News Release

InterRent REIT Reports on Fourth Quarter and 2010 Results

NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR FOR DISSEMINATION IN THE UNITED STATES

Ottawa, Ontario (March 24, 2010) – InterRent Real Estate Investment Trust (TSX-IIP.UN/TSX-IIP.DB) ("**InterRent**") today reported financial results for the fourth quarter and the year ended December 31, 2010, demonstrating significant progress in the implementation of its repositioning strategy.

Highlights from continuing operations

- Gross rental revenues for the quarter were $8.6 million, up 4.4% compared to Q4 2009 and up 3.8% for the year compared to 2009. The average monthly rent for December 2010 increased to $820 per suite from $784 (December 2009), an increase of 4.6%.

- Reduction in Economic Vacancy to 2.6% for December 2010 from 6.8% for December 2009.

- Net revenues for the quarter were $8.6 million, up 8% compared to Q4 2009 and up 3.8% for the year compared to 2009.

- Net Operating Income (NOI) has improved quarter over quarter through 2010. NOI for the quarter increased by 36.2% to $4.4 million compared to Q4 2009 resulting in an operating margin of 51.3% for the quarter.

- Capital investments totaled $18 million in the rental suites and common areas over the year ($5,131 per suite) compared to $4.8 million for 2009 ($1,355 per suite). The investment in the portfolio was one of the key initiatives in the repositioning strategy.

- For the year, Funds From Operation (FFO) increased to $3 million (or $0.10 per unit) compared to $0.2 million (or $0.01 per unit) for 2009.

- Distributable Income (DI) for 2010 improved by $0.6 million over 2009.

- Necessary changes were made to ensure compliance with the REIT Exception provided as part of the updated SIFT legislation which essentially results in InterRent meeting the conditions as of January 1, 2011, as a tax-exempt Canadian real estate investment trust.

- Completed substantially all of the fair market revaluation of investment properties under International Financial Reporting Standards (IFRS) as at December 31, 2010, which will result in an increase in the carrying value of the investment properties of approximately 25%.

Financial Highlights

Selected Financial Information In $000's, except per Unit amounts and Units outstanding	***3 Months Ended December 31, 2010***	***3 Months Ended December 31, 2009***	***12 Months Ended December 31, 2010***	***12 Months Ended December 31, 2009***
Gross rental revenue	***$8,627***	*$8,264*	***$33,976***	*$32,719*
Less: vacancy & rebates	***(380)***	*(528)*	***(3,056)***	*(1,883)*
Other revenue	***345***	*217*	***1,002***	*937*
Net revenue	***$8,592***	*7,953*	***$31,922***	*$31,773*
Expenses				
Operating expenses	***$1,496***	*$1,968*	***$6,756***	*$6,150*
Property taxes	***1,241***	*1,236*	***5,032***	*5,036*
Utilities	***1,448***	*1,513*	***5,157***	*5,413*
Total expenses	***$4,185***	*$4,717*	***$16,945***	*$16,599*
Net operating income	***$4,407***	*$3,236*	***$14,977***	*$15,174*
Operating margins	***51.3%***	*40.7%*	***46.9%***	*47.8%*
Funds from operations	***$1,295***	*$162*	***$3,003***	*$155*
Funds from operations – per Unit	***$0.04***	*$0.01*	***$0.10***	*$0.01*
Distributable income	***$(504)***	*$(378)*	***$(1,437)***	*$(1,993)*
Distributable income – per Unit	***$(0.02)***	*$(0.01)*	***$(0.05)***	*$(0.09)*
Weighted average Units	***32,193,796***	*28,453,000*	***30,172,250***	*21,817,403*

Results for the Quarter and the Year

The fourth quarter of 2010 was the busiest to date for InterRent as the entire team continued to drive the repositioning strategy and focus on building a strong and stable portfolio that allows InterRent to be well positioned for future growth.

"We knew 2010 was going to be a lot of hard work if we wanted to deliver on our strategic plan. We believe there is still a lot we can do to continue to learn and improve, but fortunately we were able to build a strong team that is up to the task. We have successfully implemented many of the changes necessary to position InterRent for growth." said Mike McGahan, Chief Executive Officer.

Through 2010, InterRent has invested $18 million in continuing operations. The investment was made throughout the portfolio and breaks down as follows:

- Building improvements – 67%: investments focused on safety, energy efficiency and first impression upgrades.
- Suite improvements – 16%: investment focused on modernizing and first impression upgrades with a focus on standardizing the "look and feel" of the suites across the portfolio.
- Mechanical – 15%: investment focused on safety, energy efficiency and long term cost savings.
- Appliances – 2%: investment focused on modernizing and replacement of appliances on suite turnover.

Management believes that most of the deferred maintenance within the portfolio was addressed in 2010 and has setup a running 5 year plan in order to prioritize and stay current with maintenance requirements. As such, capital expenses going forward should be more stable and normalized.

