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__News Release__

InterRent REIT Reports Results for the Second Quarter of 2020 and Operational Update related to COVID-19

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Ottawa, Ontario (August 10, 2020) – InterRent Real Estate Investment Trust (TSX-IIP.UN) ("**InterRent**" or the "**REIT**") today reported financial results for the second quarter ended June 30, 2020.

__Quarter Highlights__

- Operating revenues for the quarter increased by $4.3 million, or 12.3%, over Q2 2019. Operating revenues for the same property portfolio increased by $1.4 million, or 4.2%, over Q2 2019.
- Average monthly rent per suite for the entire portfolio increased to $1,291 (June 2020) from $1,227 (June 2019), an increase of 5.2%. The same property portfolio increased to $1,318 (June 2020) from $1,236 (June 2019), an increase of 6.6%.
- Occupancy for the overall portfolio was 93.0%, a decrease of 230 basis points (June 2020 compared to June 2019). Occupancy for the same property portfolio was 94.4%, a decrease of 120 basis points (June 2020 compared to June 2019).
- Net Operating Income (NOI) for the quarter was $24.8 million, an increase of $1.8 million, or 7.8%, over Q2 2019. NOI margin for the quarter was 63.7%, down 260 basis points over Q2 2019. NOI for the quarter included approximately $0.9 million in COVID-19 related operating costs.
- Same property NOI for the quarter was $22.8 million, an increase of $0.4 million, or 1.8%, over Q2 2019. Same property NOI margin for the quarter was 64.8%, down 160 basis points over Q2 2019.
- Repositioned properties had an average monthly rent per suite of $1,343, occupancy of 95.2% for June 2020 and an NOI margin for the quarter of 65.5%.
- Fair value gain on investment properties in the quarter of $16.0 million was driven by property level operating improvements.
- Net income for the quarter was $22.7 million, a decrease of $14.1 million compared to Q2 2019. This difference was due primarily to the Unit price appreciation in the quarter that resulted in higher non-cash fair value losses on unit-based liabilities and Class B unit liability.
- Funds from Operations (FFO) increased by $1.8 million, or 13.7%, for the quarter. Fully diluted FFO per unit decreased by 3.3% from $0.121 per unit to $0.117 per unit.
- Adjusted Funds from Operations (AFFO) increased by $1.5 million, or 12.5%, for the quarter. Fully diluted AFFO per unit decreased by 5.4% from $0.111 per unit to $0.105 per unit.
- Adjusted Cash Flow from Operations (ACFO) increased by $3.1 million, or 20.8%, to $18.2 million for the quarter.
- Debt to GBV ratio at quarter end was 28.0%, a decrease of 450 and 1,200 basis points from December 2019 (32.5%) and June 2019 (40.0%), respectively.
- On June 4, 2020, the REIT completed a public offering of 15,709,000 trust units from treasury, at a price of $14.65 per Unit for gross proceeds of $230.1 million.

Financial Highlights

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data	**3 Months Ended June 30, 2020**	**3 Months Ended June 30, 2019**	**Change**
Total suites	**10,226**	9,398	**+8.8%**
Average rent per suite (June)	**$1,291**	$1,227	**+5.2%**
Occupancy rate (June)	**93.0%**	95.3%	**-230bps**
Operating revenues	**$39,004**	$34,742	**+12.3%**
Net operating income (NOI)	**$24,839**	$23,042	**+7.8%**
NOI %	**63.7%**	66.3%	**-260bps**
Same property average rent per suite (June)	**$1,318**	$1,236	**+6.6%**
Same property occupancy rate (June)	**94.4%**	95.6%	**-120bps**
Same property NOI	**$22,807**	$22,395	**+1.8%**
Same property NOI %	**64.8%**	66.4%	**-160bps**
Net Income	**$22,714**	$36,795	**-39.7%**
Funds from Operations (FFO)	**$15,250**	$13,413	**+13.7%**
FFO per weighted average unit - diluted	**$0.117**	$0.121	**-3.3%**
Adjusted Funds from Operations (AFFO)	**$13,752**	$12,219	**+12.5%**
AFFO per weighted average unit - diluted	**$0.105**	$0.111	**-5.4%**
Distributions per unit	**$0.0775**	$0.0725	**+6.9%**
Adjusted Cash Flow from Operations (ACFO)	**$18,157**	$15,032	**+20.8%**
Debt to GBV ratio	**28.0%**	40.0%	**-1200bps**
Interest coverage (rolling 12 months)	**3.28x**	2.99x	**+0.29x**
Debt service coverage (rolling 12 months)	**1.93x**	1.81x	**+0.12x**

