

CubeSmart
Form 10-Q
November 06, 2015
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UNITED STATES SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

(Mark one)

Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended September 30, 2015.

or

Transition report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____.

Commission file number:
001-32324 (CubeSmart)
000-54462 (CubeSmart, L.P.)

CUBESMART

CUBESMART, L.P.

(Exact Name of Registrant as Specified in its Charter)

| | |
|---|---|
| Maryland (CubeSmart) | 20-1024732 |
| Delaware (CubeSmart, L.P.) | 34-1837021 |
| (State or Other Jurisdiction of Incorporation or Organization) | (I.R.S. Employer Identification No.) |
| 5 Old Lancaster Road | |
| Malvern, Pennsylvania | 19355 |
| (Address of Principal Executive Offices) | (Zip Code) |

(610) 535-5000

(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

| | | |
|-----------------|-----|----|
| CubeSmart | Yes | No |
| CubeSmart, L.P. | Yes | No |

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

| | | |
|-----------------|-----|----|
| CubeSmart | Yes | No |
| CubeSmart, L.P. | Yes | No |

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

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CubeSmart:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

CubeSmart, L.P.:

Large accelerated filer Accelerated filer Non-accelerated filer Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

CubeSmart Yes No

CubeSmart, L.P. Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date:

| Class | Outstanding at November 4, 2015 |
|---|---------------------------------|
| Common shares, \$0.01 par value per share, of CubeSmart | 172,527,008 |

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EXPLANATORY NOTE

This report combines the quarterly reports on Form 10-Q for the period ended September 30, 2015 of CubeSmart (the “Parent Company” or “CubeSmart”) and CubeSmart, L.P. (the “Operating Partnership”). The Parent Company is a Maryland real estate investment trust, or REIT, that owns its assets and conducts its operations through the Operating Partnership, a Delaware limited partnership, and subsidiaries of the Operating Partnership. The Parent Company, the Operating Partnership and their consolidated subsidiaries are collectively referred to in this report as the “Company”. In addition, terms such as “we”, “us”, or “our” used in this report may refer to the Company, the Parent Company or the Operating Partnership.

The Parent Company is the sole general partner of the Operating Partnership and, as of September 30, 2015, owned a 98.7% interest in the Operating Partnership. The remaining 1.3% interest consists of common units of limited partnership interest issued by the Operating Partnership to third parties in exchange for contributions of facilities to the Operating Partnership. As the sole general partner of the Operating Partnership, the Parent Company has full and complete authority over the Operating Partnership’s day-to-day operations and management.

Management operates the Parent Company and the Operating Partnership as one enterprise. The management teams of the Parent Company and the Operating Partnership are identical, and their constituents are officers of both the Parent Company and of the Operating Partnership.

There are few differences between the Parent Company and the Operating Partnership, which are reflected in the note disclosures in this report. The Company believes it is important to understand the differences between the Parent Company and the Operating Partnership in the context of how these entities operate as a consolidated enterprise. The Parent Company is a REIT, whose only material asset is its ownership of the partnership interests of the Operating Partnership. As a result, the Parent Company does not conduct business itself, other than acting as the sole general partner of the Operating Partnership, issuing public equity from time to time and guaranteeing the debt obligations of the Operating Partnership. The Operating Partnership holds substantially all the assets of the Company and, directly or indirectly, holds the ownership interests in the Company’s real estate ventures. The Operating Partnership conducts the operations of the Company’s business and is structured as a partnership with no publicly traded equity. Except for net proceeds from equity issuances by the Parent Company, which are contributed to the Operating Partnership in exchange for partnership units, the Operating Partnership generates the capital required by the Company’s business through the Operating Partnership’s operations, by the Operating Partnership’s direct or indirect incurrence of indebtedness or through the issuance of partnership units of the Operating Partnership or equity interests in subsidiaries of the Operating Partnership.

The substantive difference between the Parent Company’s and the Operating Partnership’s filings is the fact that the Parent Company is a REIT with public equity, while the Operating Partnership is a partnership with no publicly traded equity. In the financial statements, this difference is primarily reflected in the equity (or capital for the Operating Partnership) section of the consolidated balance sheets and in the consolidated statements of equity (or capital). Apart

from the different equity treatment, the consolidated financial statements of the Parent Company and the Operating Partnership are nearly identical.

The Company believes that combining the quarterly reports on Form 10-Q of the Parent Company and the Operating Partnership into a single report will:

- facilitate a better understanding by the investors of the Parent Company and the Operating Partnership by enabling them to view the business as a whole in the same manner as management views and operates the business;
- remove duplicative disclosures and provide a more straightforward presentation in light of the fact that a substantial portion of the disclosure applies to both the Parent Company and the Operating Partnership; and
- create time and cost efficiencies through the preparation of one combined report instead of two separate reports.

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In order to highlight the differences between the Parent Company and the Operating Partnership, the separate sections in this report for the Parent Company and the Operating Partnership specifically refer to the Parent Company and the Operating Partnership. In the sections that combine disclosures of the Parent Company and the Operating Partnership, this report refers to such disclosures as those of the Company. Although the Operating Partnership is generally the entity that directly or indirectly enters into contracts and real estate ventures and holds assets and debt, reference to the Company is appropriate because the business is one enterprise and the Parent Company operates the business through the Operating Partnership.

As general partner with control of the Operating Partnership, the Parent Company consolidates the Operating Partnership for financial reporting purposes, and the Parent Company does not have significant assets other than its investment in the Operating Partnership. Therefore, the assets and liabilities of the Parent Company and the Operating Partnership are the same on their respective financial statements. The separate discussions of the Parent Company and the Operating Partnership in this report should be read in conjunction with each other to understand the results of the Company's operations on a consolidated basis and how management operates the Company.