Management has engaged third party consultants to provide independent appraisals of substantially all of the continuing operations of the Trust's portfolio. Based on the valuations completed to date, management expects that the closing balance as at December 31 will increase by approximately 25%. "The increase in carrying value demonstrates that the repositioning strategy we have been implementing is creating value for unitholders that we believe the market will recognize in due course." Said Mike McGahan.

The increase in Gross and Net Revenues is as a result of management executing on its strategic plan that was implemented over the course of the year. Earlier in the year this plan resulted in decrease in Net Revenues (as reported in previous quarterly reports) however management felt that it was a necessary step in order to improve Revenues and NOI and position the REIT for growth. Management believes that occupancy is now stabilized and that the repositioning strategy will allow InterRent to achieve market rents at the properties when suites turnover. Furthermore, management is aggressively pursuing above guideline increases for 2011 based on the capital expenditures in 2010 and believes the process will be substantially completed by the end of Q2 2011.

InterRent's Economic vacancy started the year at 6.8% and peaked at 12% in June of 2010 as staff were transitioned and trained, undesirable tenants were evicted and the majority of the investment in the portfolio got underway. Through the second half of the year economic vacancy began to drop with significant decreases in August through October as the new staff were in position and trained and the properties began to show the result of the investment being made in the portfolio.

Operating expenses increased by $0.6 million for the year compared to 2009. The increase in operating expenses was driven mainly by leasing and marketing costs which increased as a result of the high unit turnover in the year as well as the re-branding of the portfolio.

NOI for Q4 of 2010 saw significant improvement over Q4 2009 and was slightly higher than Q3 2010. InterRent's NOI for Q4 improved over Q3 2010 by $0.2 million and Q4 2009 by $1.2 million. "We are pleased to see continued improvement in our NOI in Q4 as this is not typically the best quarter of the year. We believe the improvements in NOI year over year will continue." said Mike McGahan.

Funds From Operations (FFO) were $1.3 million, up from $0.2 million for Q4 2009. FFO per REIT unit was $0.04 for the quarter compared to $0.01 for Q4 2009. For the year, FFO increased to $3 million (or $0.10 per unit) compared to $0.2 million (or $0.01 per unit) for 2009.

Distributable Income (DI) was a negative $0.5 million for Q4 2010 as compared to a negative $0.4 million for Q4 2009. For the year, DI improved by $0.6 million, from a negative $2 million for 2009 to a negative $1.4 million for 2010. Maintenance capital expenditures are one of the significant adjustments to NOI in calculating DI. There was $1.5 million invested in maintenance capital expenditures in Q4 2010 versus $0.4 million for Q4 2009, a difference of $1.1 million. Over the 2010 year, $3.5 million was invested in maintenance capital expenditures versus $1.4 million in the previous year. "The improvement in DI year over year has come about even with the substantial increase in maintenance Capital expenditures in 2010. We are poised for continued improvement in 2011." said Mike McGahan.

InterRent continues to focus on investing in energy efficient initiatives including boilers as well as water and hydro saving devices. These investments help to drive down operational costs while benefiting the environment. InterRent has also upgraded common areas throughout the portfolio in order to maximize the potential to increase rents on turnover throughout the portfolio.

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. Four properties (totalling 35 suites) were sold in 2010 and seventeen others (totalling 482 suites) were listed for sale. Of the four properties sold, the net average gain on sale (after factoring in all closing costs) was 24%. The Trust completed the sale of six properties (93 suites) from January 1, 2011 to March 24, 2011. Five of the six properties (84 suites) were included in discontinued operations on December 31, 2010. On March 24, 2011 the Trust acquired an income producing property (70 suites) for a purchase price of $3.6 million.

Board Changes

Effective March 24, 2011, David Nicholds stepped down as the Chairman of the Board. Management wishes to thank Mr. Nicholds for his significant contribution to the Board since his appointment in September 2009. Mr. Nicholds has provided much guidance to InterRent in the past year and a half and will continue to serve as a Trustee of the REIT. InterRent also announced today that Jacie Levinson has been appointed as the new Chairman of the Board. Mr. Levinson has over 50 years of experience in all aspects of the real estate industry in various capacities including sales as a senior broker, construction, appraisal, insurance, land development and property management. Mr. Levinson grew his own firm to manage in excess of 5,000 residential units in addition to developing hotels, malls and industrial properties. Mr. Levinson has served as a Trustee on InterRent's Board for one and a half years.

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 REIT assesses and measures segmented operating results based on performance measures referred to as "Funds From Operations" ("FFO") and Distributable Income ("Dl"). Both FFO and DI are widely accepted supplemental measures on the performance of a Canadian real estate investment trust; however, they are not measures defined by Canadian generally accepted accounting principles ("GAAP"). The GAAP measurements most comparable to FFO and DI are total cash flow from operating activities and net earnings. FFO and DI, however, should not be construed as an alternative to net earnings or cash flow from operating activities determined in accordance with GAAP as indicators of InterRent REIT's performance. In addition, InterRent REIT's calculation methodology for FFO and Dl may differ from that of other real estate companies and trusts and therefore readers should not place reliance on these measures.

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
web site: www.interrentreit.com

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