Gross rental revenue for the quarter was $39.3 million, an increase of $5.0 million, or 14.4%, compared to Q2 2019. Operating revenue for the quarter was up $4.3 million to $39.0 million, or 12.3% compared to Q2 2019. The average monthly rent across the portfolio for June 2020 increased to $1,291 per suite from $1,227 (June 2019), an increase of 5.2% and from $1,260 (December 2019), an increase of 2.5%. The June 2020 vacancy rate across the entire portfolio was 7.0%, an increase from 4.7% recorded in June 2019.

On a same property portfolio basis (same properties are income properties owned by the REIT throughout the comparative periods), the average monthly rent per suite increased from $1,236 (June 2019) to $1,318 (June 2020), an increase of 6.6%. Management expects to continue to grow revenues organically, as well as continuing to drive other ancillary revenue streams.

NOI for the quarter, which included approximately $0.9 million in COVID-19 related operating expenses, was $24.8 million, or 63.7% of operating revenue, compared to $23.0 million, or 66.3% of operating revenue, for the three months ended June 30, 2019. NOI from the same property portfolio increased to $22.8 million for Q2 2020, an increase of $0.4 million, or 1.8%, over Q2 2019. Same property NOI margin for the quarter was 64.8%. Net income for the quarter was $22.7 million, compared to $36.8 million for Q2 2019. The decrease of $14.1 million was partly attributed to higher non-cash fair value losses on unit-based liabilities and Class B unit liability compared to non-cash fair value gains realized in Q2 2019.

Operational Update

On March 11, 2020, the World Health Organization declared the outbreak of the novel strain of coronavirus "COVID-19" a global pandemic. The outbreak has resulted in the federal and provincial governments enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally resulting in an economic slowdown.

The health and safety of residents and team members remains the Trust's top priority. InterRent REIT took quick action at the beginning of the COVID-19 crisis by introducing several new building protocols and procedures designed to ensure the wellbeing of all our communities. The Trust has also placed a high priority on maintaining strong, ongoing communication with our residents through multiple channels. The Trust recognizes that the pandemic has created significant hardship for many residents. Accordingly, the Trust is working to support residents experiencing financial difficulties through various means. The Trust has been extremely encouraged by the goodwill, positive sentiment, and community spirit that our residents have shown in the face of the pandemic and in response to the Trust's actions.

"While the public offering that closed in June will have a short term negative impact on per unit numbers, it has positioned the REIT in good standing to navigate the waters in these uncertain times with a best in class balance sheet that will allow the REIT to capitalize on potential acquisitions and create long term value for Unitholders," said Mike McGahan, CEO

The following information provides an operating update on the REIT's portfolio and liquidity position:

- InterRent REIT has collected over 99% of April, May and June residential rents and is on a similar pace for July.
- Currently we have entered into rent deferral agreements with approximately 0.25% of our residential residents.
- InterRent REIT is working with seven commercial tenants on CECRA (Canadian Emergency Commercial Rent Assistance) program applications, representing approximately $30 thousand or less than 0.1% of operating revenues for the quarter.
- InterRent REIT has issued rent increases however all increases since April are being credited as a means of helping our communities through the pandemic.
- InterRent REIT has enhanced cleaning protocols for all of its buildings and stepped up maintenance of ventilation systems. Building team members and cleaning contractors are making extra efforts to ensure high-touch common areas (elevator call buttons, door handles, washroom facilities, etc.) are kept clean and disinfected with industry-appropriate products.
- In recognition of their outstanding and ongoing efforts keeping our properties clean and safe through this pandemic, wages have been temporarily increased by $4 per hour in the quarter for our front-line workers.
- All building common areas and amenity rooms were temporarily closed for most of the second quarter. Amenities in some locations began to open back up in late July based on guidance from the applicable public health authorities.
- InterRent REIT has developed an online information hub (interrentreit.com/covid-19) to provide residents and stakeholders with information regarding the pandemic as well as an online Bulletin Board for residents to communicate with each other and provide assistance to their fellow residents.
- The Trust has also conducted several rounds of wellness phone calls to all residents to check on their safety and to identify residents in need of additional assistance.
- InterRent REIT's sales and leasing teams have implemented an end-to-end contactless rental process. Prospective residents now have the option of seeing living accommodations and completing applications online or in person.
- The REIT's had $112.8 million in cash as of June 30, 2020.