This report also includes separate Item 4 - Controls and Procedures sections, signature pages and Exhibit 31 and 32 certifications for each of the Parent Company and the Operating Partnership in order to establish that the Chief Executive Officer and the Chief Financial Officer of the Parent Company and the Chief Executive Officer and the Chief Financial Officer of the Operating Partnership have made the requisite certifications and that the Parent Company and the Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934, as amended, and 18 U.S.C. §1350.

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Filing Format

This combined Form 10-Q is being filed separately by CubeSmart and CubeSmart, L.P.

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Forward-Looking Statements

This Quarterly Report on Form 10-Q, or “this Report”, together with other statements and information publicly disseminated by the Parent Company and the Operating Partnership, 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 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.

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 Report. Any forward-looking statements should be considered in light of the risks and uncertainties referred to in Item 1A. “Risk Factors” in the Parent Company’s and the Operating Partnership’s combined Annual Report on Form 10-K for the year ended December 31, 2014 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 Parent Company's qualification as a real estate investment trust 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

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- other risks identified in the Parent Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2014 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 and the other risks identified elsewhere in this Report, we caution readers not to place undue reliance on forward-looking statements. We undertake no obligation to publicly update or revise these forward-looking statements, whether as a result of new information, future events or otherwise except as may be required by securities laws. Because of the factors referred to above, the future events discussed in or incorporated by reference in this Report may not occur and actual results, performance or achievement could differ materially from that anticipated or implied in the forward-looking statements.

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PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

CUBESMART AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands, except share data)

(unaudited)

| | September 30, 2015 | December 31, 2014 |
|---|-----------------------|----------------------|
| ASSETS | | |
| Storage facilities | \$ 3,323,554 | \$ 3,117,198 |
| Less: Accumulated depreciation | (569,493) | (492,069) |
| Storage facilities, net (including VIE assets of \$93,512 and \$49,829, respectively) | 2,754,061 | 2,625,129 |
| Cash and cash equivalents | 3,018 | 2,901 |
| Restricted cash | 2,746 | 3,305 |
| Loan procurement costs, net of amortization | 11,240 | 10,653 |
| Investment in real estate venture, at equity | 90,825 | 95,709 |
| Assets held for sale | 27,505 | — |
| Other assets, net | 40,511 | 48,642 |
| Total assets | \$ 2,929,906 | \$ 2,786,339 |
| LIABILITIES AND EQUITY | | |
| Unsecured senior notes | \$ 500,000 | \$ 500,000 |
| Revolving credit facility | 167,800 | 78,000 |
| Unsecured term loans | 400,000 | 400,000 |
| Mortgage loans and notes payable | 120,444 | 195,851 |
| Accounts payable, accrued expenses and other liabilities | 88,259 | 69,198 |
| Distributions payable | 29,241 | 28,137 |
| Deferred revenue | 17,079 | 15,311 |
| Security deposits | 393 | 401 |
| Other liabilities held for sale | 725 | — |
| Total liabilities | 1,323,941 | 1,286,898 |
| Noncontrolling interests in the Operating Partnership | 60,180 | 49,823 |
| Commitments and contingencies | | |

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Equity

| | | |
|---|--------------|--------------|
| 7.75% Series A Preferred shares \$.01 par value, 3,220,000 shares authorized, 3,100,000 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively | 31 | 31 |
| Common shares \$.01 par value, 400,000,000 shares authorized, 170,926,675 and 163,956,675 shares issued and outstanding at September 30, 2015 and December 31, 2014, respectively | 1,709 | 1,639 |
| Additional paid-in capital | 2,127,252 | 1,974,308 |
| Accumulated other comprehensive loss | (8,824) | (8,759) |
| Accumulated deficit | (576,086) | (519,193) |
| Total CubeSmart shareholders' equity | 1,544,082 | 1,448,026 |
| Noncontrolling interests in subsidiaries | 1,703 | 1,592 |
| Total equity | 1,545,785 | 1,449,618 |
| Total liabilities and equity | \$ 2,929,906 | \$ 2,786,339 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

(unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|---------------|------------------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| REVENUES | | | | |
| Rental income | \$ 102,385 | \$ 85,392 | \$ 290,744 | \$ 242,177 |
| Other property related income | 11,827 | 10,142 | 33,755 | 30,088 |
| Property management fee income | 1,758 | 1,558 | 5,030 | 4,431 |
| Total revenues | 115,970 | 97,092 | 329,529 | 276,696 |
| OPERATING EXPENSES | | | | |
| Property operating expenses | 39,297 | 33,622 | 114,938 | 97,992 |
| Depreciation and amortization | 38,744 | 31,622 | 114,725 | 90,224 |
| General and administrative | 7,002 | 7,464 | 21,289 | 21,092 |
| Acquisition related costs | 1,222 | 1,258 | 2,485 | 3,658 |
| Total operating expenses | 86,265 | 73,966 | 253,437 | 212,966 |
| OPERATING INCOME | 29,705 | 23,126 | 76,092 | 63,730 |
| OTHER (EXPENSE) INCOME | | | | |
| Interest: | | | | |
| Interest expense on loans | (10,399) | (11,772) | (32,324) | (35,670) |
| Loan procurement amortization expense | (537) | (566) | (1,742) | (1,650) |
| Equity in earnings (losses) of real estate ventures | 139 | (1,860) | (199) | (4,958) |
| Gain from sale of real estate | — | — | — | 475 |
| Other | (288) | (337) | (812) | (1,103) |
| Total other expense | (11,085) | (14,535) | (35,077) | (42,906) |
| INCOME FROM CONTINUING OPERATIONS | 18,620 | 8,591 | 41,015 | 20,824 |
| DISCONTINUED OPERATIONS | | | | |
| Income from discontinued operations | — | — | — | 336 |
| Total discontinued operations | — | — | — | 336 |
| NET INCOME | 18,620 | 8,591 | 41,015 | 21,160 |
| NET (INCOME) LOSS ATTRIBUTABLE TO NONCONTROLLING INTERESTS | | | | |
| Noncontrolling interests in the Operating Partnership | (223) | (106) | (475) | (250) |
| Noncontrolling interest in subsidiaries | 41 | (5) | 56 | (14) |
| NET INCOME ATTRIBUTABLE TO THE COMPANY | 18,438 | 8,480 | 40,596 | 20,896 |
| Distribution to preferred shareholders | (1,502) | (1,502) | (4,506) | (4,506) |

