INTERRENT
REIT

NEWS RELEASE

INTERRENT REIT SHOWS STRENGTH OF OPERATING PLATFORM WITH SAME PROPERTY OCCUPANCY GAIN AND COST CONTROL IN Q1 2022

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

Ottawa, Ontario (May 10, 2022) – InterRent Real Estate Investment Trust (TSX-IIP.UN) ("**InterRent**" or the "**REIT**") today reported financial results for the first quarter ended March 31, 2022.

InterRent REIT reports double digit growth in same property NOI in Q1 2022

- Same property occupancy of 96.4% in March 2022, an increase of 10bps compared to December 2021 and 480bps compared to March 2021.
- Same property operating costs lowered to 14.4% of operating revenues in Q1 2022, an improvement of 100bps compared to Q1 2021.
- Same property NOI margin in Q1 2022 of 62.8%, an improvement of 120bps relative to Q1 2021.
- Same property NOI of $28.9 million for the quarter, an increase of 12.1% compared to Q1 2021.
- FFO increases to $19.1 million ($0.133 per Unit – diluted) in Q1 2022; growth of 17.8% overall and 16.7% on a per Unit basis compared to Q1 2021.
- Refinancing activity in the quarter lengthens average term to maturity to 4.5 years and increases share of CMHC-insured mortgages to 71%.
- Development at 473 Albert on track for 2022 delivery and continued acquisitions in Vancouver in Q1 2022.
- Moving forward on climate and diversity, equity and inclusion (DEI) commitments in 2nd sustainability report.

Solid operating results in the first quarter, despite cost pressures

The REIT maintained strong occupancy through Q1 despite historical seasonality, where the REIT often sees an uptick in vacancy in the first quarter of the year. At 95.5% in March 2022, the occupancy rate in InterRent's portfolio held relative to December 2021 (95.6%) and improved 420bps over March 2021 (91.3%). The REIT's same property portfolio saw sequential occupancy gains continue in Q1 2022, posting a quarter-over-quarter increase of 10bps and a year-over-year gain of 480bps as of March 2022.

As of March 31, 2022, InterRent had 100% ownership in 12,445 suites, up 8.6% from 11,468 as of Q1 2021. Including properties that the REIT owns in its joint operations, InterRent owned or managed 12,925 suites as of March 31, 2022. After a record acquisition year in 2021, InterRent posted strong growth in total portfolio operating revenues in Q1 2022 (+20.5%). Narrowing to the same property portfolio, operating revenues grew 10.0% in Q1 2022 to $46.1 million, driven by occupancy gains, improvements in average rent per suite (+5.3%), and growth in ancillary revenue streams such as parking, laundry, and locker rentals.

The current inflationary environment is impacting operating costs for the REIT's portfolio. Utility costs in Q1 have increased over last year as both a percentage of operating revenues and on a per suite basis primarily due to a large increase in the rates for natural gas across the portfolio. For the REIT's same property portfolio, utilities as a percentage of operating revenues increased 90bps to 11.4% in Q1 2022 relative to Q1 2021 (10.5%).

While InterRent is mainly a cost taker for utilities, its internalized structure allows it to closely manage property operating costs. In the first quarter of the year, the REIT's high-performing team managed property operating costs for its same property portfolio down 100bps as a percentage of operating revenues relative to Q1 2021, leading to NOI margin expansion of 120bps in the first three months of 2022 compared to Q1 2021, despite an increase in maintenance capital investment on repositioned suites. Management continues to expect that top line growth should outpace inflationary pressure in operating expenses in 2022 as the elevated level of rebates granted during the pandemic normalizes by the end of the year.

Net income for Q1 2022 was $94.6 million, a decrease of $10.1 million compared to Q1 2021. This difference was due primarily to the $65.8 million fair value gain on investment properties ($97.6 million in Q1 2021). The decrease was offset by an increase in net operating income of $5.9 million and an increase in the unrealized gain on financial liabilities of $18.9 million (a gain of $10.0 million in Q1 2022 compared to a loss of $8.8 million in Q1 2021).

The REIT posted a strong FFO result in the quarter. At $19.1 million ($0.133 per Unit – diluted), FFO increased by 17.8% compared to Q1 2021 ($16.2 million or $0.114 per Unit - diluted), resulting in 16.7% growth on a per Unit basis. AFFO likewise grew from $14.5 million ($0.102 per Unit – diluted) in Q1 2021 to $17.3 million ($0.120 per Unit – diluted) in Q1 2022, representing 18.9% and 17.6% growth on an absolute and per Unit basis, respectively.

Active management of debt book leads to longer average term to maturity and growing share of CHMC-insured mortgages

During the quarter, the REIT added two new mortgages on properties acquired during the quarter for $8.3 million, two new mortgages on the existing portfolio for $23.4 million, and up-financed eleven mortgages for $77.6 million. As a result, the average term to maturity of the REIT's mortgage debt was approximately 4.5 years at March 31, 2022, compared to 3.6 years at December 31, 2021, and the share of mortgage debt backed by CMHC insurance increased from 63% at the end of Q4 2021 to 71% at the end of Q1 2022. As expected, this refinancing activity saw the weighted average cost of mortgage debt increase to 2.51%, 13bps higher relative to December 31, 2021. The REIT will continue its conservative approach in proactively managing its remaining 2022 mortgage maturities.