- The REIT's current credit facilities total $182 million as well as a further $50 million available through an accordion feature on one of its committed revolving term loan facilities. The REIT also has the ability to extend one of the facilities by a further $40 million. With no balance currently outstanding on its facilities, the REIT has access to a total of $272 million in credit facilities.
- To-date, mortgage financings and renewals have progressed on schedule with no significant delays noted as a result of COVID-19. The REIT, through various mortgage lenders, has finalized Certificates of Insurance for 83% of its 2020 mortgage maturities (representing $82.7 million at a weighted average interest rate of 1.94%) as well as 2 other properties. Net proceeds of approximately $100 million from the re-financings is expected to close in the second half of 2020 and will be used to fund the REIT's capital program, developments and future acquisitions.

"InterRent has invested extensively in its portfolio to ensure it is best in class in its operating nodes. This has allowed the REIT to achieve industry leading rental growth while also ensuring that the portfolio has minimal deferred maintenance and thus providing the REIT with a very defensive portfolio. We are very fortunate to have such a strong team, many of which are Unitholders, who support each other and work tirelessly to provide clean and safe homes for our residents," said Mike McGahan, CEO

About InterRent

InterRent REIT is a growth-oriented real estate investment trust engaged in increasing Unitholder value and creating a growing and sustainable distribution through the acquisition and ownership of multi-residential properties.

InterRent's strategy is to expand its portfolio primarily within markets that have exhibited stable market vacancies, sufficient suites available to attain the critical mass necessary to implement an efficient portfolio management structure and, offer opportunities for accretive acquisitions.

InterRent's primary objectives are to use the proven industry experience of the Trustees, Management and Operational Team to: (i) to grow both funds from operations per Unit and net asset value per Unit through investments in a diversified portfolio of multi-residential properties; (ii) to provide Unitholders with sustainable and growing cash distributions, payable monthly; and (iii) to maintain a conservative payout ratio and balance sheet.

***Non-GAAP Measures**

InterRent prepares and releases unaudited quarterly and audited consolidated annual financial statements prepared in accordance with IFRS (GAAP). In this and other earnings releases, as a complement to results provided in accordance with GAAP, InterRent also discloses and discusses certain non-GAAP financial measures, including Gross Rental Revenue, NOI, Same Property results, Repositioned Property results, FFO, AFFO, ACFO and EBITDA. These non-GAAP measures are further defined and discussed in the MD&A dated August 10, 2020, which should be read in conjunction with this press release. Since Gross Rental Revenue, NOI, Same Property results, Repositioned Property results, FFO, AFFO, ACFO and EBITDA are not determined by GAAP, they may not be comparable to similar measures reported by other issuers. InterRent has presented such non-GAAP measures as Management believes these measures are relevant measures of the ability of InterRent to earn and distribute cash returns to Unitholders and to evaluate InterRent's performance. These non-GAAP measures should not be construed as alternatives to net income (loss) or cash flow from operating activities determined in accordance with GAAP as an indicator of InterRent's performance.

Cautionary Statements

The comments and highlights herein should be read in conjunction with the most recently filed annual information form as well as our consolidated financial statements and management's discussion and analysis for the same period. InterRent's publicly filed information is located at www.sedar.com.

This news release contains "forward-looking statements" within the meaning applicable to Canadian securities legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", “anticipated”, “expects” or “does not expect”, “is expected”, “budget”, “scheduled”, “estimates”, “forecasts”, “intends”, “anticipates” or “does not anticipate”, or “believes”, or variations of such words and phrases or state that certain actions, events or results “may”, “could”, “would”, “might” or “will be taken”, “occur” or “be achieved”. InterRent is subject to significant risks and uncertainties which may cause the actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward looking statements contained in this release. A full description of these risk factors can be found in InterRent’s most recently publicly filed information located at www.sedar.com. InterRent cannot assure investors that actual results will be consistent with these forward looking statements and InterRent assumes no obligation to update or revise the forward looking statements contained in this release to reflect actual events or new circumstances.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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