INTERRENT REIT

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News Release

InterRent REIT Results for the First Quarter of 2011

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Ottawa, Ontario (June 6, 2011) – InterRent Real Estate Investment Trust (TSX-IIP.UN/TSX-IIP.DB) ("**InterRent**") today reported financial results for the first quarter ended March 31, 2011continuing to demonstrate significant progress in repositioning the REIT and preparing for future growth.

Highlights from operations

- Operating revenue for the quarter was $9.4 million, up 9.5% compared to Q1 2010. The average monthly rent for March 2011 increased to $810 per suite from $780 (March 2010), an increase of 3.8%.

- Reduction in economic vacancy to 4.5% for March 2011 from 11.5% for March 2010.

- Net Operating Income (NOI) has improved significantly increasing to $4.3 million for Q1 2011 compared to $2.9 million for Q1 2010 – an increase of 47.4%.

- As a result of the capital investments of over $20 million in 2010, the REIT began a process of preparing applications for Above Guideline Increases (AGIs). As of June 3, 2011, 35 applications have been submitted to the Landlord and Tenant Board and 8 more are in the final stages of preparation representing approximately two-thirds of the portfolio.

- For the quarter, Funds From Operation (FFO) increased to $0.6 million (or $0.02 per unit) compared to a negative $0.9 million (or negative $0.03 per unit) for Q1 2010.

- Distributable Income (DI) for the quarter of $1.1 million (or $0.03 per unit) was an improvement of $1.8 million (or $0.05 per unit) over Q1 2010.

- The fair market revaluation of investment properties under International Financial Reporting Standards (IFRS) resulted in an increase of the carrying value of the assets as at January 1, 2010 of $17 million (an increase of 6.1%). For December 31, 2010, the carrying value increased from $270 million (as reported under previous GAAP for the fourth quarter of 2010) to $332 million – an increase of $62 million, or 23%.

- As part of the continuing strategy of re-aligning the assets of the portfolio, 5 non-core properties were sold in the quarter (totaling 84 suites) and 1 property was acquired (70 suites) in Sarnia (Western Region) that is well aligned to the growth strategy of the REIT.

Financial Highlights

Selected Financial Information In $000's, except per Unit amounts and Units outstanding	**3 Months Ended March 31, 2011**	**3 Months Ended March 31, 2010**
Operating revenue	**$9,421**	$8,604
Operating NOI	**4,335**	2,940
NOI %	**46.0%**	34.2%
NOI per unit	**$0.14**	$0.11
Funds from operations (FFO)	**$593**	$(867)
FFO per unit	**$0.02**	$(0.03)
Adjusted funds from operations (AFFO)	**$1,121**	$(661)
AFFO per unit	**$0.03**	$(0.02)
Distributable income (DI)	**$1,108**	$(679)
DI per unit	**$0.03**	$(0.02)
Weighted average units outstanding (WAU)	**32,296,780**	28,045,435

Results for the Quarter

The first quarter of the year is never an easy one as we encounter the unpredictable effects of mother nature. Winter weather has not only an impact on our utility costs, but also on operating revenue (as vacancies are more difficult to fill than during the summer months) and operating expenses (as heating and snow removal costs increased in many regions).

The REIT has now experienced five consecutive quarters of gross revenue growth and three consecutive quarters of net revenue growth. This continued increase in gross and net revenues is as a result of management executing on its strategic plan that was put in place in late 2009. Management believes that occupancy is now, for the most part, stabilized and that the repositioning strategy has positioned InterRent to achieve market rents at the properties as suites turnover. Furthermore, management is aggressively pursuing above guideline increases for 2011 based on the capital expenditures in 2010. To date, 35 applications have been submitted to the Landlord and Tenant Board and 8 more are in the final stages of preparation. The increases being applied for (without including the guideline increase) range from 1.8% to 9%.

The economic vacancy increased slightly from December 2010 to March 2011. The 0.8% increase was expected as management removed some tenants after completing a second round of tenant reviews in an ongoing effort to improve the properties. Improving the tenant base during the off-peak season makes the most sense given that many of the suites required maintenance. The suites will be repaired and ready for peak rental season. Management expects some modest increases in the vacancy rate for the next quarter as it drives gross rents on suite turnover, rolls out the AGIs and increases parking and locker charges.

Operating expenses decreased by $0.3 million for the quarter compared to 2010. The decrease in operating expenses was driven mainly by reductions in staffing as operations were ramping up in 2010 given the deferred maintenance in the property and the REIT's repositioning strategy. Management believes that the staffing levels are adequate to address not only the current requirements but also the integration of planned strategic acquisitions.

NOI for Q1 of 2011 saw significant improvement over Q1 2010 increasing by $1.4 million, or 49.5%. NOI for the stabilized portfolio was 46.1% for the quarter and NOI excluding the assets held for sale was

47.5%. “We are pleased to see continued improvement in our NOI for comparative quarters, especially factoring in the difficult winter we experienced. We believe the improvements in NOI quarter over comparative quarter will continue. We will continue to grow our NOI organically by driving out unnecessary costs and increasing our top line through AGIs and bringing units to market rent on turnover. Our valued team members are extremely focused on growing our bottom line and on providing a superior level of customer service that sets us apart.” said Mike McGahan.

FFO were $0.6 million, and increase of $1.5 million from the negative $0.9 million of Q1 2010. FFO per REIT unit was $0.02 for the quarter compared to a negative $0.03 for Q1 2010.

AFFO, which is calculated by adjusting FFO for standardized maintenance capital expenditure as well as non-cash items affecting earnings (such as straight-line rent, accretion of discount in convertible debenture, amortization of deferred finance fee and unit based compensation expense), was $1.1 million for the quarter compared to negative $0.7 million for Q1 2010. The increase of $1.8 million improves our AFFO from a negative $0.02 per unit in Q1 2010 to $0.03 per unit for Q1 2011, which matches our distribution in the quarter.

DI was $1.1 million for Q1 2011 as compared to a negative $0.7 million for Q1 2010. The DI of $1.1 million equates to $0.03 per unit which matches the distributions paid by the REIT in the quarter.

In keeping with management’s strategy of maximizing returns for unitholders and focusing on clusters of buildings within geographical proximity to each other in order to build operational efficiencies and attract focused, professional staff, properties are reviewed on a regular basis to determine if they should be kept or disposed of. Five properties (totalling 84 suites) were sold in the quarter and sixteen others (totalling 439 suites) were listed for sale. On March 24, 2011 the Trust acquired an investment property (70 suites) for a purchase price of $3.67 million, or approximately $52,500 per suite.

About InterRent

InterRent is a real estate investment trust engaged in building unitholder value through the accretive acquisition, ownership and operation of strategically located income producing multi-residential real estate in Canada.

*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 IFRS, InterRent also discloses and discusses certain non-GAAP financial measures, including NOI, FFO, AFFO, DI and weighted average units. These non-GAAP measures are further defined and discussed in the MD&A released on June 6, 2011, which should be read in conjunction with this press release. Since NOI, FFO, AFFO and weighted average units are not determined by IFRS, 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-IFRS 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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