InterRent REIT Management's Discussion & Analysis

For the Three Months Ended March 31, 2022

May 10, 2022

2054 Claremont,
Montréal, QC

MANAGEMENT'S DISCUSSION & ANALYSIS
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FORWARD-LOOKING STATEMENTS

Caution Regarding Forward-Looking Statements

This Management's Discussion and Analysis ("MD&A") of InterRent Real Estate Investment Trust ("InterRent REIT", the "REIT" or the "Trust") contains "forward-looking statements" within the meaning of applicable securities legislation. This document should be read in conjunction with material contained in the Trust's audited consolidated financial statements for the year ended December 31, 2021, along with InterRent REIT's other publicly filed documents. Forward-looking statements appear in this MD&A under the heading "Outlook" and generally include, but are not limited to, statements with respect to management's beliefs, plans, estimates and intentions, and similar statements concerning anticipated future events, results circumstances, performance or expectations, including but not limited to financial performance and equity or debt offerings, new markets for growth, financial position, comparable multi-residential REITs and proposed acquisitions. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "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 statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved".

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of InterRent REIT to be materially different from those expressed or implied by such forward-looking statements, including but not limited to: the duration and impact of the COVID-19 pandemic on the business, operations and financial condition of InterRent REIT and its residents, as well as on the economy in general, the risks related to the market for InterRent REIT's securities, the general risks associated with real property ownership and acquisition, that future accretive acquisition opportunities will be identified and/or completed by InterRent REIT, risk management, liquidity, debt financing, credit risk, competition, general uninsured losses, interest rate fluctuations, environmental matters, restrictions on redemptions of outstanding InterRent REIT securities, lack of availability of growth opportunities, diversification, potential unitholder liability, potential conflicts of interest, the availability of sufficient cash flow, fluctuations in cash distributions, the market price of InterRent REIT's trust units, the failure to obtain additional financing, dilution, reliance on key personnel, changes in legislation, failure to obtain or maintain mutual fund trust status and delays in obtaining governmental approvals or financing as well as those additional factors discussed in the section entitled "Risks and Uncertainties" and in other sections of this Management's Discussion and Analysis.

In addition, certain material assumptions are applied by the Trust in making forward looking statements including, without limitation, factors and assumptions regarding:

- Overall national economic activity
- Regional economic and demographic factors, such as employment rates and immigration trends
- Inflationary/deflationary factors
- Long-, medium-, and short-term interest rates
- Availability of financing
- Housing starts
- Housing affordability
- Provincial government housing policies
- Canadian Mortgage and Housing Corporation (CMHC) policies

Although the forward-looking information contained herein is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. InterRent REIT has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, however there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. InterRent REIT does not undertake to update any forward-looking statements that are incorporated by reference herein, except in accordance with applicable securities laws.

Certain statements included herein may be considered "financial outlook" for purposes of applicable securities laws, and such financial outlook may not be appropriate for purposes other than this MD&A.

INTERRENT REAL ESTATE INVESTMENT TRUST

InterRent Real Estate Investment Trust ("InterRent REIT", the "REIT" or the "Trust") is an unincorporated, open-ended real estate investment trust created pursuant to a Declaration of Trust, dated October 10, 2006, and as amended and restated on June 29, 2007, September 30, 2009, December 29, 2010, and May 21, 2019, under the laws of the Province of Ontario. InterRent REIT was created to invest in income producing multi-family residential properties within Canada initially through the acquisition of InterRent International Properties Inc. (the "Corporation") and of the Silverstone Group by the way of a plan of arrangement (the "Arrangement") under the *Business Corporations Act* (Ontario), which was completed on December 7, 2006.

InterRent REIT's principal objectives are to provide its unitholders ("Unitholders") with stable and growing monthly cash distributions, partially on a Canadian income tax-deferred basis, and to increase the value of its trust units (the "Units") through the effective management of its residential multi-family revenue producing properties, the acquisition of additional, accretive properties, and delivering new supply through intensification and development.

DECLARATION OF TRUST

The investment policies of the Trust are outlined in the Trust's Amended and Restated Declaration of Trust (the "DOT") dated as of May 21, 2019, and a copy of this document is available on SEDAR (www.sedar.com).

