



September 2024

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# *Investor*

## Presentation

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**CUBE SMART<sup>®</sup>**  
self storage

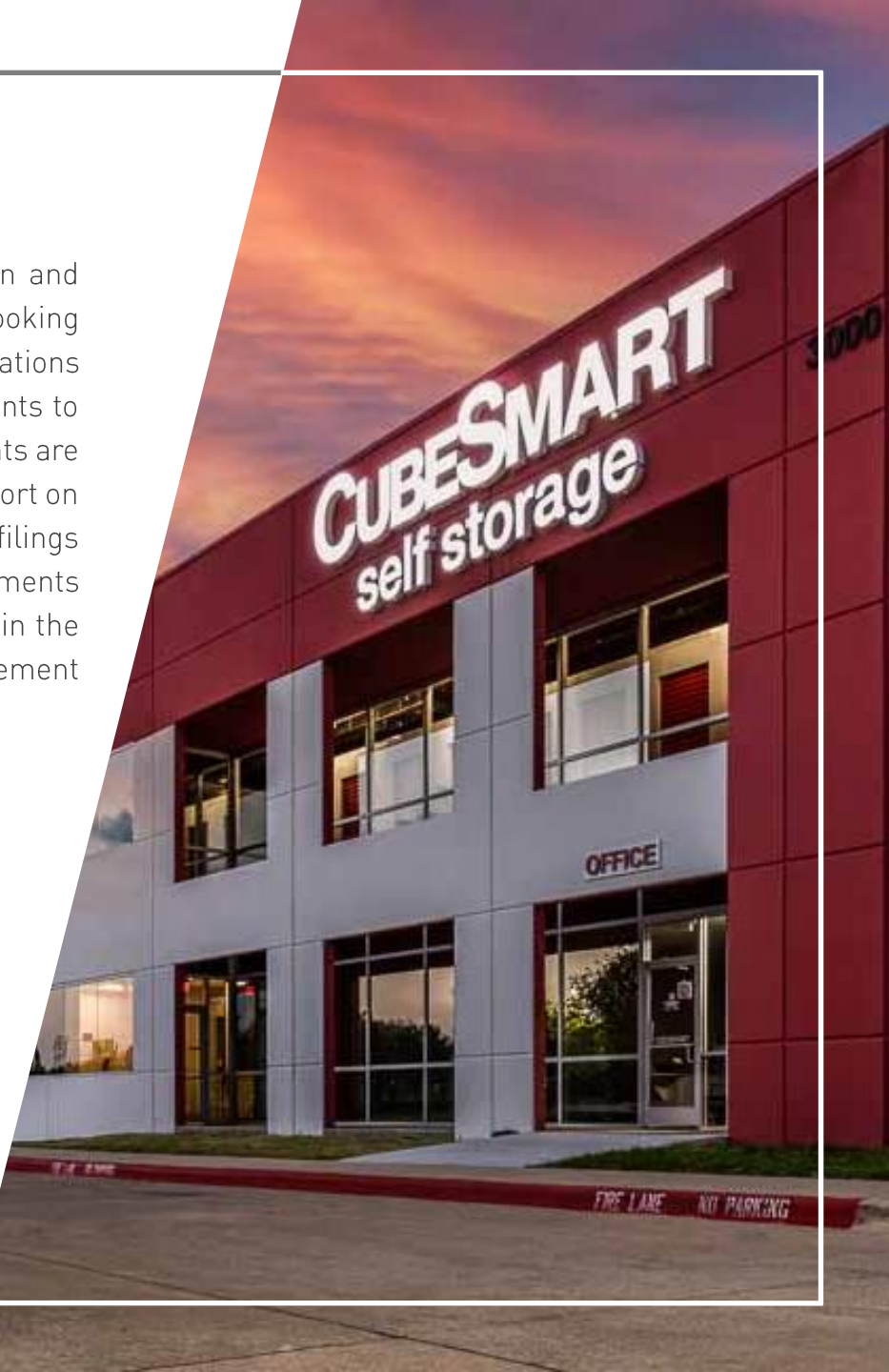


# Safe Harbor Statement

The forward-looking statements contained in this presentation are subject to various risks and known and unknown uncertainties. Although the Company believes the expectations reflected in such forward-looking statements are based on reasonable assumptions, there can be no assurance that the Company's expectations will be achieved. Factors which could cause the Company's actual results, performance, or achievements to differ significantly from the results, performance, or achievements expressed or implied by such statements are set forth under the captions "Item 1A. Risk Factors" and "Forward-Looking Statements" in our annual report on Form 10-K and in our quarterly reports on Form 10-Q and described from time to time in the Company's filings with the SEC. Forward-looking statements are not guarantees of performance. For forward-looking statements herein, the Company claims the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events.

## Use of Non-GAAP Financial Measures

This presentation contains certain non-GAAP financial measures, including Net Operating Income (NOI), Funds From Operations (FFO), and Funds From Operations, as adjusted (FFO, as adjusted). The definitions of these terms, the reasons for their use, and reconciliations to the most directly comparable GAAP measures are included in our Earnings Release as well as the Non-GAAP Financial Measures section under the caption "Management's Discussion and Analysis of Financial Condition and Results of Operations" (or similar captions) in our annual report on Form 10-K and quarterly reports on Form 10-Q, and described from time to time in the Company's filings with the SEC.



# Introduction to CubeSmart

A high-quality portfolio in an attractive industry with proven returns

**1,494**  
Properties<sup>1</sup>

**52%**  
5-year total  
shareholder return<sup>2</sup>



**63%**  
5-year Growth in  
FFO, as adjusted per  
share<sup>2</sup>



**\$13.1 Billion**  
Enterprise Value<sup>3</sup>

**Baa2/BBB**  
Rating

**62%**  
5-year Dividend  
Growth<sup>4</sup>

**\$2.9 Billion**  
5-year acquisition  
volume<sup>2</sup>



1. As of June 30, 2024

2. Period ended December 31, 2023

3. Market value of common equity and book value of debt as of June 30, 2024

4. Annual dividends declared for period ended December 31, 2023



# Why CubeSmart?

A company built to perform throughout all phases of the cycle

## Attractive Industry

Well-diversified demand characteristics create strong industry fundamentals

## Cash Flow Stability

Industry-leading portfolio demographics and a conservative balance sheet produce stable cash flows throughout the entire cycle

## Focus on Quality

Continuing to grow the platform through high-quality investments and further operational evolution to generate long-term value

## Experience

A well-seasoned management team with experience operating throughout various macroeconomic environments