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| | | | | |
|---|-----------|----------|-----------|-----------|
| NET INCOME ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS | \$ 16,936 | \$ 6,978 | \$ 36,090 | \$ 16,390 |
| Basic earnings per share from continuing operations attributable to common shareholders | \$ 0.10 | \$ 0.05 | \$ 0.22 | \$ 0.11 |
| Basic earnings per share from discontinued operations attributable to common shareholders | \$ — | \$ — | \$ — | \$ — |
| Basic earnings per share attributable to common shareholders | \$ 0.10 | \$ 0.05 | \$ 0.22 | \$ 0.11 |
| Diluted earnings per share from continuing operations attributable to common shareholders | \$ 0.10 | \$ 0.05 | \$ 0.21 | \$ 0.11 |
| Diluted earnings per share from discontinued operations attributable to common shareholders | \$ — | \$ — | \$ — | \$ — |
| Diluted earnings per share attributable to common shareholders | \$ 0.10 | \$ 0.05 | \$ 0.21 | \$ 0.11 |
| Weighted-average basic shares outstanding | 169,304 | 149,758 | 167,177 | 144,919 |
| Weighted-average diluted shares outstanding | 170,901 | 152,006 | 168,705 | 147,082 |
| AMOUNTS ATTRIBUTABLE TO THE COMPANY'S COMMON SHAREHOLDERS: | | | | |
| Income from continuing operations | \$ 16,936 | \$ 6,978 | \$ 36,090 | \$ 16,059 |
| Total discontinued operations | — | — | — | 331 |
| Net income | \$ 16,936 | \$ 6,978 | \$ 36,090 | \$ 16,390 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands)

(unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|-----------|------------------------------------|-----------|
| | 2015 | 2014 | 2015 | 2014 |
| NET INCOME | \$ 18,620 | \$ 8,591 | \$ 41,015 | \$ 21,160 |
| Other comprehensive (loss) income: | | | | |
| Unrealized (losses) gains on interest rate swaps | (1,821) | 982 | (4,507) | (2,249) |
| Reclassification of realized losses on interest rate swaps | 1,576 | 1,616 | 4,713 | 4,793 |
| Unrealized loss on foreign currency translation | (215) | (483) | (284) | (55) |
| OTHER COMPREHENSIVE (LOSS) INCOME | (460) | 2,115 | (78) | 2,489 |
| COMPREHENSIVE INCOME | 18,160 | 10,706 | 40,937 | 23,649 |
| Comprehensive income attributable to noncontrolling interests in the Operating Partnership | (217) | (138) | (473) | (285) |
| Comprehensive loss (income) attributable to noncontrolling interest in subsidiaries | 49 | 4 | 67 | (12) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO THE COMPANY | \$ 17,992 | \$ 10,572 | \$ 40,531 | \$ 23,352 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY

(in thousands)

(unaudited)

| Common Shares Number | Common Shares Amount | Preferred Shares Number | Preferred Shares Amount | Additional Paid in Capital | Accumulated Comprehensive (Loss) Income | Other Accumulated Deficit | Total Shareholders' Equity | Noncontrolling Interest in Subsidiaries | Total Equity |
|-------------------------|-------------------------|----------------------------|----------------------------|----------------------------------|---|---------------------------------|----------------------------------|---|-----------------|
| 163,957 | \$ 1,639 | 3,100 | \$ 31 | \$ 1,974,308 | \$ (8,759) | \$ (519,193) | \$ 1,448,026 | \$ 1,592 | \$ 1,450,000 |
| | | | | | | | | 178 | 1,628,000 |
| 5,515 | 56 | | | 136,606 | | | 136,662 | | 136,662 |
| 161 | 1 | | | | | | 1 | | 1 |
| 66 | 1 | | | 1,704 | | | 1,705 | | 1,705 |
| 1,228 | 12 | | | 13,384 | | | 13,396 | | 13,396 |
| | | | | 509 | | | 509 | | 509 |
| | | | | 741 | | | 741 | | 741 |
| | | | | | | (12,166) | (12,166) | | (12,166) |
| | | | | | | 40,596 | 40,596 | (56) | 40,540 |
| | | | | | 203 | | 203 | | 203 |
| | | | | | (268) | | (268) | (11) | (279) |