At March 31, 2022 the Trust was in material compliance with all investment guidelines and operating policies stipulated in the DOT.

ACCOUNTING POLICIES

InterRent REIT's accounting policies are described in note 3 of the audited consolidated financial statements for the year ended December 31, 2021, and note 2 of the condensed consolidated interim financial statement for March 31, 2022.

In applying these policies, in certain cases it is necessary to use estimates, which management determines using information available to the Trust at the time. Management reviews key estimates on a quarterly basis to determine their appropriateness and any change to these estimates is applied prospectively in compliance with IFRS. Significant estimates are made with respect to the fair values of investment properties and the fair values of financial instruments.

NON-GAAP MEASURES

Gross Rental Revenue, Net Operating Income, Same Property results, Repositioned Property results, Funds from Operations, Adjusted Funds from Operations, Adjusted Cash Flows from Operations and EBITDA (or, in each case, substantially similar terms) are measures sometimes used by Canadian real estate investment trusts as indicators of financial performance, however they do not have standardized meanings prescribed by IFRS (GAAP). These measures may differ from similar computations as reported by other real estate investment trusts and, accordingly, may not be comparable to similarly termed measures reported by other such issuers.

Gross Rental Revenue is the total potential revenue from suite rentals before considering vacancy and rebates and excludes other revenue from ancillary sources.

Net Operating Income ("NOI") is a key measure of operating performance used in the real estate industry and includes all rental revenues generated at the property level, less related direct costs such as utilities, realty taxes, insurance and on-site maintenance wages and salaries. As one of the factors that may be considered relevant by readers, management believes that NOI is a useful supplemental measure that may assist prospective investors in assessing the Trust.

Same property results are revenues, expenses and NOI from properties owned by the Trust throughout the comparative periods, which removes the impact of situations that result in the comparative period to be less meaningful. Some examples include: acquisitions, dispositions, redevelopments or properties going through a lease-up period.

Repositioned property results are revenues, expenses and NOI from properties owned by the Trust prior to January 1, 2019.

Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO") are financial measures commonly used by many Canadian real estate investment trusts which should not be considered as an alternative to net income, cash flow from operations, or any other operating or liquidity measure prescribed under GAAP. The Trust presents FFO and AFFO in accordance with the REALpac White Paper on Funds from Operations and Adjusted Funds from Operations for IFRS dated February 2019. Management considers FFO and AFFO a useful measure of recurring economic earnings.

Adjusted Cash Flows from Operations ("ACFO") is an additional financial measure of economic cash flow based on the operating cash flows of a business adjusted for specific items. The Trust presents ACFO in accordance with the REALpac White Paper dated February 2019. Management considers ACFO a useful measure of sustainable cash flow.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") is calculated as earnings before interest, taxes, depreciation, amortization, and other adjustments including gain/loss on sale and fair value adjustments.

Readers are cautioned that Gross Rental Revenue, NOI, Same property, Repositioned property, FFO, AFFO, ACFO and EBITDA are not alternatives to measures under GAAP and should not, on their own, be construed as indicators of the Trust's performance or cash flows, measures of liquidity or as measures of actual return on Units of the Trust. These non-GAAP measures, as presented, should only be used in conjunction with the consolidated financial statements of the Trust.

As a result of the redeemable feature of the Trust Units, the Trust's Units are defined as a financial liability and not considered an equity instrument. Therefore, no denominator exists to calculate per unit calculations. Consequently, all per unit calculations are considered non-GAAP measures. Management feels that certain per unit calculations are an important method of measuring results from period to period and as such has determined basic and diluted weighted average number of units. Per unit calculations as computed by the Trust may differ from similar computations as reported by other real estate investment trusts and, accordingly, may not be comparable to other such issuers.

OVERVIEW

COVID-19 OVERVIEW, RISK AND UPDATE

On November 28, 2021, Canada's first case of the Omicron coronavirus variant was confirmed in Ottawa. The variant's high infection rate quickly overwhelmed testing capacity in some provinces, with Canada documenting more cases of COVID-19 during the first 40 days of the Omicron wave than during all of 2020. On December18,2021, in response to the significant risks and uncertainties presented by the spread of the Omicron variant in Canada and globally, the government of Canada announced further adjustments to travel and border measures. However, the highly contagious nature of the variant meant that the Omicron wave crested faster than previous ones. Many provinces hit peak community transmission in mid-January 2022, leading to the easing of restrictions sooner than in previous waves in the three provinces in which the Trust operates.