# CubeSmart's History

A history of executing on strategic objectives

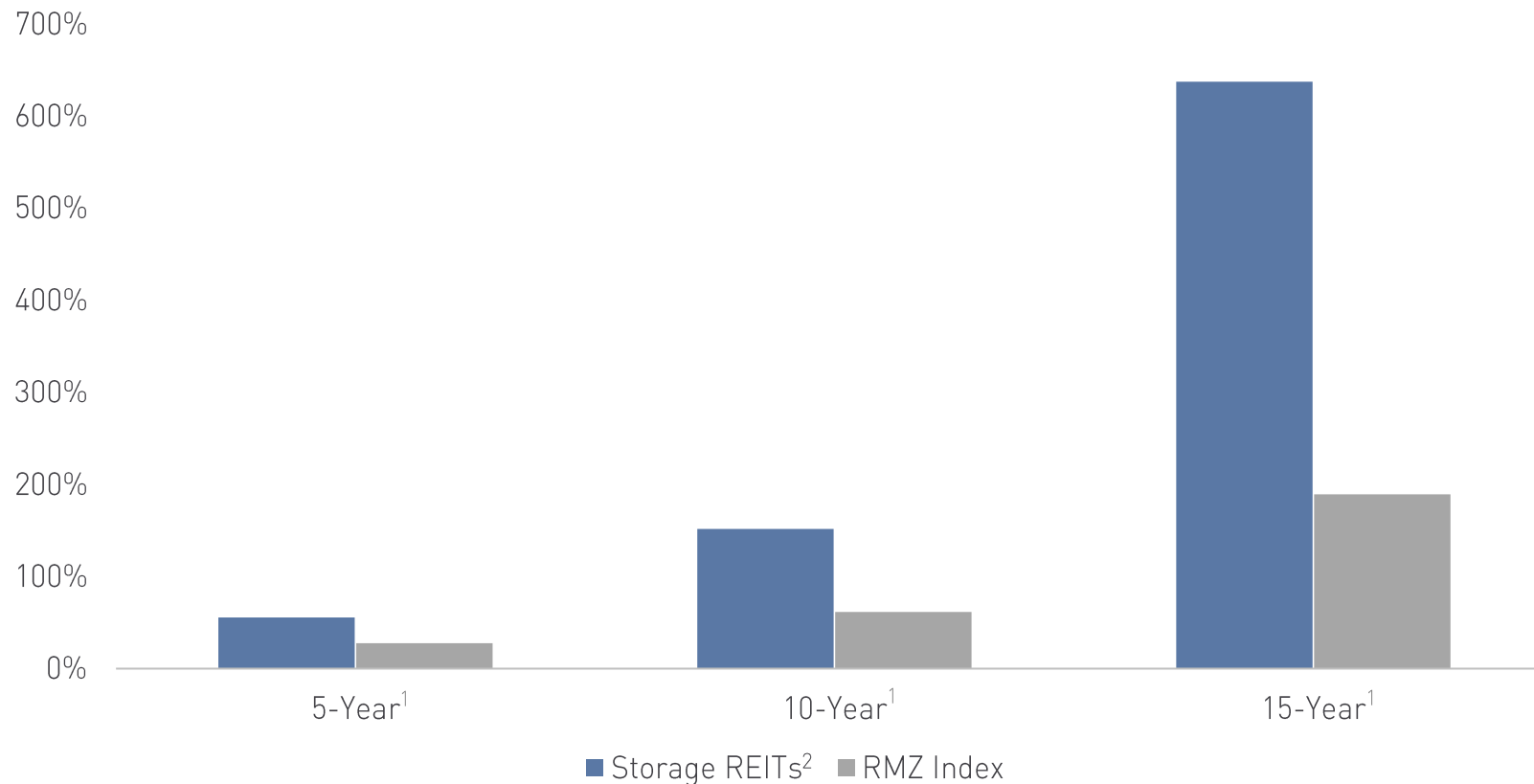
<b>2004</b>	U-Store-It initial public offering	<b>2012</b>	Issued debut investment grade unsecured senior notes
<b>2006</b>	Arrival of current management team	<b>2012</b>	Won 1 <sup>st</sup> ISS industry award for Best Customer Service
<b>2010</b>	Acquired United Stor-All to establish the third-party management platform	<b>2018</b>	Opened 1,000 <sup>th</sup> CubeSmart location
<b>2011</b>	Rebranded the company as CubeSmart	<b>2020</b>	Launched fully online rental platform, SmartRental
<b>2011</b>	Acquired 22-property Storage Deluxe portfolio located primarily in NYC for \$560 million	<b>2021</b>	Acquired 59-property Storage West portfolio for \$1.7 billion



# Attractive Industry

Strong sector fundamentals generate outsized long-term returns

Self-Storage REIT Average Return vs RMZ



## Dynamic Demand

Wide range of needs drives demand for the product throughout all economic cycles

## High Margins

Low expense load & cap-ex requirements drive more cash flow to the bottom line

## Short-Term Leases

Month-to-month leases allow for rapid repricing in response to changing economic conditions

## Increasing Utilization

Newly identified sources of demand have created increases in utilization and product awareness

1. Period ended December 31, 2023

2. Source: S&P Global Capital IQ, storage REITs straight average total return for CUBE, PSA and EXR



# Cash Flow Stability

National scale with a focused concentration in key markets



## National Scale

CubeSmart operates in 185 markets across 40 states and the District of Columbia<sup>1</sup>, providing diversification throughout the country



## Key Market Depth

A portfolio focused on coverage across all attractive submarkets within our core MSAs

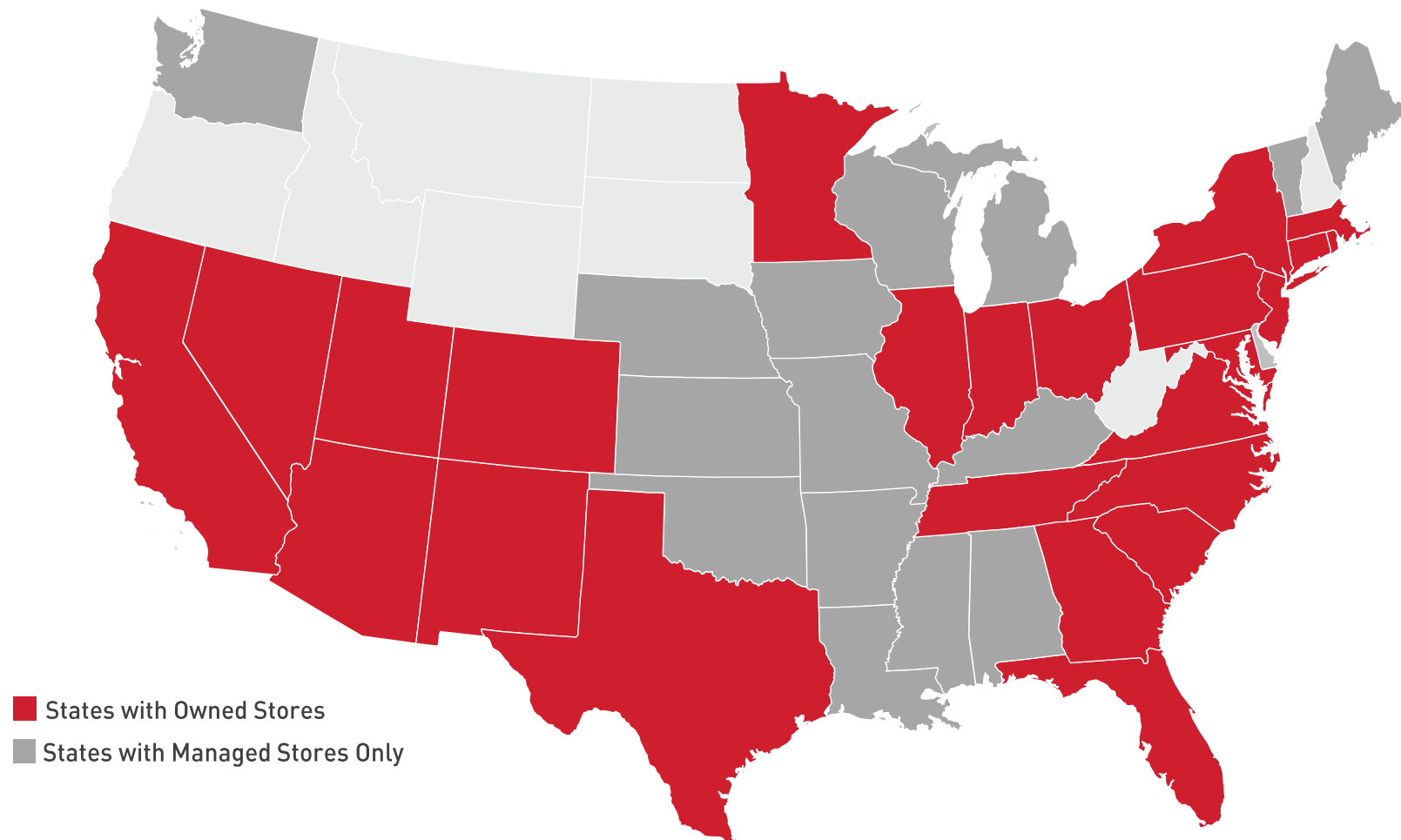


## Customer Diversification

With ~809k customers<sup>1</sup> across the portfolio, our customer base is representative of each store's local community while no single tenant or cohort represents a material segment of the rent roll

# Diversified Portfolio in Quality Markets

National platform with a focus in core markets to drive long-term value



## Focus on Top Markets

90% of owned store NOI comes from top-40 MSAs<sup>1</sup>

## Portfolio Exposure

Exposure to secondary and tertiary markets through our third-party management program and joint ventures further diversifies the portfolio and leverages our operating platform

