NEWS RELEASE

CubeSmart Closes $326 Million Portfolio Acquisition; Issues $250 Million 4.375% Bonds Due 2023

12/12/2013

WAYNE, PA -- (Marketwired) -- 12/12/13 -- CubeSmart (NYSE: CUBE) today announced that it has completed the acquisition of the previously announced $326.2 million self-storage portfolio in Houston and Austin, TX and Charlotte, NC.

The acquired portfolio of 36 facilities contains an aggregate of 2.1 million rentable square feet and was previously operated by Private Mini Storage. Of the 36 facilities, 28 are located in Houston, Texas; seven are located in Austin, Texas; and one is located in Charlotte, North Carolina.

The Company completed the acquisition of 35 of the facilities through a newly formed joint venture with an affiliate of Heitman LLC ("Heitman") for an aggregate purchase price of $315.7 million. The Company and Heitman each contributed capital equal to their 50% ownership in the venture. The venture intends to pursue debt financing subsequent to closing and targeting overall leverage levels at 30%-45% of cost. The venture is considering both secured and unsecured debt. The remaining facility, located in Houston, Texas, was purchased by the Company for a purchase price of $10.5 million.

On December 10, 2013, the Company issued $250 million of 4.375% Senior Notes due December 15, 2023. The offering is expected to close on December 17, 2013. The proceeds from the offering will be used to repay the $100 million unsecured term loan maturing in 2014. The balance of the net proceeds will be used to repay outstanding indebtedness incurred under the Company's revolving credit facility in connection with the previously described portfolio acquisition.

"We are continually focused on developing and enhancing our many relationships across the self storage industry and we are proud of our reputation of being both a high-quality buyer and partner. There is no better validation of that reputation than this portfolio acquisition and joint venture," said Christopher Marr, President, Chief Operating Officer, and Chief Investment Officer. "We have acquired assets in the past from Private Mini and have previously been partners with Heitman. Our successful history with each of these companies allowed us to move quickly and confidently to closing. We are pleased to be adding these very high-quality assets to our portfolio."

Fourth Quarter 2013 Other Investment and Capital Raising Activity

From September 30, 2013 through the date of this release, the Company has invested $40.2 million in property acquisitions in addition to the portfolio acquisition discussed above and assumed approximately $8.5 million of indebtedness. These acquisitions include two assets in the Washington D.C. metro area, one asset in Houston, Texas and one asset in Dallas, Texas.

The Company currently has five assets under contract with an expected investment of approximately $50 million. These acquisiitons are subject to normal due diligence with closings expected over the next 60 days.

Fourth quarter dispositions through the date of this release include the previously disclosed sale of 22 facilities located in California, Ohio, Tennessee, Texas, and Wisconsin for proceeds of approximately $90.0 million.

Since September 30, 2013, the Company sold 2.6 million common shares under our "at the market" program, with an average sales price of $18.70 per share, resulting in gross proceeds of $48.6 million.

"We continue to enhance the quality and depth of our property portfolio and are keenly focused on raising attractive long-term equity and debt capital that supports our balance sheet objectives. Our second 10-year, unsecured bond offering was well received and allows us to fund our recent net acquisition activity and to address all of our debt maturities through the end of next year," commented Tim Martin, Chief Financial Officer. "Our business plan execution and conservative balance sheet were reflected in the very attractive yield on our new bond issuance as well as the positive actions taken by our ratings agencies."

About CubeSmart

CubeSmart is a self-administered and self-managed real estate investment trust. The Company's self-storage facilities are designed to offer affordable, easily accessible and secure storage space for residential and commercial customers. According to the 2012 Self-Storage Almanac, CubeSmart is one of the top four owners and operators of self-storage facilities in the United States.

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.

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