			Expenses for the Three Months Ended March 31,			NOI for the Three Months Ended March 31,		
				2016	2015	2016	2015	% Change	2016	2015	% Change	2016	2015	% Change	
New York-Northern New Jersey-Long Island, NY-NJ-PA	48	3,342,888	\$ 26.47	91.6%	90.3%	\$ 22,395	\$ 20,789	7.7%	\$ 5,990	\$ 6,341	-5.5%	\$ 16,405	\$ 14,448	13.5%	
Chicago-Naperville-Joliet, IL-IN-WI	34	2,166,653	\$ 13.58	90.8%	90.2%	7,344	7,109	3.3%	3,116	3,082	1.1%	4,228	4,027	5.0%	
Miami-Fort Lauderdale-Pompano Beach, FL	33	2,607,442	\$ 16.35	93.7%	92.6%	10,978	10,107	8.6%	3,053	3,118	-2.1%	7,924	6,989	13.4%	
Dallas-Fort Worth-Arlington, TX	25	1,711,249	\$ 12.98	91.9%	89.6%	5,566	5,200	7.0%	1,798	1,834	-1.9%	3,767	3,366	11.9%	
Washington-Arlington-Alexandria, DC-VA-MD-WV	20	1,610,405	\$ 19.13	90.7%	88.5%	7,591	7,151	6.2%	2,001	1,952	2.5%	5,590	5,199	7.5%	
Atlanta-Sandy Springs-Marietta, GA	16	1,184,636	\$ 11.57	92.7%	91.1%	3,551	3,230	9.9%	958	985	-2.8%	2,593	2,245	15.5%	
Riverside-San Bernardino-Ontario, CA	16	1,143,229	\$ 10.61	93.9%	90.2%	3,251	2,883	12.7%	1,048	980	7.0%	2,203	1,904	15.7%	
Tucson, AZ	15	705,970	\$ 9.90	91.3%	87.6%	1,840	1,707	7.8%	604	623	-3.0%	1,236	1,085	14.0%	
Philadelphia-Camden-Wilmington, PA-NJ-DE-MD	13	913,110	\$ 14.99	90.9%	89.2%	3,408	3,139	8.6%	1,085	1,095	-0.9%	2,323	2,044	13.7%	
Phoenix-Mesa-Scottsdale, AZ	12	842,247	\$ 10.68	92.5%	89.6%	2,349	2,156	8.9%	633	613	3.3%	1,716	1,543	11.2%	
Houston-Sugar Land-Baytown, TX	12	814,207	\$ 12.97	91.1%	91.8%	2,626	2,464	6.6%	895	930	-3.7%	1,731	1,534	12.8%	
Hartford-West Hartford-East Hartford, CT	12	619,289	\$ 11.53	90.3%	89.9%	1,777	1,638	8.5%	655	725	-9.6%	1,122	913	22.9%	
Orlando-Kissimmee, FL	10	694,987	\$ 11.47	93.2%	90.0%	2,086	1,793	16.4%	599	588	1.7%	1,487	1,204	23.5%	
Columbus, OH	10	682,738	\$ 9.81	88.1%	83.4%	1,650	1,502	9.9%	681	710	-4.2%	969	791	22.5%	
Cleveland-Elyria-Mentor, OH	10	610,375	\$ 12.86	89.0%	89.1%	1,938	1,878	3.2%	645	667	-3.3%	1,293	1,212	6.7%	
Sacramento-Arden-Arcade-Roseville, CA	9	502,560	\$ 11.38	94.2%	91.6%	1,522	1,343	13.3%	425	406	4.6%	1,098	937	17.1%	
Jacksonville, FL	7	497,823	\$ 14.06	93.6%	91.5%	1,796	1,618	11.0%	484	479	1.1%	1,312	1,139	15.2%	
Denver-Aurora, CO	7	448,694	\$ 15.08	88.6%	92.7%	1,625	1,540	5.5%	417	436	-4.5%	1,208	1,104	9.4%	
San Diego-Carlsbad-San Marcos, CA	6	503,832	\$ 14.26	94.4%	91.8%	1,877	1,664	12.8%	417	410	1.9%	1,459	1,255	16.3%	
Los Angeles-Long Beach-Santa Ana, CA	6	471,457	\$ 14.12	95.0%	92.4%	1,762	1,571	12.1%	413	454	-9.0%	1,349	1,117	20.7%	
Austin-Round Rock, TX	6	391,021	\$ 13.90	91.9%	91.5%	1,390	1,279	8.7%	477	458	4.2%	913	821	11.2%	
Boston-Cambridge-Quincy, MA-NH	6	384,108	\$ 20.24	89.6%	88.0%	1,899	1,737	9.3%	644	682	-5.7%	1,255	1,055	19.0%	
Nashville-Davidson-Murfreesboro-Franklin, TN	5	471,141	\$ 11.38	89.3%	89.6%	1,328	1,214	9.4%	331	329	0.5%	997	885	12.7%	
Cape Coral-Fort Myers, FL	5	377,275	\$ 13.32	95.1%	89.8%	1,310	1,092	19.9%	325	343	-5.1%	985	750	31.4%	
Bridgeport-Stamford-Norwalk, CT	5	280,700	\$ 21.45	90.0%	89.6%	1,448	1,400	3.4%	435	437	-0.4%	1,013	963	5.2%	
Salt Lake City, UT	4	240,023	\$ 10.55	92.5%	92.0%	668	626	6.8%	203	172	18.1%	466	454	2.5%	
Providence-New Bedford-Fall River, RI-MA	4	237,099	\$ 12.82	92.6%	90.6%	777	683	13.9%	270	266	1.7%	507	417	21.6%	
Naples-Marco Island, FL	4	234,796	\$ 15.03	93.2%	94.2%	900	814	10.6%	217	214	1.4%	682	599	13.9%	
Las Vegas-Paradise, NV	3	172,532	\$ 11.25	92.1%	84.4%	502	451	11.1%	137	137	-0.2%	365	314	16.1%	
Other	44	2,949,718	\$ 12.62	92.3%	92.4%	9,486	8,636	9.8%	2,862	2,671	7.2%	6,625	5,966	11.0%	
<b>Total</b>	<b>407</b>	<b>27,812,204</b>	<b>\$ 15.11</b>	<b>91.9%</b>	<b>90.4%</b>	<b>\$ 106,641</b>	<b>\$ 98,416</b>	<b>8.4%</b>	<b>\$ 31,818</b>	<b>\$ 32,135</b>	<b>-1.0%</b>	<b>\$ 74,823</b>	<b>\$ 66,281</b>	<b>12.9%</b>	