1. For the three months ended June 30, 2024



# Industry-Leading Demographics Generate Long-Term Value

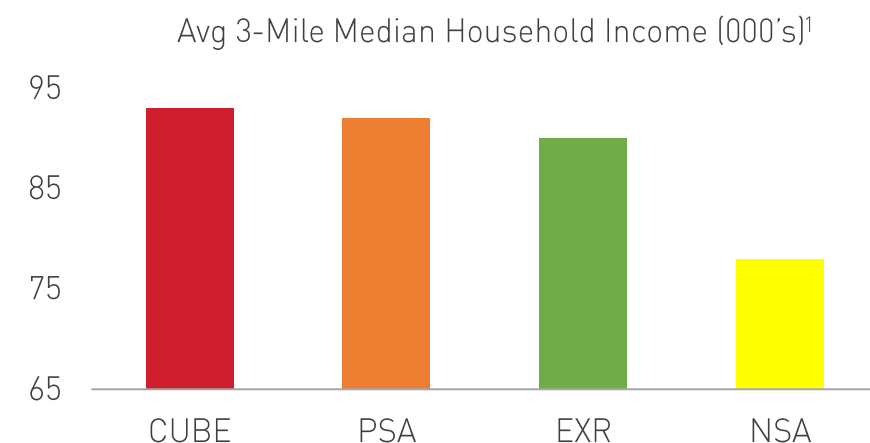
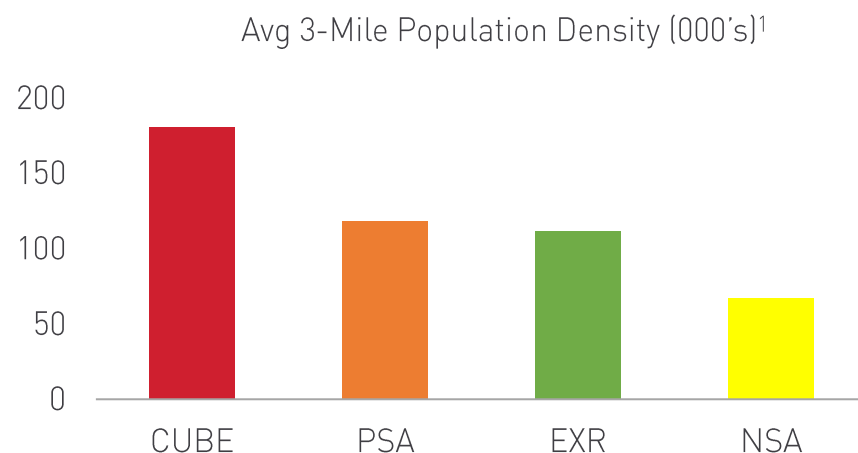
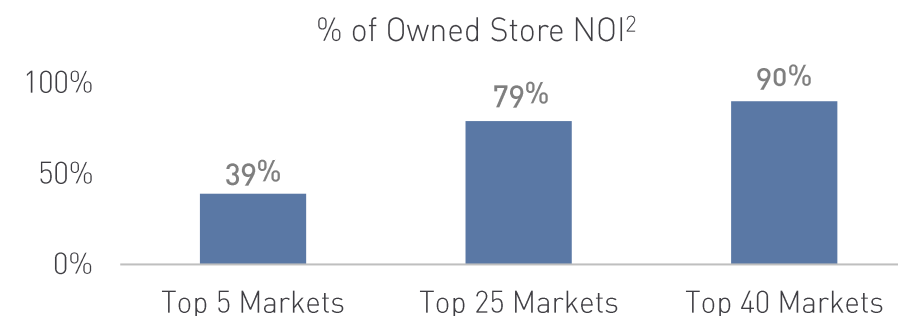
Quality market focus creates a strong demand backdrop and cash flow stability

## Strong Demographics

A strategic focus on submarkets with attractive demographics for stable, long-term demand trends

## Mature Markets

Larger, stable markets should experience less volatility than secondary and tertiary markets while strong demographics support demand trends throughout the economic cycle



1. Source: Evercore ISI Research Report dated March 20, 2024

2. Total owned portfolio NOI for the six months ended June 30, 2024, market ranking by population per US Census Bureau

# Market Leader in New York City

NYC competitive advantage is a key component of our long-term strategy

## Best-In Class Portfolio

Our NYC stores make up the largest portfolio of purpose-built, Class-A properties in the outer boroughs that create vibrant billboards for our brand

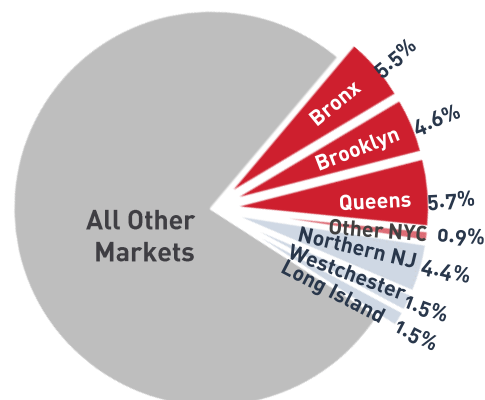
## Unique Submarkets

Each borough features a robust local economy with its own unique, stable demand drivers

## Lowest Supplied Market

Supply across the three key outer boroughs is 2.6 SF per capita<sup>1</sup>, the lowest nationally and less than half the national average of 6.3 SF per capita<sup>2</sup>. Supply pipeline is waning due to recent legislative changes removing self-storage eligibility for the ICAP tax incentive program

## Portfolio Composition<sup>3</sup>



1. Source: CubeSmart internal market research

2. Source: 2024 Self-Storage Almanac

3. Total portfolio NOI for the three months ended June 30, 2024



# Value Creation Strategy

Focus on quality drives long-term shareholder value

## *Quality Platform*

Sophisticated, fully integrated platform focused on providing flexible and efficient service delivery to maximize property cash flows over the long term

## *Quality Portfolio*

Disciplined investment strategy to grow our nationwide portfolio of best-in-class assets in core markets with strong demographics and demand profiles

## *Quality Balance Sheet*

Investment-grade balance sheet provides flexibility to access a full array of capital sources to finance growth opportunities

## *Quality Company*

Continued focus on corporate responsibility and risk management to ensure sustainable long-term growth



# Operating Platform

Foundation of proprietary solutions creates flexibility for the future

## Technological Platform

Invest in foundational systems to provide scalability

## Customer Capture

Attract the greatest share of demand across all channels through sophisticated strategies

## Dynamic Pricing

Maximize revenue through real-time pricing decisions that leverage historical customer data