InterRent is committed to increase housing supply and improve quality of existing rental housing stock in Canada

The REIT currently has four development projects in various stages that will increase housing supply by more than 4,000 suites over the next decade. This includes one ongoing project at 473 Albert in Ottawa involving the adaptive reuse of obsolete office stock that will provide 158 new suites and generate an expected yield of 4.4%. The expected cost to complete this project is $34.6 million and construction costs are approximately 95% contracted. The REIT has finalized the property branding and shall begin its marketing and pre-leasing activities in late Q2 2022 to prepare for partial occupancy commencing late Q3 2022.

During Q1 2022, InterRent closed on previously announced transactions for a combined purchase price of $25.6 million (of which InterRent's interest is 50%). Comprising 57 suites, these two properties offer operational synergies with the REIT's existing Vancouver portfolio and will undergo repositioning in the coming years, with individual suite upgrades following the cadence of natural resident turnover.

Date	Property	City	Region	Ownership Interest	Suites	Price ($m)
Jan 24, 2022	2183 W 44th Ave	Vancouver	GVA	50%	36	16.5
Feb 28, 2022	1918 Haro St	Vancouver	GVA	50%	21	9.1
Q1 2022 Acquisitions					**57**	**25.6**[(1)]

[(1)] At 100% share; $12.8 million based on InterRent's ownership interest.

2021 sustainability report explains how InterRent is moving forward on its climate and DEI commitments

InterRent is publishing its 2021 sustainability report today alongside its Q1 2022 results. In its inaugural 2020 report, the REIT aimed to bring stakeholders up to speed on sustainability efforts to date and shared its future plans. The intent with this 2021 report is to provide a status update on social and environmental performance in 2021 and share progress on how the REIT is moving forward on its commitments for climate change and diversity, equity, and inclusion (DEI). The report is available for download in the sustainability section of InterRent's website (https://www.interrentreit.com/sustainability/).

Commenting on the results published today, Brad Cutsey, President & CEO of InterRent, said: *"Our strong financial results for the first quarter of 2022 demonstrate the strength of our Team and our commitment to deliver an unsurpassed resident experience. We are also excited to share the progress on our climate change and DEI commitments in our 2nd sustainability report published today, and we encourage all our stakeholders to explore the progress we're making across our sustainability objectives. We invite you to engage with us, to share your ideas and perspectives, and to hold us accountable."*

"I am more than pleased with the results. We are basically back to pre-pandemic performance. We had a strategy at the beginning of COVID and we stuck to it. The results have proven our thesis and we anticipate they will continue to shine as we burn off the incentives that were used to hold rents. The depth of the Team is very apparent in delivering these results. I have tremendous confidence in them and look forwards to spending more time with them on strategy, capital allocation, coaching, and mentoring", said Mike McGahan, Executive Chair.

Financial Highlights

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data	**3 Months Ended March 31, 2022**	**3 Months Ended March 31, 2021**	**Change**
Total suites	**12,445**(1)	11,468	**+8.5%**
Average rent per suite (March)	**$1,404**	$1,325	**+6.0%**
Occupancy rate (March)	**95.5%**	91.3%	**+420bps**
Operating revenues	**$51,863**	$43,051	**+20.5%**
Net operating income (NOI)	**$32,359**	$26,488	**+22.2%**
NOI %	**62.4%**	61.5%	**+90bps**
Same Property average rent per suite (March)	**$1,391**	$1,321	**+5.3%**
Same Property occupancy rate (March)	**96.4%**	91.6%	**+480bps**
Same Property operating revenues	**$46,079**	$41,883	**+10.0%**
Same Property NOI	**$28,927**	$25,794	**+12.1%**
Same Property NOI %	**62.8%**	61.6%	**+120bps**
Net Income	**$94,632**	$104,709	**-9.6%**
Funds from Operations (FFO)	**$19,067**	$16,192	**+17.8%**
FFO per weighted average unit - diluted	**$0.133**	$0.114	**+16.7%**
Adjusted Funds from Operations (AFFO)	**$17,267**	$14,526	**+18.9%**
AFFO per weighted average unit - diluted	**$0.120**	$0.102	**+17.6%**
Distributions per unit	**$0.0855**	$0.0814	**+5.0%**
Adjusted Cash Flow from Operations (ACFO)	**$13,170**	$13,174	**no change**
Debt-to-GBV	**36.4%**	32.7%	**+370bps**
Interest coverage (rolling 12 months)	**3.31x**	3.53x	**-0.22x**
Debt service coverage (rolling 12 months)	**1.84x**	1.93x	**-0.09x**

(1) Represents 11,965 suites fully owned by the REIT and 960 suites owned 50% by the REIT.

Conference Call

Management will host a webcast and conference call to discuss these results and current business initiatives on Tuesday, May 10, 2022 at 10:00 AM EST. The webcast will be accessible at: https://www.interrentreit.com/2022-q1-results. A replay will be available for 7 days after the webcast at the same link. The telephone numbers for the conference call are 1-888-440-6928 (toll free) and 646-960-0328 (international). No access code required.

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) grow both funds from operations per Unit and net asset value per Unit through investments in a diversified portfolio of multi-residential properties; (ii) provide Unitholders with sustainable and growing cash distributions, payable monthly; and (iii) 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 May 10, 2022, 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.

For further information, please contact:

Sandy Rose, CFA
Director - Investor Relations & Sustainability
(514) 704-2459
sandy.rose@interrentreit.com
www.interrentreit.com