**CUBESMART  
PROPERTIES - BY STATE**

As of March 31, 2016

State	SAME-STORE				
	Number of Facilities	Number of Units	Total Rentable Square Feet	% of Total Rentable Square Feet	Ending Occupancy March 31, 2016
Florida	72	51,882	5,357,094	19.1%	93.9%
Texas	48	26,569	3,221,941	11.6%	92.0%
New York	33	37,586	2,288,111	8.2%	91.6%
California	40	25,596	2,830,691	10.2%	94.6%
Illinois	33	18,831	2,099,049	7.5%	91.1%
Arizona	27	14,513	1,548,217	5.6%	92.5%
New Jersey	23	15,158	1,553,203	5.6%	93.1%
Georgia	16	9,863	1,184,636	4.3%	93.1%
Ohio	20	11,068	1,293,113	4.6%	89.0%
Maryland	13	10,248	1,074,475	3.9%	93.1%
Connecticut	21	9,726	1,101,283	4.0%	90.7%
Virginia	9	6,716	691,640	2.5%	91.2%
Pennsylvania	8	5,792	591,659	2.1%	90.2%
Tennessee	5	3,320	471,141	1.7%	89.8%
Massachusetts	7	4,816	438,131	1.6%	90.1%
North Carolina	6	3,905	463,360	1.7%	92.7%
Colorado	9	4,766	559,069	2.0%	89.1%
Utah	4	2,250	240,023	0.9%	92.4%
Rhode Island	4	1,980	237,099	0.9%	92.5%
Washington DC	2	1,797	145,872	0.5%	86.8%
New Mexico	3	1,629	182,261	0.7%	93.3%
Nevada	3	1,424	172,532	0.6%	93.2%
Indiana	1	574	67,604	0.2%	94.4%
<b>Total/Weighted Average</b>	<b>407</b>	<b>270,009</b>	<b>27,812,204</b>	<b>100.0%</b>	<b>92.3%</b>

State	TOTAL PORTFOLIO				
	Number of Facilities	Number of Units	Total Rentable Square Feet	% of Total Rentable Square Feet	Ending Occupancy March 31, 2016
Florida	77	55,580	5,755,964	18.5%	93.9%
Texas	58	32,977	4,014,370	12.8%	88.3%
New York	42	50,107	2,969,355	9.5%	80.2%
California	40	25,596	2,830,691	9.0%	94.6%
Illinois	37	21,257	2,326,669	7.4%	91.0%
Arizona	31	17,402	1,894,323	6.0%	89.8%
New Jersey	25	16,476	1,674,605	5.3%	93.0%
Georgia	18	10,942	1,324,666	4.2%	92.9%
Ohio	20	11,068	1,293,113	4.1%	89.0%
Maryland	15	11,985	1,228,600	3.9%	93.1%
Connecticut	22	10,666	1,179,438	3.8%	90.0%
Virginia	10	7,867	788,022	2.5%	86.7%
Pennsylvania	9	6,023	610,507	1.9%	90.3%
Tennessee	7	4,280	602,512	1.9%	90.8%
Massachusetts	10	6,540	601,060	1.9%	84.9%
North Carolina	8	4,846	573,877	1.8%	92.9%
Colorado	9	4,766	559,069	1.8%	89.1%
Utah	4	2,250	240,023	0.8%	92.4%
Rhode Island	4	1,980	237,099	0.8%	92.5%
Washington DC	3	2,854	224,127	0.7%	77.7%
New Mexico	3	1,629	182,261	0.6%	93.3%
Nevada	3	1,424	172,532	0.6%	93.2%
Indiana	1	574	67,604	0.2%	94.4%
<b>Total/Weighted Average</b>	<b>456</b>	<b>309,089</b>	<b>31,350,487</b>	<b>100.0%</b>	<b>90.3%</b>