## Service-Oriented Model

Provide award-winning customer service to meet the many needs of our customers

## Ongoing Optimization

Continually test new strategies to capture further efficiencies





# Optimizing the Platform

Efficient interactions across the customer journey

## The Customer Journey

### Research



#### Paid Search

Bid on ~2+ million keywords



#### Brand Marketing

Further build brand awareness, making CUBE an operator of choice



#### Social Media

Innovative tactics to reach prospective customers

### Reservation



#### Website

Interact with 32 million visitors annually<sup>1</sup>



#### Sales Center

Receive 922k calls annually<sup>1</sup>



#### RateSmart

Leverage demand trends to generate optimal pricing

### Rental



#### SmartRental

~30% of customers rent through SmartRental



#### In-Store Teammates

Reduce friction throughout the rental process



#### HIVE Point of Sale

Flexible platform to build further enhancements

### Existing Customer



#### CubeSmart Mobile App

Enhanced customer interaction



#### Lazarus Data Warehouse

Utilize customer data to further optimize operations



#### Rate Increases

Maximize revenue through individually optimized customer rate increases

# Redefining the Customer Experience

Meeting the changing needs of our customers

## Leveraging Digital Platforms

Replicate the in-person experience across all customer touch points

## Omni-Channel Experience

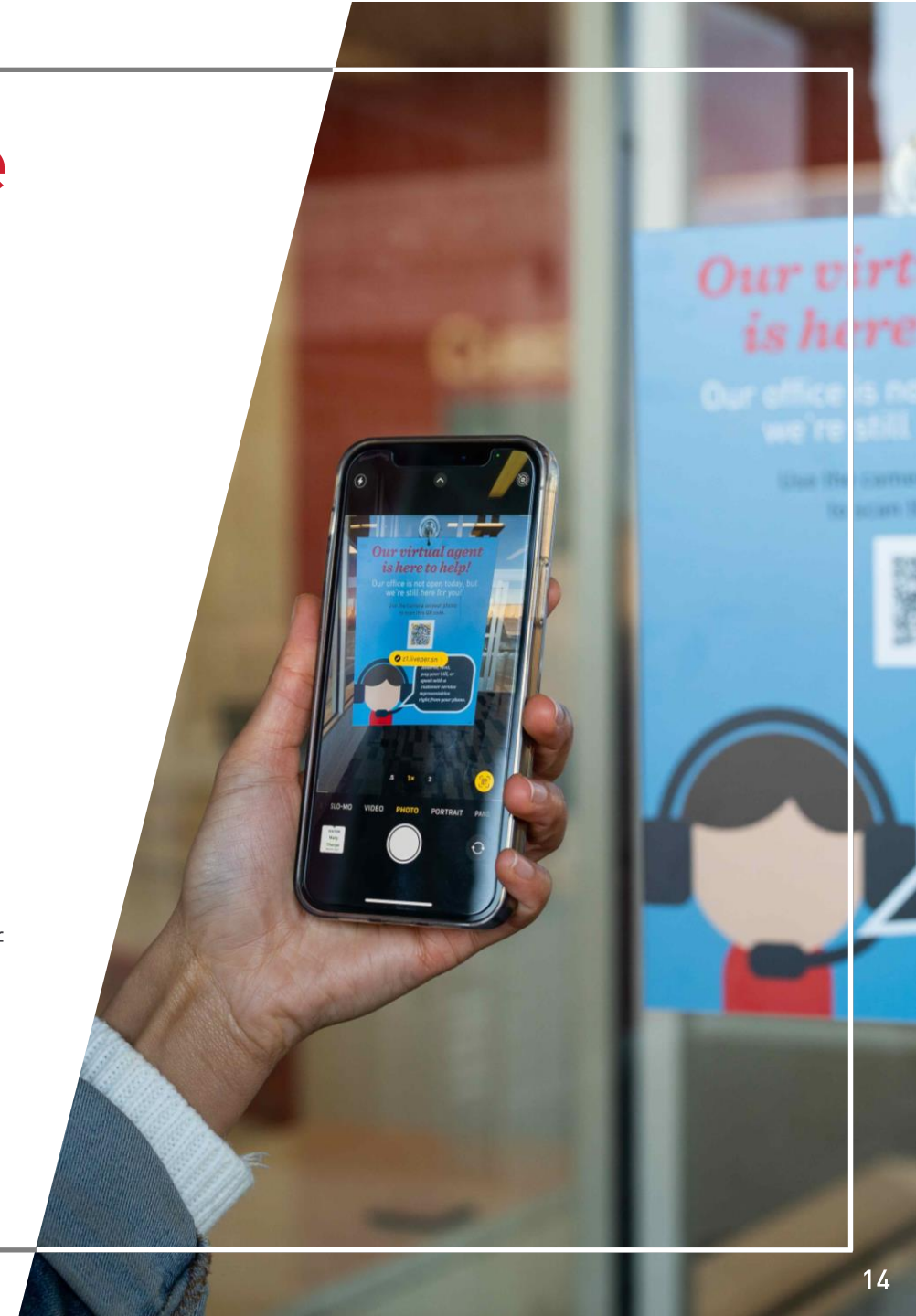
A fully-integrated experience where customers can seamlessly transition between various channels & platforms

## Customer Preference

Provide optionality to meet the customer in the way they wish to interact

## Award-Winning Customer Service

Continue to provide industry-leading service both in-store and across all of our digital platforms





# External Growth Strategy

Enhancing our portfolio through strategic external growth opportunities



## High-Quality Acquisitions

Target acquisitions of well positioned, quality assets in markets with strong demographics and demand trends



## Development & Lease-Up

Build and acquire purpose-built properties in top markets to generate elevated growth over the long term



## Value-Add Joint Ventures

Generate outsized returns, reduce risk and enhance further diversification through acquisitions with partners

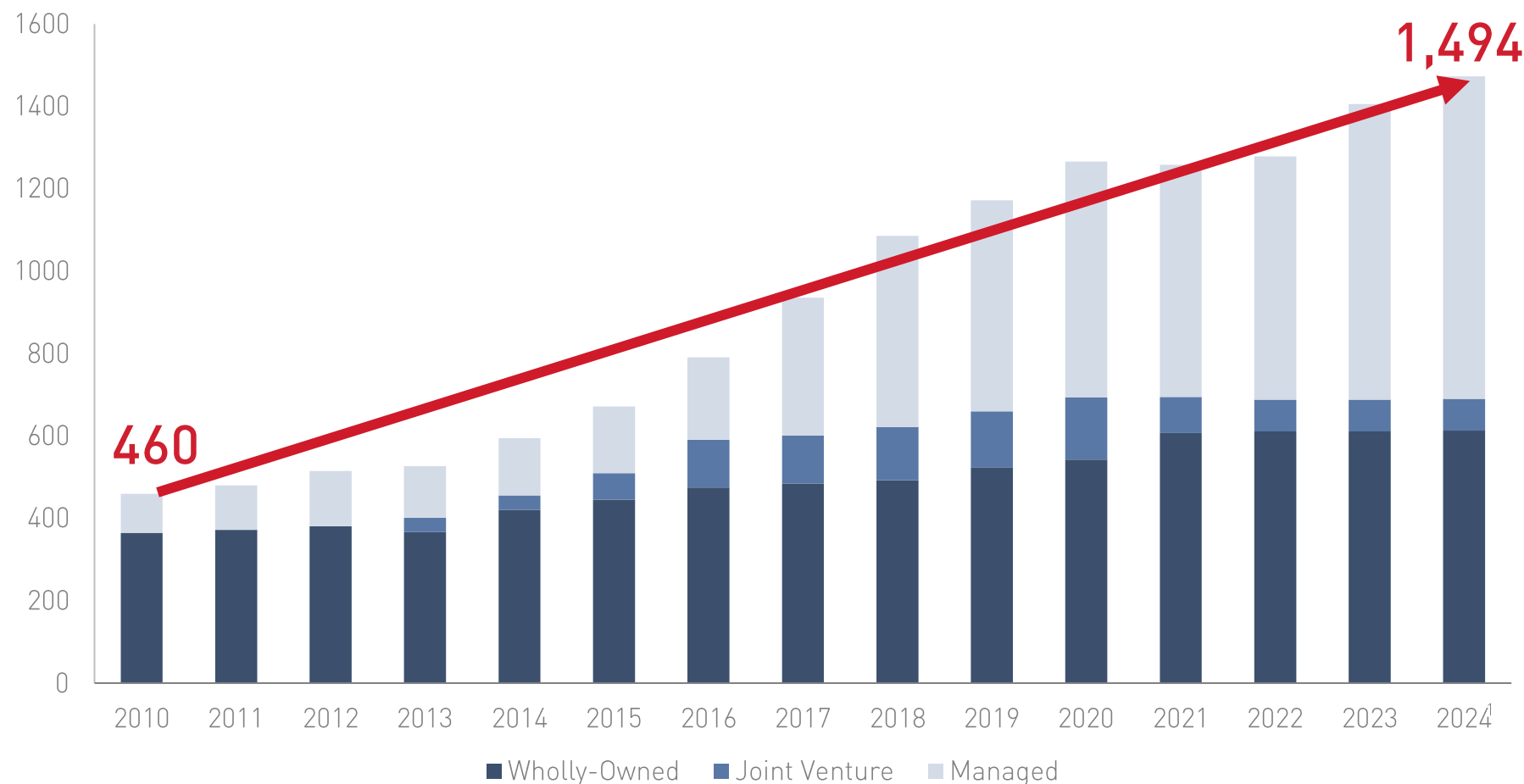


## Third-Party Management

Mutually beneficial value creation by generating additional scale and value from our platform