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| Common Shares Number | Common Shares Amount | Preferred Shares Number | Preferred Shares Amount | Additional Paid in Capital | Accumulated Comprehensive (Loss) Income | Other Accumulated Deficit | Total Shareholders' Equity | Noncontrolling Interest in Subsidiaries | Total Equity |
|-------------------------|-------------------------|----------------------------|----------------------------|----------------------------------|---|---------------------------------|----------------------------------|---|-----------------|
| 170,927 | \$ 1,709 | 3,100 | \$ 31 | \$ 2,127,252 | \$ (8,824) | \$ (576,086) | \$ 1,544,082 | \$ 1,703 | \$ 1,545,785 |
| | | | | | | (4,506) | (4,506) | | (4,506) |
| | | | | | | (80,817) | (80,817) | | (80,817) |
| 139,328 | \$ 1,393 | 3,100 | \$ 31 | \$ 1,542,703 | \$ (11,014) | \$ (440,837) | \$ 1,092,276 | \$ 931 | \$ 1,093,207 |
| | | | | | | | | 595 | 595 |
| 13,181 | 132 | | | 235,829 | | | 235,961 | | 235,961 |
| 424 | 4 | | | | | | 4 | | 4 |
| 18 | — | | | 308 | | | 308 | | 308 |
| 283 | 3 | | | 2,263 | | | 2,266 | | 2,266 |
| | | | | | | | (229) | | (229) |
| | | | | | | | 644 | | 644 |
| | | | | | | (5,218) | (5,218) | | (5,218) |
| | | | | | | 20,896 | 20,896 | 14 | 20,910 |
| | | | | | 2,506 | | 2,506 | | 2,506 |
| | | | | | (50) | | (50) | (2) | (52) |
| | | | | | | (4,506) | (4,506) | | (4,506) |
| | | | | | | (57,692) | (57,692) | | (57,692) |
| 153,234 | \$ 1,532 | 3,100 | \$ 31 | \$ 1,781,518 | \$ (8,558) | \$ (487,357) | \$ 1,287,166 | \$ 1,538 | \$ 1,288,704 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(unaudited)

| | Nine Months Ended September 30, 2015 | 2014 |
|--|---|------------|
| Operating Activities | | |
| Net income | \$ 41,015 | \$ 21,160 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Depreciation and amortization | 116,467 | 91,874 |
| Gain from sale of real estate | — | (475) |
| Equity compensation expense | 1,250 | 415 |
| Accretion of fair market value adjustment of debt | (1,173) | (1,247) |
| Equity in losses of real estate ventures | 199 | 4,958 |
| Changes in other operating accounts: | | |
| Other assets | (3,277) | (936) |
| Restricted cash | 507 | (293) |
| Accounts payable and accrued expenses | 6,086 | 2,531 |
| Other liabilities | 1,417 | 945 |
| Net cash provided by operating activities | \$ 162,491 | \$ 118,932 |
| Investing Activities | | |
| Acquisitions of storage facilities | (161,852) | (255,865) |
| Additions and improvements to storage facilities | (18,336) | (12,870) |
| Development costs | (58,399) | (17,027) |
| Cash contributed to real estate venture | — | (2,350) |
| | 4,685 | 55,381 |

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| | | | |
|---|--------------|----|-----------|
| Cash distributed from real estate venture | | | |
| Proceeds from sale of real estate, net | — | | 13,475 |
| Fundings of notes receivable | (4,100) | | — |
| Change in restricted cash | 99 | | 283 |
| Net cash used in investing activities | \$ (237,903) | \$ | (218,973) |
| Financing Activities | | | |
| Proceeds from: | | | |
| Revolving credit facility | 671,800 | | 578,000 |
| Principal payments on: Revolving credit facility | (582,000) | | (616,600) |
| Mortgage loans and notes payable | (76,929) | | (10,589) |
| Loan procurement costs | (2,283) | | (274) |
| Proceeds from issuance of common shares, net | 136,663 | | 235,965 |
| Exercise of stock options | 13,396 | | 2,266 |
| Contributions from noncontrolling interests in subsidiaries | 178 | | 595 |
| Distributions paid to common shareholders | (79,706) | | (55,844) |
| Distributions paid to preferred shareholders | (4,506) | | (4,506) |
| Distributions paid to noncontrolling interests in Operating Partnership | (1,084) | | (884) |
| Net cash provided by financing activities | \$ 75,529 | \$ | 128,129 |
| Change in cash and cash equivalents | 117 | | 28,088 |
| Cash and cash equivalents at beginning of period | 2,901 | | 3,176 |
| Cash and cash equivalents at end of period | \$ 3,018 | \$ | 31,264 |
| Supplemental Cash Flow and Noncash Information | | | |
| Cash paid for interest, net of interest | \$ 35,567 | \$ | 38,240 |

capitalized
 Supplemental
 disclosure of noncash
 activities:

| | | | | |
|--|----|--------|----|--------|
| Accretion of liability | \$ | 11,421 | \$ | 5,357 |
| Derivative valuation adjustment | \$ | 206 | \$ | 2,544 |
| Foreign currency translation adjustment | \$ | (284) | \$ | (55) |
| Mortgage loan assumption - acquisitions of storage facilities | \$ | 2,695 | \$ | 27,467 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART, L.P. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(in thousands)

