EMAIL: info@interrentreit.com

News Release

InterRent REIT Reports Results for the First Quarter of 2019

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Ottawa, Ontario (April 29, 2019) – InterRent Real Estate Investment Trust (TSX-IIP.UN) ("**InterRent**" or the "**REIT**") today reported financial results for the first quarter ended March 31, 2019.

Highlights

- Operating revenues for the quarter increased by $3.6 million, or 11.8%, over Q1 2018.
- Average monthly rent per suite for the entire portfolio increased to $1,204 (March 2019) from $1,117 (March 2018), an increase of 7.8%. The same property portfolio increased to $1,223 (March 2019) from $1,127 (March 2018), an increase of 8.5%.
- Occupancy for the overall portfolio was 95.8%, a decrease of 90 basis points (March 2019 compared to March 2018). Occupancy for the same property portfolio was 96.3%, a decrease of 50 basis points (March 2019 compared to March 2018).
- Net Operating Income (NOI) for the quarter was $21.2 million, an increase of $2.8 million, or 15.3%, over Q1 2018. NOI margin for the quarter was 62.7%, up 190 basis points over Q1 2018.
- Same property NOI for the quarter was $19.7 million, an increase of $2.0 million, or 11.5%, over Q1 2018. Same property NOI margin for the quarter was 63.2%, up 220 basis points over Q1 2018.
- Fair value gain on investment properties in the quarter of $16.9 million was driven by property level operating improvements.
- Net income for the quarter was $13.6 million, an increase of $25.6 million compared to Q1 2018. The increase was partly attributed to the property management internalization cost in Q1 2018.
- Funds from Operations (FFO) increased by $2.3 million, or 25.2%, for the quarter. Fully diluted FFO per unit was $0.105 per unit, equal to fully diluted FFO per unit in Q1 2018.
- Adjusted Funds from Operations (AFFO) increased by $1.5 million, or 18.7%, for the quarter. Fully diluted AFFO per unit decreased by 5.4% from $0.092 per unit to $0.087 per unit.
- Adjusted Cash Flow from Operations (ACFO) increased by $0.1 million, or 1.4%, to $9.7 million for the quarter.
- Debt to GBV at quarter end was 39.4%, an increase of 50 basis points from December 2018.
- Purchased 253 suites in Montreal for $59 million and completed the disposition of the Sault Ste. Marie portfolio (349 suites) for $35.3 million as part of the REIT's capital recycling program.
- Purchased a vacated office building in downtown Ottawa, 473 Albert Street, for redevelopment at a purchase price of $21.8 million that closed April 24, 2019.

Financial Highlights

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data	**3 Months Ended March 31, 2019**	**3 Months Ended March 31, 2018**	**Change**
Total suites	**9,203**	8,959	**+2.7%**
Average rent per suite (March)	**$1,204**	$1,117	**+7.8%**
Occupancy rate (March)	**95.8%**	96.7%	**-90bps**
Operating revenues	**$33,731**	$30,161	**+11.8%**
Net operating income (NOI)	**$21,160**	$18,350	**+15.3%**
NOI %	**62.7%**	60.8%	**+190bp**
Same property average rent per suite (March)	**$1,223**	$1,127	**+8.5%**
Same property occupancy rate (March)	**96.3%**	96.8%	**-50bps**
Same property NOI	**$19,705**	$17,673	**+11.5%**
Same property NOI %	**63.2%**	61.0%	**+220bp**
Net Income/(loss)	**$13,630**	$(11,938)	**n/a**
Funds from Operations (FFO)	**$11,614**	$9,273	**+25.2%**
FFO per weighted average unit – diluted	**$0.105**	$0.105	**-**
Adjusted Funds from Operations (AFFO)	**$9,611**	$8,098	**+18.7%**
AFFO per weighted average unit – diluted	**$0.087**	$0.092	**-5.4%**
Distributions per unit	**$0.0725**	$0.0675	**+7.4%**
Adjusted Cash Flow from Operations (ACFO)	**$9,742**	$9,603	**+1.4%**
Debt to GBV	**39.4%**	44.4%	**-500bps**
Interest coverage (rolling 12 months)	**2.97x**	2.80x	**+0.17x**
Debt service coverage (rolling 12 months)	**1.81x**	1.81x	**-**

Gross rental revenue for the quarter was $33.2 million, an increase of $3.7 million, or 12.4%, compared to Q1 2018. Operating revenue for the quarter was up $3.6 million to $33.7 million, or 11.8% compared to Q1 2018. The average monthly rent across the portfolio for March 2019 increased to $1,204 per suite from $1,117 (March 2018), an increase of 7.8% and from $1,190 (December 2018), an increase of 1.2%. The March 2019 vacancy rate across the entire portfolio was 4.2%, an increase from 3.3% recorded in March 2018. "Continued strong demand in our high growth markets of Ontario and Quebec has allowed us to continue driving rents, resulting in significant improvements to operating performance," said Mike McGahan, CEO.

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 $1,223 (March 2018) to $1,127 (March 2019), an increase of 8.5%. Management expects to continue to grow revenues organically through moving to market rent on suite turnovers, guideline increases, continued roll-out of AGIs, as well as continuing to drive other ancillary revenue streams.

NOI for the quarter was $21.2 million, or 62.7% of operating revenue, compared to $18.4 million, or 60.8% of operating revenue, for the three months ended March 31, 2018. NOI from the same property portfolio increased to $19.7 million for Q1 2019, an increase of $2.0 million, or 11.5%, over Q1 2018. Same property NOI margin for the quarter was 63.2%.

Net income/(loss) for the quarter was $13.6 million, compared to $(11.9) million for Q1 2018. The increase of $25.6 million was partly attributed to the property management internalization in Q1 2018.

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, FFO, AFFO, ACFO and EBITDA. These non-GAAP measures are further defined and discussed in the MD&A dated April 29, 2019, which should be read in conjunction with this press release. Since Gross Rental Revenue, NOI, Same 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.

For further information about InterRent please contact:

Mike McGahan
Chief Executive Officer
Tel: (613) 569-5699 Ext 244
Fax: (613) 569-5698
e-mail: mmcgahan@interrentreit.com

Brad Cutsey, CFA
President
Tel: (613) 569-5699 Ext 226
Fax: (613) 569-5698
e-mail: bcutsey@interrentreit.com

Curt Millar, CPA, CA
Chief Financial Officer
Tel: (613) 569-5699 Ext 233
Fax: (613) 569-5698
e-mail: cmillar@interrentreit.com

web site: www.interrentreit.com