# Robust Portfolio Growth

Strategically increase the scale of the platform



## Multi-Faceted Growth Strategy

Continue to utilize wide variety of avenues to grow the portfolio

## Brand Awareness

Since 2010, increased stores on the platform by 225%

## Customer Data Points

The consistent growth in CubeSmart stores has substantially increased our customer base by ~618k since 2010



# Acquisitions

Disciplined investment strategy to prudently build our portfolio

## Strong Demographics

Focus on submarkets with attractive demographics for strong long-term demand characteristics

## Complement Existing Portfolio

Continue to identify opportunities to improve coverage across core markets

## Platform Value-Add

Placing new properties on the CubeSmart platform generates multi-year yield expansion

## Strategic Lease-up Opportunities

Acquire properties in lease-up to generate elevated returns



**\$3.1B**

of wholly-owned  
acquisitions since 2018

**\$1.6B**

of acquisitions from third-  
party management<sup>1</sup>

**83%**

of acquisitions in top 25  
MSAs<sup>1</sup>

1. Since 2010

# Development

Strategic partnerships drive additional long-term value to our shareholders

## Partner with Local Developers

Partner with developers that have local market expertise and can source high-quality sites

## Focus on Top Markets

Target projects in high-quality markets that generate attractive long-term risk-adjusted returns

## Operational Expertise

Leverage CubeSmart's operating platform to optimally design and efficiently lease-up new stores

## Portfolio Refresh

Enhance the quality of our existing portfolio through purpose-built, flagship properties that showcase our brand



**\$746M**

of new projects  
delivered<sup>1</sup>

**\$37M**

of new projects in the  
pipeline<sup>2</sup>

**100%**

of new development in  
top 10 markets

1. Development deliveries as of June 30, 2024 (does not include C/O acquisitions)  
2. As of June 30, 2024

# Joint Venture Advantages

Strategic investment with joint venture partners adds value to our portfolio

## Strong Returns

Fee revenue and promoted interests increase our return profile for transactions

## Diversification

Further diversifying cash flow and exposure to markets outside of core acquisition strategy

## Opportunistic Unstabilized Acquisitions

Spread investment capital across additional transactions through a minority interest while mitigating dilution through fees

## Acquisition Opportunities

Opportunity to purchase assets that are a strategic fit at the end of the hold period



**\$900M**

of properties acquired  
in joint ventures<sup>1</sup>

**75**

total properties<sup>1</sup>

**4**

different ventures<sup>1</sup>

1. As of June 30, 2024. Excludes two unconsolidated joint ventures acquired as a part of the Storage West transaction



# Third-Party Management

Mutually beneficial relationships drive additional long-term value to our shareholders

## Profitability

Create additional revenue streams for our shareholders through management and other fees

## Scale

Continue expanding our national footprint and brand as we onboard additional stores, increasing operating efficiencies

## Acquisition Pipeline

Opportunity for relationship-driven transactions while utilizing our knowledge of the assets to reduce underwriting risk

## Relationships

Build a group of partners to share insights and industry trends



**879**  
properties<sup>1</sup>

**\$37M**  
management fee  
income<sup>2</sup>

**240+**  
partnerships<sup>1</sup>

1. As of June 30, 2024  
2. For the year ended December 31, 2023

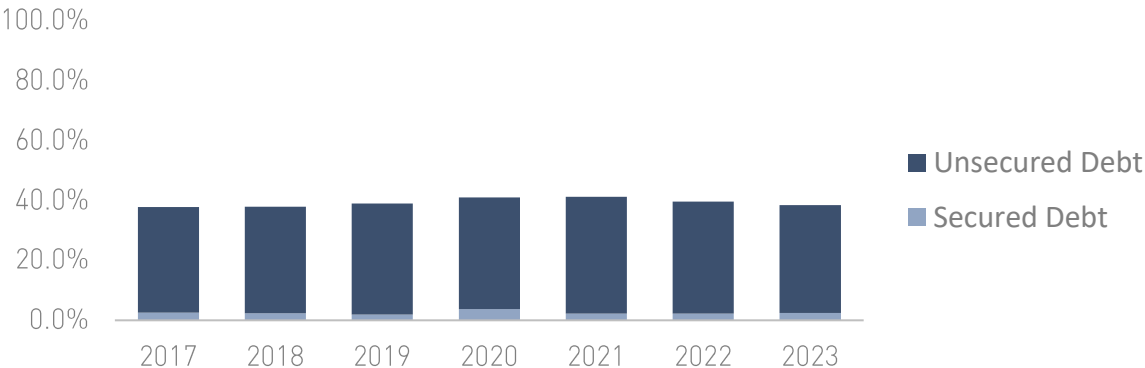
# Financial Strength

Ensuring stability while funding growth

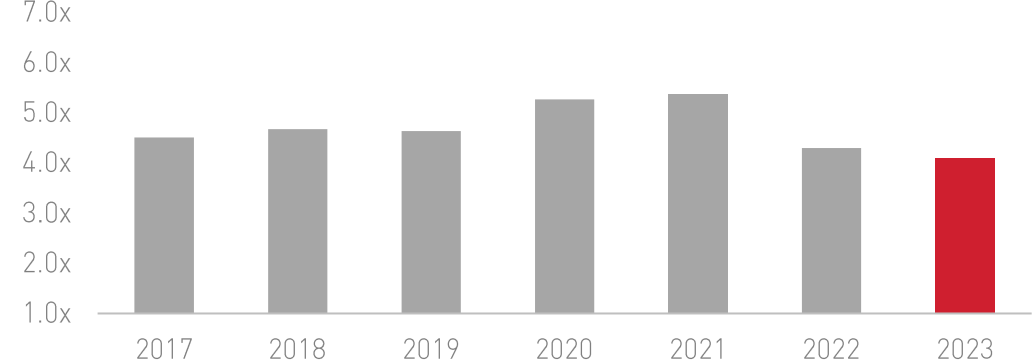
Continue to operate with credit metrics at the conservative end of our investment grade rating, ensuring access to a variety of attractively-priced capital

MOODY'S **Baa2**  
[Stable]      STANDARD & POOR'S **BBB**  
[Stable]

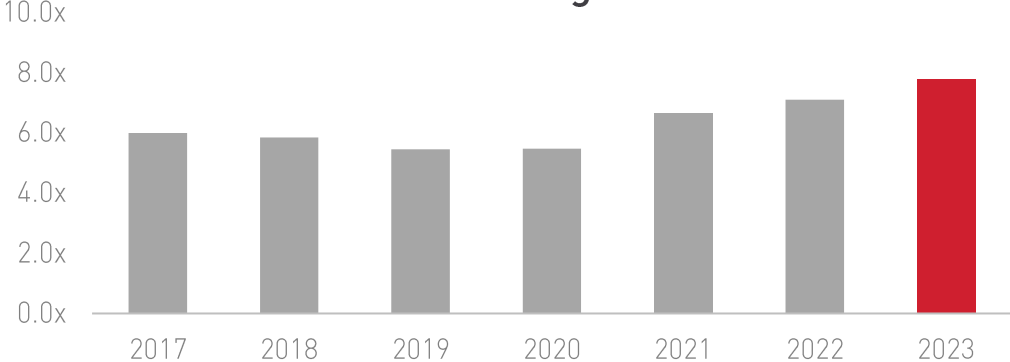
Debt to Gross Assets<sup>1</sup>: **38.2%**



Net Debt to EBITDA<sup>1</sup>: **4.1x**



EBITDA Coverage<sup>1,2</sup>: **7.8x**



1. Source: Company Filings, as of December 31 of each stated year  
2. Calculated as annual EBITDA / Interest Expense

# Liquidity and Access to Capital

Access to the full range of capital sources to fund commitments

## Capital Needs & Liquidity

Ample liquidity to manage near-term capital needs

### Capital Needs: \$329.4M through 2025<sup>1</sup>

- \$29.4M of remaining development commitments
- \$300M of debt maturities

### Existing Sources of Capital

- \$838.8M of remaining capacity on revolving credit facility<sup>1</sup>
- Retained free cash flow