(unaudited)

| | September 30, 2015 | December 31, 2014 |
|---|-----------------------|----------------------|
| ASSETS | | |
| Storage facilities | \$ 3,323,554 | \$ 3,117,198 |
| Less: Accumulated depreciation | (569,493) | (492,069) |
| Storage facilities, net (including VIE assets of \$93,512 and \$49,829, respectively) | 2,754,061 | 2,625,129 |
| Cash and cash equivalents | 3,018 | 2,901 |
| Restricted cash | 2,746 | 3,305 |
| Loan procurement costs, net of amortization | 11,240 | 10,653 |
| Investment in real estate venture, at equity | 90,825 | 95,709 |
| Other assets held for sale | 27,505 | — |
| Other assets, net | 40,511 | 48,642 |
| Total assets | \$ 2,929,906 | \$ 2,786,339 |
| LIABILITIES AND CAPITAL | | |
| Unsecured senior notes | \$ 500,000 | \$ 500,000 |
| Revolving credit facility | 167,800 | 78,000 |
| Unsecured term loan | 400,000 | 400,000 |
| Mortgage loans and notes payable | 120,444 | 195,851 |
| Accounts payable, accrued expenses and other liabilities | 88,259 | 69,198 |
| Distributions payable | 29,241 | 28,137 |
| Deferred revenue | 17,079 | 15,311 |
| Security deposits | 393 | 401 |
| Other liabilities held for sale | 725 | — |
| Total liabilities | 1,323,941 | 1,286,898 |
| Limited Partnership interests of third parties | 60,180 | 49,823 |
| Commitments and contingencies | | |
| Capital | | |
| Operating Partner | 1,552,906 | 1,456,785 |
| Accumulated other comprehensive loss | (8,824) | (8,759) |
| Total CubeSmart, L.P. capital | 1,544,082 | 1,448,026 |
| Noncontrolling interests in subsidiaries | 1,703 | 1,592 |
| Total capital | 1,545,785 | 1,449,618 |

| | | |
|-------------------------------|--------------|--------------|
| Total liabilities and capital | \$ 2,929,906 | \$ 2,786,339 |
|-------------------------------|--------------|--------------|

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per common unit data)

(unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|-------------------------------------|---------------|------------------------------------|---------------|
| | 2015 | 2014 | 2015 | 2014 |
| REVENUES | | | | |
| Rental income | \$ 102,385 | \$ 85,392 | \$ 290,744 | \$ 242,177 |
| Other property related income | 11,827 | 10,142 | 33,755 | 30,088 |
| Property management fee income | 1,758 | 1,558 | 5,030 | 4,431 |
| Total revenues | 115,970 | 97,092 | 329,529 | 276,696 |
| OPERATING EXPENSES | | | | |
| Property operating expenses | 39,297 | 33,622 | 114,938 | 97,992 |
| Depreciation and amortization | 38,744 | 31,622 | 114,725 | 90,224 |
| General and administrative | 7,002 | 7,464 | 21,289 | 21,092 |
| Acquisition related costs | 1,222 | 1,258 | 2,485 | 3,658 |
| Total operating expenses | 86,265 | 73,966 | 253,437 | 212,966 |
| OPERATING INCOME | 29,705 | 23,126 | 76,092 | 63,730 |
| OTHER (EXPENSE) INCOME | | | | |
| Interest: | | | | |
| Interest expense on loans | (10,399) | (11,772) | (32,324) | (35,670) |
| Loan procurement amortization expense | (537) | (566) | (1,742) | (1,650) |
| Equity in earnings (losses) of real estate ventures | 139 | (1,860) | (199) | (4,958) |
| Gain from sale of real estate | — | — | — | 475 |
| Other | (288) | (337) | (812) | (1,103) |
| Total other expense | (11,085) | (14,535) | (35,077) | (42,906) |
| INCOME FROM CONTINUING OPERATIONS | 18,620 | 8,591 | 41,015 | 20,824 |
| DISCONTINUED OPERATIONS | | | | |
| Income from discontinued operations | — | — | — | 336 |
| Total discontinued operations | — | — | — | 336 |
| NET INCOME | 18,620 | 8,591 | 41,015 | 21,160 |
| NET LOSS (INCOME) ATTRIBUTABLE TO NONCONTROLLING INTERESTS | | | | |
| Noncontrolling interest in subsidiaries | 41 | (5) | 56 | (14) |
| NET INCOME ATTRIBUTABLE TO CUBESMART L.P. | | | | |
| Operating Partnership interests of third parties | 18,661 | 8,586 | 41,071 | 21,146 |
| | (223) | (106) | (475) | (250) |
| | 18,438 | 8,480 | 40,596 | 20,896 |

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NET INCOME ATTRIBUTABLE TO OPERATING PARTNER

| | | | | |
|---|-----------|----------|-----------|-----------|
| Distribution to preferred unitholders | (1,502) | (1,502) | (4,506) | (4,506) |
| NET INCOME ATTRIBUTABLE TO COMMON UNITHOLDERS | \$ 16,936 | \$ 6,978 | \$ 36,090 | \$ 16,390 |

| | | | | |
|---|---------|---------|---------|---------|
| Basic earnings per unit from continuing operations attributable to common unitholders | \$ 0.10 | \$ 0.05 | \$ 0.22 | \$ 0.11 |
|---|---------|---------|---------|---------|

| | | | | |
|---|------|------|------|------|
| Basic earnings per unit from discontinued operations attributable to common unitholders | \$ — | \$ — | \$ — | \$ — |
|---|------|------|------|------|

| | | | | |
|--|---------|---------|---------|---------|
| Basic earnings per unit attributable to common unitholders | \$ 0.10 | \$ 0.05 | \$ 0.22 | \$ 0.11 |
|--|---------|---------|---------|---------|

| | | | | |
|---|---------|---------|---------|---------|
| Diluted earnings per unit from continuing operations attributable to common unitholders | \$ 0.10 | \$ 0.05 | \$ 0.21 | \$ 0.11 |
|---|---------|---------|---------|---------|

| | | | | |
|---|------|------|------|------|
| Diluted earnings per unit from discontinued operations attributable to common unitholders | \$ — | \$ — | \$ — | \$ — |
|---|------|------|------|------|

| | | | | |
|--|---------|---------|---------|---------|
| Diluted earnings per unit attributable to common unitholders | \$ 0.10 | \$ 0.05 | \$ 0.21 | \$ 0.11 |
|--|---------|---------|---------|---------|

| | | | | |
|--|---------|---------|---------|---------|
| Weighted-average basic units outstanding | 169,304 | 149,758 | 167,177 | 144,919 |
|--|---------|---------|---------|---------|

| | | | | |
|--|---------|---------|---------|---------|
| Weighted-average diluted units outstanding | 170,901 | 152,006 | 168,705 | 147,082 |
|--|---------|---------|---------|---------|