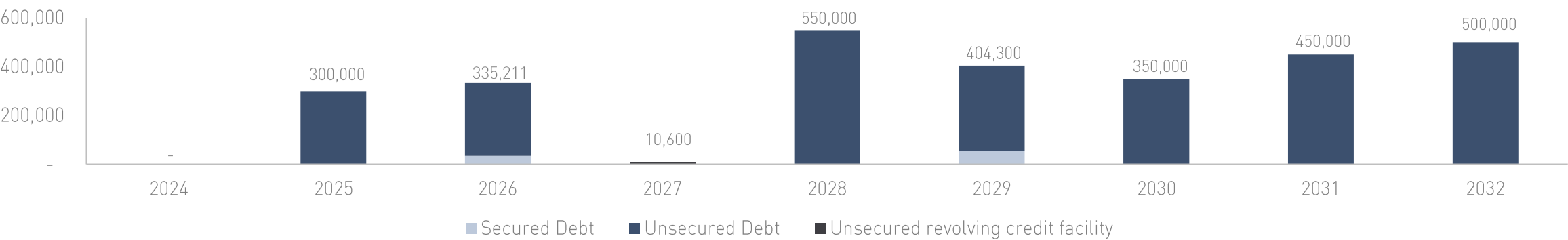
## Access to Capital

Proven ability to access a variety of sources of capital

### Raised \$6.4 billion since 2010

- **Common Equity:** Raised \$2.5 billion of net proceeds
- **Unsecured Senior Notes:** Raised \$3.4 billion through ten unsecured senior note issuances
- **Credit Facility:** \$850 million revolving line of credit
- **Bank Debt:** Raised \$500 million in term loans (since repaid)
- **Preferred Equity:** Raised \$77.5 million in preferred equity (since redeemed)

Debt Maturity Schedule<sup>1</sup>  
(000's)



1. As of June 30, 2024



# Experienced Management

Lengthy track record of experience through all phases of the cycle

## Senior Management<sup>1</sup>

***14 years***  
with CubeSmart

***19 years***  
in self storage

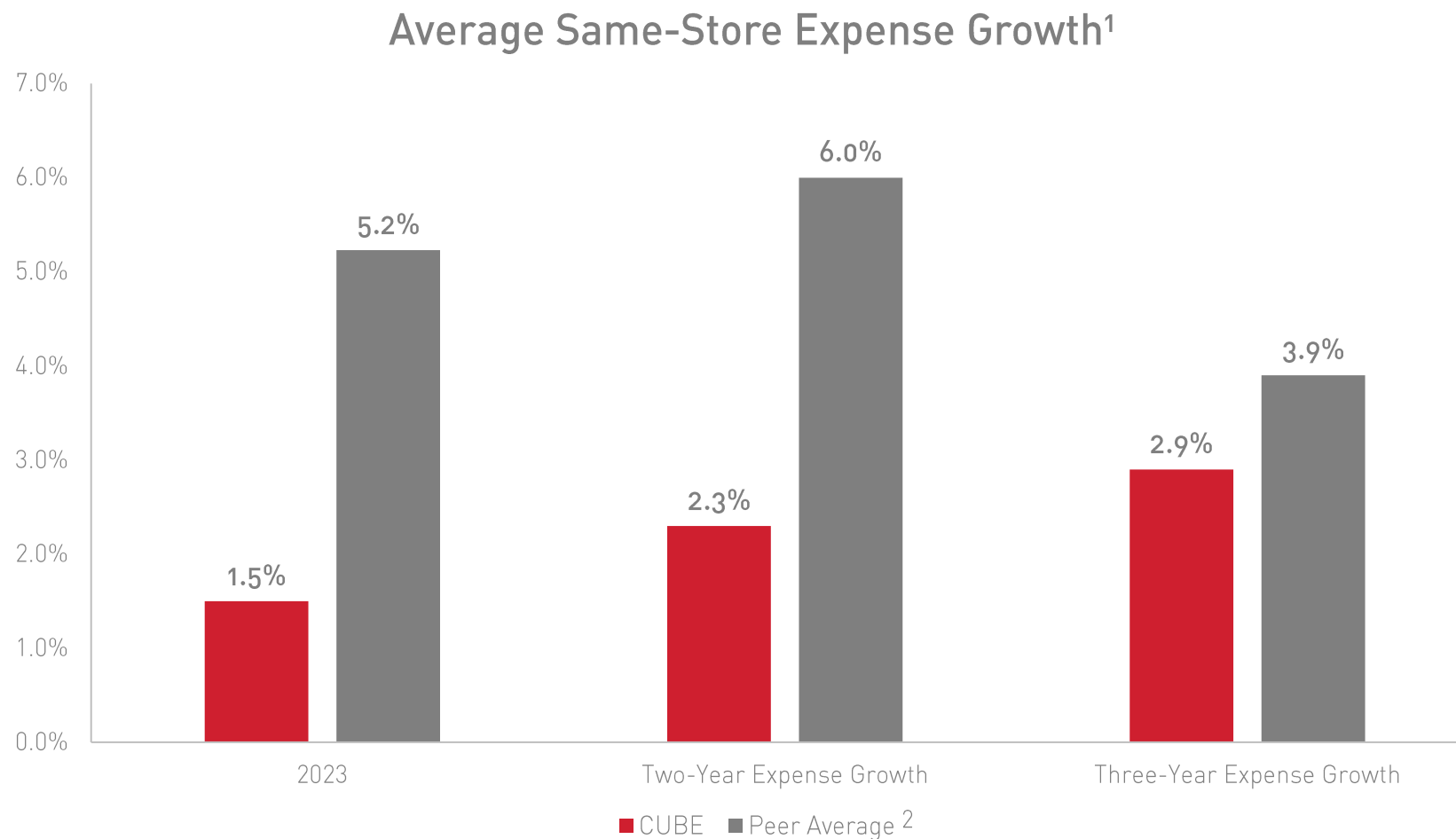
***18 years***  
at publicly-traded REITs