AMOUNTS ATTRIBUTABLE TO COMMON UNITHOLDERS:

| | | | | |
|-----------------------------------|-----------|----------|-----------|-----------|
| Income from continuing operations | \$ 16,936 | \$ 6,978 | \$ 36,090 | \$ 16,059 |
|-----------------------------------|-----------|----------|-----------|-----------|

| | | | | |
|-------------------------------|---|---|---|-----|
| Total discontinued operations | — | — | — | 331 |
|-------------------------------|---|---|---|-----|

| | | | | |
|------------|-----------|----------|-----------|-----------|
| Net income | \$ 16,936 | \$ 6,978 | \$ 36,090 | \$ 16,390 |
|------------|-----------|----------|-----------|-----------|

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in thousands)

(unaudited)

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|--|-------------------------------------|-----------|------------------------------------|-----------|
| | 2015 | 2014 | 2015 | 2014 |
| NET INCOME | \$ 18,620 | \$ 8,591 | \$ 41,015 | \$ 21,160 |
| Other comprehensive (loss) income: | | | | |
| Unrealized (losses) gains on interest rate swaps | (1,821) | 982 | (4,507) | (2,249) |
| Reclassification of realized losses on interest rate swaps | 1,576 | 1,616 | 4,713 | 4,793 |
| Unrealized loss on foreign currency translation | (215) | (483) | (284) | (55) |
| OTHER COMPREHENSIVE (LOSS) INCOME | (460) | 2,115 | (78) | 2,489 |
| COMPREHENSIVE INCOME | 18,160 | 10,706 | 40,937 | 23,649 |
| Comprehensive income attributable to Operating Partnership interests of third parties | (217) | (138) | (473) | (285) |
| Comprehensive loss (income) attributable to noncontrolling interest in subsidiaries | 49 | 4 | 67 | (12) |
| COMPREHENSIVE INCOME ATTRIBUTABLE TO OPERATING PARTNER | \$ 17,992 | \$ 10,572 | \$ 40,531 | \$ 23,352 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CAPITAL

(in thousands)

(unaudited)

| | Number of OP Units Outstanding | | Operating Partner | Accumulated Comprehensive (Loss) Income | Total CubeSmart L.P. Capital | Noncontrolling Interests in Total Subsidiaries Capital | | Operating Partnership Interest of Third Parties |
|---|-----------------------------------|-----------|----------------------|---|---------------------------------------|--|--------------|--|
| | Common | Preferred | | | | | | |
| Balance at December 31, 2014 | 163,957 | 3,100 | \$ 1,456,785 | \$ (8,759) | \$ 1,448,026 | \$ 1,592 | \$ 1,449,618 | \$ 49,823 |
| Contributions from noncontrolling interests in subsidiaries | | | | | | 178 | 178 | |
| Issuance of common LP units | 5,515 | | 136,662 | | 136,662 | | 136,662 | |
| Issuance of restricted OP units | 161 | | 1 | | 1 | | 1 | |
| Issuance of OP units | | | | | | | | 500 |
| Conversion from units to shares | 66 | | 1,705 | | 1,705 | | 1,705 | (1,705) |
| Exercise of OP unit options | 1,228 | | 13,396 | | 13,396 | | 13,396 | |
| Amortization of restricted OP units | | | 509 | | 509 | | 509 | |
| LP unit compensation expense | | | 741 | | 741 | | 741 | |
| Adjustment for operating partnership interest of third parties | | | (12,166) | | (12,166) | | (12,166) | 12,166 |
| Net income (loss) | | | 40,596 | | 40,596 | (56) | 40,540 | 475 |
| Other | | | | | | | | |
| Comprehensive income (loss): | | | | | | | | |
| Unrealized gains on interest rate swaps | | | | 203 | 203 | | 203 | 3 |
| Unrealized loss on foreign currency | | | | (268) | (268) | (11) | (279) | (5) |

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| | Number of OP Units Outstanding | | Operating Partner | Accumulated Comprehensive (Loss) Income | Total CubeSmart L.P. Capital | Noncontrolling Interests in Total Subsidiaries | Operating Partnership Interest of Third Parties |
|---|--------------------------------|-----------|-------------------|---|------------------------------|--|---|
| | Common | Preferred | | | | Capital | |
| Balance at September 30, 2015 | 170,927 | 3,100 | \$ 1,552,906 | \$ (8,824) | \$ 1,544,082 | \$ 1,703 | \$ 60,180 |
| Balance at December 31, 2013 | 139,328 | 3,100 | \$ 1,103,290 | \$ (11,014) | \$ 1,092,276 | \$ 931 | \$ 36,275 |
| Contributions from noncontrolling interests in subsidiaries | | | | | | 595 | 595 |
| Issuance of common OP units | 13,181 | | 235,961 | | 235,961 | | 235,961 |
| Issuance of restricted OP units | 424 | | 4 | | 4 | | 4 |
| Conversion from units to shares | 18 | | 308 | | 308 | | 308 |
| Exercise of OP unit options | 283 | | 2,266 | | 2,266 | | (308) |
| Amortization of restricted OP units | | | (229) | | (229) | | |
| OP unit compensation expense | | | 644 | | 644 | | 644 |
| Adjustment for operating partnership interest | | | | | | | |
| Of third parties | | | (5,218) | | (5,218) | | 5,218 |
| Net income | | | 20,896 | | 20,896 | 14 | 250 |
| Other comprehensive income (loss): | | | | | | | |
| Unrealized gains on interest rate swaps | | | | 2,506 | 2,506 | | 38 |
| Unrealized loss on foreign currency translation | | | | (50) | (50) | (2) | (3) |
| Preferred OP unit distributions | | | (4,506) | | (4,506) | | (4,506) |
| Common OP unit distributions | | | (57,692) | | (57,692) | | (880) |
| Balance at September 30, 2014 | 153,234 | 3,100 | \$ 1,295,724 | \$ (8,558) | \$ 1,287,166 | \$ 1,538 | \$ 40,590 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART, L.P. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(in thousands)

(unaudited)

| | Nine Months Ended September 30, 2015 | 2014 |
|--|---|------------|
| Operating Activities | | |
| Net income | \$ 41,015 | \$ 21,160 |
| Adjustments to reconcile net income to cash provided by operating activities: | | |
| Depreciation and amortization | 116,467 | 91,874 |
| Gain from sale of real estate | — | (475) |
| Equity compensation expense | 1,250 | 415 |
| Accretion of fair market value adjustment of debt | (1,173) | (1,247) |
| Equity in losses of real estate ventures | 199 | 4,958 |
| Changes in other operating accounts: | | |
| Other assets | (3,277) | (936) |
| Restricted cash | 507 | (293) |
| Accounts payable and accrued expenses | 6,086 | 2,531 |
| Other liabilities | 1,417 | 945 |
| Net cash provided by operating activities | \$ 162,491 | \$ 118,932 |
| Investing Activities | | |
| Acquisitions of storage facilities | (161,852) | (255,865) |
| Additions and improvements to storage facilities | (18,336) | (12,870) |
| Development costs | (58,399) | (17,027) |
| Cash contributed to real estate venture | — | (2,350) |
| | 4,685 | 55,381 |

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| | | | |
|---|--------------|----|-----------|
| Cash distributed from real estate venture | | | |
| Proceeds from sale of real estate, net | — | | 13,475 |
| Fundings of notes receivable | (4,100) | | — |
| Change in restricted cash | 99 | | 283 |
| Net cash used in investing activities | \$ (237,903) | \$ | (218,973) |
| Financing Activities | | | |
| Proceeds from: | | | |
| Revolving credit facility | 671,800 | | 578,000 |
| Principal payments on: | | | |
| Revolving credit facility | (582,000) | | (616,600) |
| Mortgage loans and notes payable | (76,929) | | (10,589) |
| Loan procurement costs | (2,283) | | (274) |
| Proceeds from issuance of common OP units | 136,663 | | 235,965 |
| Exercise of OP unit options | 13,396 | | 2,266 |
| Contributions from noncontrolling interests in subsidiaries | 178 | | 595 |
| Distributions paid to common OP unitholders | (80,790) | | (56,728) |
| Distributions paid to preferred OP unitholders | (4,506) | | (4,506) |
| Net cash provided by financing activities | \$ 75,529 | \$ | 128,129 |
| Change in cash and cash equivalents | 117 | | 28,088 |
| Cash and cash equivalents at beginning of period | 2,901 | | 3,176 |
| Cash and cash equivalents at end of period | \$ 3,018 | \$ | 31,264 |
| Supplemental Cash Flow and Noncash Information | | | |
| Cash paid for interest, net of interest capitalized | \$ 35,567 | \$ | 38,240 |

Supplemental
disclosure of noncash
activities:

| | | | | |
|--|----|--------|----|--------|
| Accretion of liability | \$ | 11,421 | \$ | 5,357 |
| Derivative valuation adjustment | \$ | 206 | \$ | 2,544 |
| Foreign currency translation adjustment | \$ | (284) | \$ | (55) |
| Mortgage loan assumption - acquisitions of storage facilities | \$ | 2,695 | \$ | 27,467 |

See accompanying notes to the unaudited consolidated financial statements.

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CUBESMART AND CUBESMART, L.P.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND NATURE OF OPERATIONS

CubeSmart (the “Parent Company”) operates as a self-managed and self-administered real estate investment trust (“REIT”) with its operations conducted solely through CubeSmart, L.P. and its subsidiaries. CubeSmart, L.P., a Delaware limited partnership (the “Operating Partnership”), operates through an umbrella partnership structure, with the Parent Company, a Maryland REIT, as its sole general partner. In the notes to the consolidated financial statements, we use the terms “the Company”, “we” or “our” to refer to the Parent Company and the Operating Partnership together, unless the context indicates otherwise. As of September 30, 2015, the Company owned self-storage facilities located in 22 states throughout the United States and the District of Columbia which are presented under one reportable segment: the Company owns, operates, develops, manages and acquires self-storage facilities.