1. Represents averages for CubeSmart Senior Management



# Efficient Expense Management

Sector-leading expense control against a high inflationary backdrop

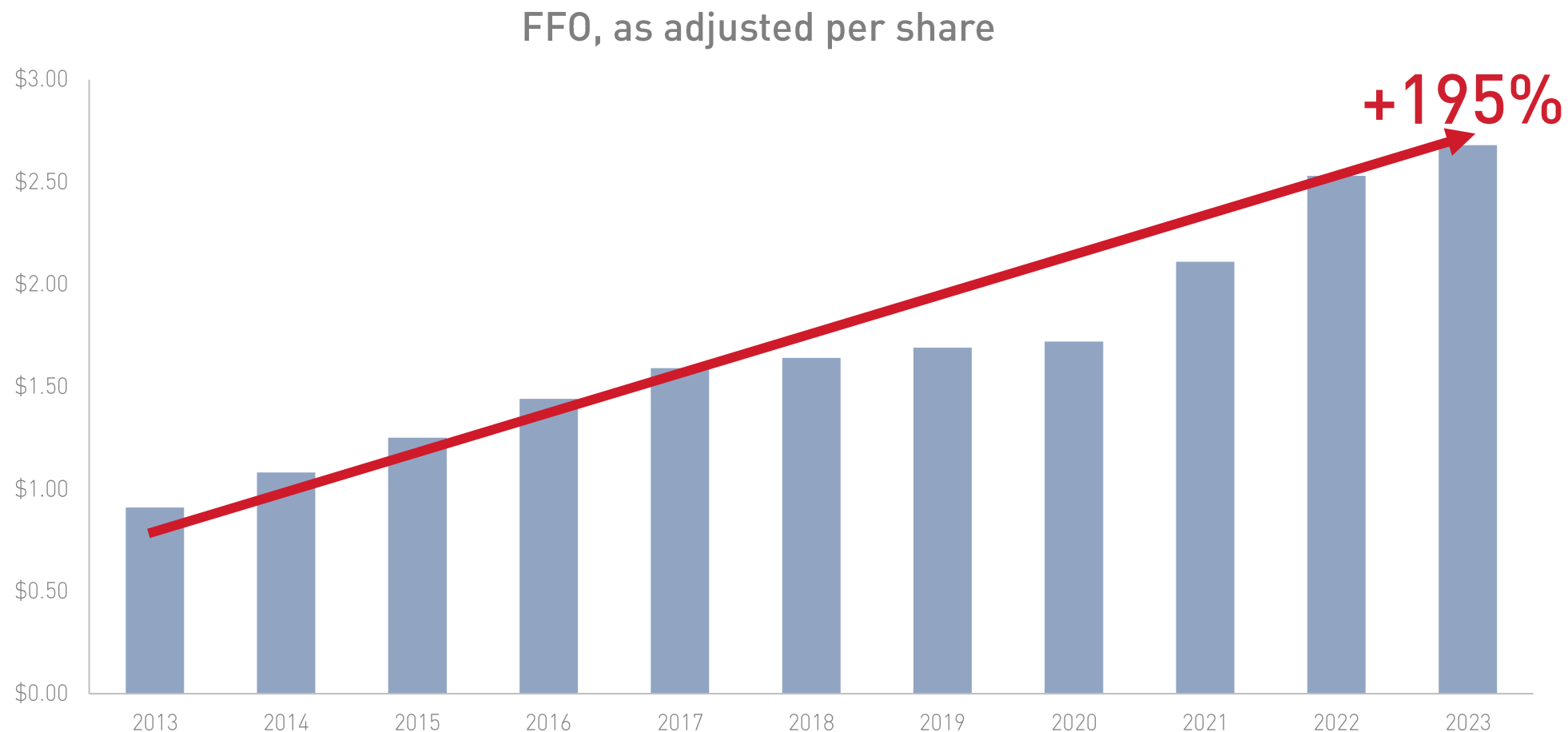


1. One-, two- and three year average annual same-store expense growth as reported for years ended December 31, 2023, 2022, and 2021

2. One-, two- and three year average annual same-store expense growth as reported by EXR, PSA and NSA for years ended December 31, 2023, 2022, and 2021

# Funds From Operations Growth

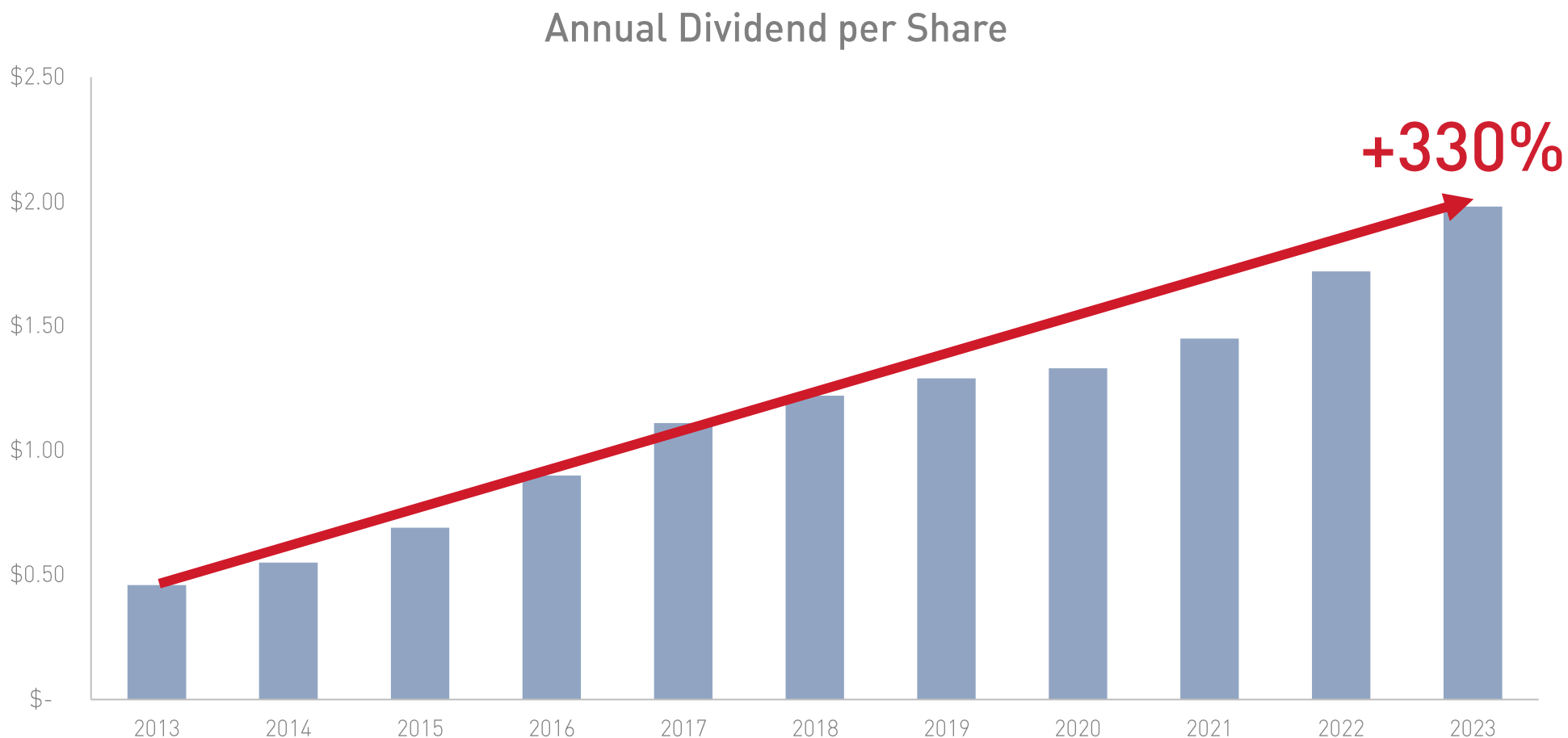
Long-term growth in portfolio cash flows





# Sharing Cash Flow Growth

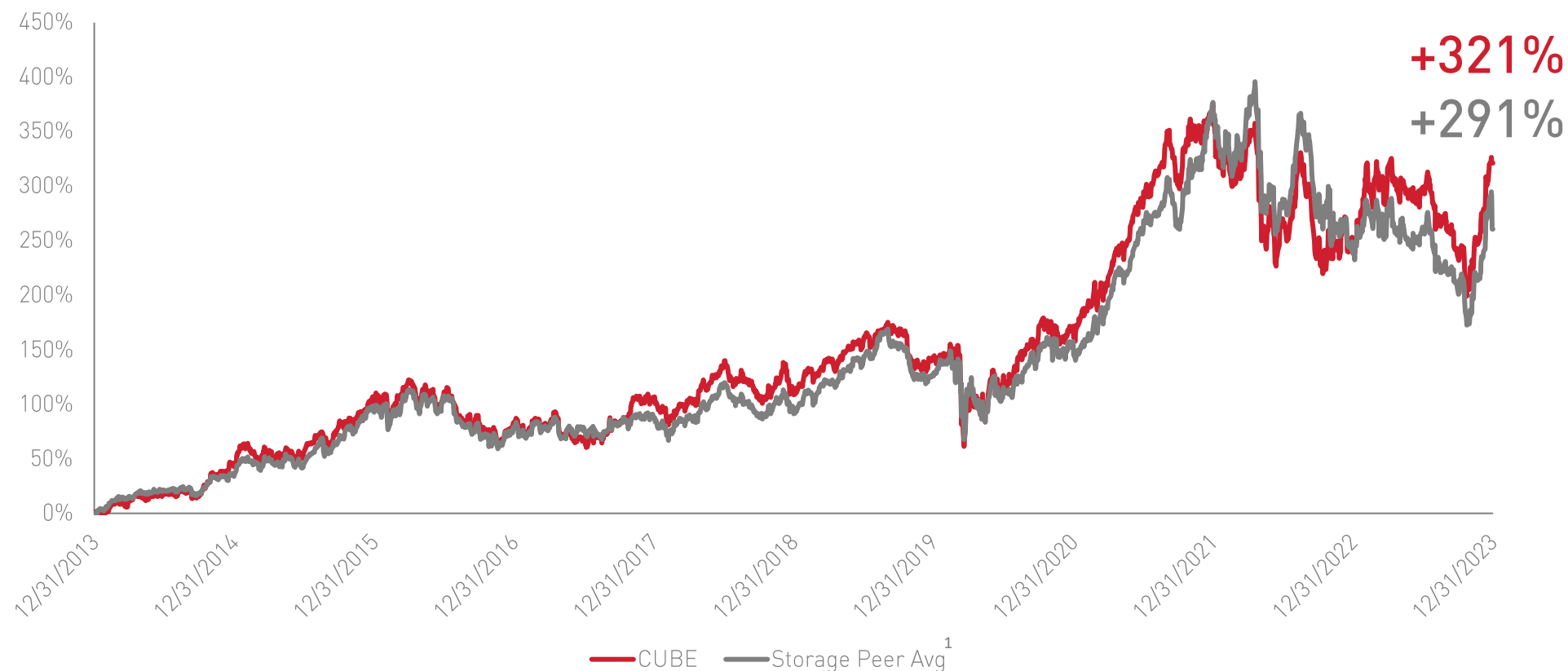
Consistent history of dividend increases to return capital to investors



# Long-Term Value Creation

Generating outperformance over the long term

## 10-Year Total Shareholder Return vs. Peer Average



1. Market cap weighted total shareholder return for PSA and EXR as of December 31, 2023

# Environmental Highlights

Minimizing our environmental impact for long-term sustainability

## Environmental Targets

Established targets to reduce consumption and greenhouse gas emissions.