As of September 30, 2015, the Parent Company owned approximately 98.7% of the partnership interests (“OP Units”) of the Operating Partnership. The remaining OP Units, consisting exclusively of limited partner interests, are held by persons who contributed their interests in facilities to the Operating Partnership in exchange for OP Units. Under the partnership agreement, these persons have the right to tender their OP Units for redemption to the Operating Partnership at any time for cash equal to the fair value of an equivalent number of common shares of the Parent Company. In lieu of delivering cash, however, the Parent Company, as the Operating Partnership’s general partner, may, at its option, choose to acquire any OP Units so tendered by issuing common shares in exchange for the tendered OP Units. If the Parent Company so chooses, its common shares will be exchanged for OP Units on a one-for-one basis. This one-for-one exchange ratio is subject to adjustment to prevent dilution. With each such exchange or redemption, the Parent Company’s percentage ownership in the Operating Partnership will increase. In addition, whenever the Parent Company issues common or other classes of its shares, it contributes the net proceeds it receives from the issuance to the Operating Partnership and the Operating Partnership issues to the Parent Company an equal number of OP Units or other partnership interests having preferences and rights that mirror the preferences and rights of the shares issued. This structure is commonly referred to as an umbrella partnership REIT or “UPREIT”.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared pursuant to the rules and regulations of the SEC regarding interim financial reporting and, in the opinion of each of the Parent Company’s and Operating Partnership’s respective management, include all adjustments (consisting of normal recurring adjustments)

necessary for a fair presentation of financial position, results of operations and cash flows for each respective company for the interim periods presented in accordance with generally accepted accounting principles in the United States (“GAAP”). Accordingly, readers of this Quarterly Report on Form 10-Q should refer to the Parent Company’s and the Operating Partnership’s audited financial statements prepared in accordance with GAAP, and the related notes thereto, for the year ended December 31, 2014, which are included in the Parent Company’s and the Operating Partnership’s Annual Report on Form 10-K for the fiscal year ended December 31, 2014. The results of operations for the three and nine months ended September 30, 2015 and 2014 are not necessarily indicative of the results of operations to be expected for any future period or the full year.

Recent Accounting Pronouncements

In September 2015, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“ASU”) No. 2015-16, Simplifying the Accounting for Measurement-Period Adjustments, which amends the current business combination guidance to require that an acquirer recognize adjustments to provisional amounts that are identified during the measurement period in the reporting period in which the adjustment amounts are determined, as opposed to having to revise prior period information. The standard also requires additional disclosure about the impact

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on current-period income statement line items, of adjustments that would have been recognized in prior periods if prior period information had been revised. The new standard is effective for the Company on January 1, 2016.

In April 2015, the FASB issued ASU No. 2015-03, an update to the accounting standard relating to the presentation of debt issuance costs. Under the new guidance, debt issuance costs related to a recognized debt liability will be presented on the balance sheet as a direct deduction from the debt liability. In the event that there is not an associated debt liability recorded in the consolidated financial statements, the debt issuance costs will continue to be recorded on the consolidated balance sheet as an asset until the debt liability is recorded. This amendment becomes effective for the Company on January 1, 2016.

In February 2015, the FASB issued ASU No. 2015-02, Consolidation – Amendments to the Consolidation Analysis, which amends the current consolidation guidance affecting both the variable interest entity (“VIE”) and voting interest entity (“VOE”) consolidation models. The standard does not add or remove any of the characteristics in determining if an entity is a VIE or VOE, but rather enhances the way the Company assesses some of these characteristics. The new standard is effective for the Company on January 1, 2016. The Company is still evaluating the effects of the standard on its consolidated financial statements and related disclosures.

In May 2014, the FASB issued ASU No. 2014-09, Revenue from Contracts with Customers, which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. The ASU will replace most existing revenue recognition guidance under GAAP when it becomes effective. The new standard will be effective for the Company beginning on January 1, 2018, however early application beginning on January 1, 2017 is permitted. The standard permits the use of either the retrospective or cumulative effect transition method. The Company has not yet selected a transition method nor has it determined the effect of the standard on its financial statements and related disclosures.

3. STORAGE FACILITIES

The book value of the Company’s real estate assets is summarized as follows:

| | September 30, 2015 | December 31, 2014 |
|----------------------------|-----------------------|----------------------|
| | (in thousands) | |
| Land | \$ 562,037 | \$ 545,393 |
| Buildings and improvements | 2,423,451 | 2,304,653 |
| Equipment | 234,928 | 218,731 |
| Construction in progress | 103,138 | 48,421 |

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| | | |
|-------------------------------|--------------|--------------|
| Storage facilities | 3,323,554 | 3,117,198 |
| Less Accumulated depreciation | (569,493) | (492,069) |
| Storage facilities, net | \$ 2,754,061 | \$ 2,625,129 |

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The following table summarizes the Company's acquisition and disposition activity from the period beginning on January 1, 2014 through September 30, 2015:

| Asset/Portfolio | Market | Transaction Date | Number of Facilities | Purchase / Sale Price (in thousands) |
|--------------------|-------------------------|------------------|----------------------|---|
| 2015 Acquisitions: | | | | |
| Texas Asset | Texas Markets - Major | February 2015 | 1 | \$ 7,295 |
| HSRE Assets | Chicago | March 2015 | 4 | 27,500 |
| Arizona Asset | Arizona / Las Vegas | March 2015 | 1 | 7,900 |
| Tennessee Asset | Tennessee | March 2015 | 1 | 6,575 |
| Texas Asset | Texas Markets - Major | April 2015 | 1 | 15,795 |
| Florida Asset | Florida Markets - Other | May 2015 | 1 | 7,300 |
| Arizona Asset | Arizona / Las Vegas | June 2015 | 1 | 10,100 |