Through 2022, we made significant progress against these targets with a 22.6% like-for-like reduction in Scope 1 & 2 GHG emissions.<sup>1</sup>

## Solar Program

Added solar panels to 98 owned stores with projects underway to add solar to an additional 30 stores.<sup>2</sup>

In 2022, our stores produced 9.8 million kWh of renewable energy, a 25.6% increase from 2021.

## HVAC Upgrades

In 2021, we substantially completed our 3-year capital project to upgrade our HVAC systems, which will lower our CFC emissions at those stores.



1. Reduction against 2019 baseline. Like-for-like defined as the set of stores owned for the entirety of the period January 1, 2019 through December 31, 2022

2. As of December 31, 2022



# Social Highlights

## Investing in our team and communities

### Engagement & Development

We value our teammates' engagement. In 2023, our annual Teammate Engagement Survey had a 92% response rate. Our goal is to help our teammates grow with our company. Last year 350 teammates were promoted into new roles. We supported this goal through an average of 18 hours of training per teammate.

### Community Engagement

We are proud to serve the communities in which we operate. Through our volunteering and fundraising efforts, we've supported numerous local charities and community organizations.

### Diversity and Inclusion

We believe our business is better because of the diversity of our team. Our *Philosophy Regarding Respect in the Workplace* defines our approach to diversity, inclusion, and treatment of differences and is acknowledged by all teammates. Our *Policy on Diversity, Equality and Inclusion* prohibits discrimination in all aspects of employment.

### Supply Chain & Human Rights

We established the *CubeSmart Code of Ethics, Conduct & Human Rights for Vendors and Suppliers* to hold our partners to our own standards and ensure that we're doing our part to protect human rights and promote ethical conduct.

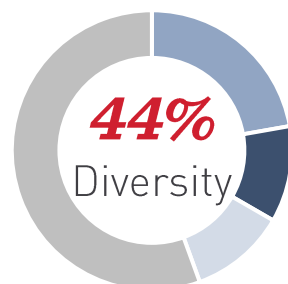
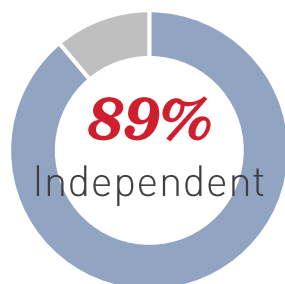


# Strong Corporate Governance

Supporting the long-term interest of all shareholders

## Board Practices

- Separate Board Chair & Chief Executive Officer
- Regular executive sessions of independent Trustees
- Annual Board & Committee self-evaluations
- Share ownership guidelines for Executive Officers and Trustees
- Anti-hedging & anti-pledging policies
- Code of Business Conduct & Ethics for employees and Trustees
- Risk oversight by Board and Committees
- Wide range of relevant experience and diversity among Trustees



- Gender Diversity
- Racial/Ethnic Diversity
- Gender & Racial/Ethnic Diversity

## Shareholder Rights

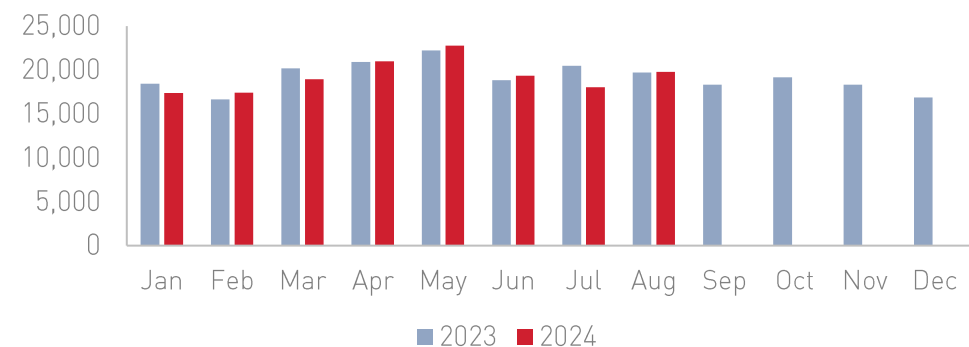
- Annual election of Trustees
- Annual say-on-pay votes
- Single voting class of stock
- Shareholder right to call special meeting
- Highest governance rating among our peers (per ISS)



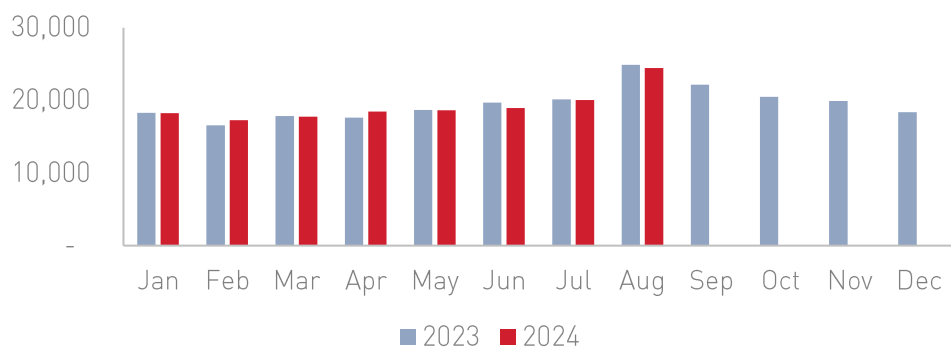
# Operational Performance

Strong fundamentals provide strong outlook for future growth

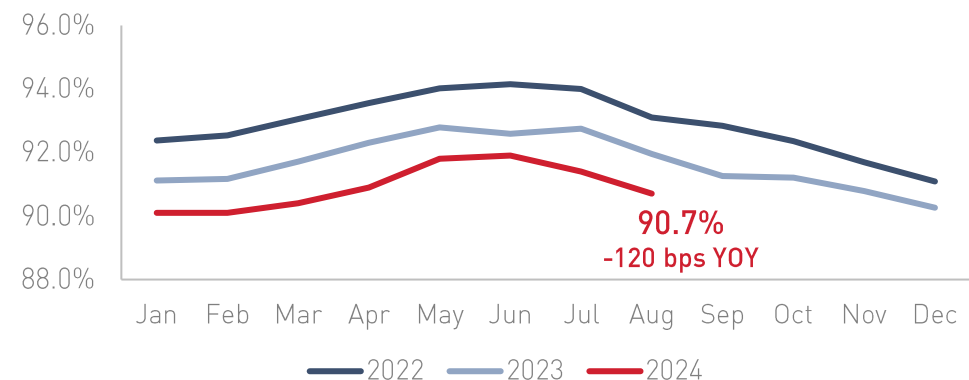
Same-Store Rentals<sup>1</sup>



Same-Store Vacates<sup>1</sup>



Same-Store Occupancy<sup>1</sup>



## 2024 Same-Store Results<sup>2</sup>

**0.2%**  
Revenue growth

**4.6%**  
Expense growth

**-1.5%**  
NOI growth

1. Results for the 2024 Same-Store pool  
2. 2024 Same-Store pool results for the six months ending June 30, 2024