Overall, the drop in Canadian economic activity due to Omicron-related restrictions was minimal, compared to the Delta wave that proceeded it, and economic activity has picked up considerably as restrictions continue to ease. According to Export Development Canada, the Canadian Economic Recovery Tracker (CERT) reading as of April 22, 2022 sits 8% above pre-pandemic levels. At the time of writing, province-wide restrictions in British Columbia have been lifted and wearing masks in public indoor settings is not required. Ontario lifted most of its public health measures on March 1, 2022 and is set to remove the remaining masking requirements for select indoor settings on June 12, 2022. In Quebec, most remaining restrictions were phased out mid-March 2022 and public health authorities recently announced that the mask mandate for most public spaces will end on May 14, 2022.

At the time of writing, the Trust is encouraged by the reopening progress and positive momentum felt across its operating regions. Though the improving health situation and economic signals are encouraging, the full impact of the COVID-19 pandemic on the Trust remains unknown at this time. As such, it is not possible to reliably estimate the length and severity of COVID-19-related impacts on the Trust's financial results and operations. As always, the health and safety of residents and team members remains the Trust's top priority.

OPERATIONS UPDATE

- Total portfolio occupancy of 95.5% was inline with the 95.6% recorded in December of 2021 despite seasonality in Q1 historically leading to lower occupancy from Q4. This represents a 420 basis point increase from March 2021 occupancy of 91.3%.
- Incentive granting has continued to trend down from its peak in September 2021; however, due to the nature of the accounting recognition, Q4 2021 and Q1 2022 were similar with the downward trend expected to surface in Q2 2022.
- Residential rent collection remained above 99% for Q1 2022. At this point in the quarter, the collection rates for April are trending in line with that of previous months.
- The Trust continues to invest in its portfolio as a driver of future organic growth, spending $26.0 million during the quarter of which $8.6 million was spent on improvements for non-repositioned properties, $7.8 million on properties under development, $9.6 million on the repositioned portfolio ($7.8 million on value-enhancing initiatives and $1.8 million on sustaining and maintaining existing spaces)

BUSINESS OVERVIEW AND STRATEGY

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, development, and ownership of multi-residential properties. The REIT generates revenues, cash flows and earnings from rental operations and from the sale of revenue producing properties. InterRent REIT's largest and most consistent source of income is its rental operations, which involves leasing individual suites to residents for lease terms generally ranging from month-to-month to twelve-months.

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.

In the first three months of 2022, the Trust purchased a 50% ownership in two properties comprised of 57 suites in Vancouver for $12.8 million.

The team we have assembled has a proven track record and we believe we have both the experience and ability necessary to execute on our growth strategy in the years to come.

As at March 31, 2022, the Trust has 100% ownership interest in 11,965 suites and a 50% financial interest in 960 suites of which: a) 11,039 are included in same property suites, or 88.7% of the overall portfolio; and, b) 8,949 are included in repositioned property suites, or 71.9% of the overall portfolio. With the current immigration targets there will be an increased demand for housing the Trust is working with various levels of government to try and create policies to encourage more supply and currently has 4,094 suites under development with the potential for further intensification at various sites within its portfolio.

Pavillon Milton, Montréal, QC

OUTLOOK

a) Management remains committed to growing the REIT in a strategic and structured manner and although timing may be impacted by the current pandemic, future growth is still anticipated to come from:
   a) continuing to source properties in our core markets that allow us to build scale within these areas and apply our repositioning experience and expertise in a manner that continues to provide long term accretion for our Unitholders;
   b) continuously looking for new ways and opportunities to drive existing revenues, create new revenue streams and reduce operating costs within our portfolio;
   c) re-deploying capital from areas where management believes that properties have reached their economic peak or that the area will not allow the REIT to reach the desired level of scale;
   d) developing purpose-built rental on existing sites that have the ability to add more density; and
   e) participating in joint ventures for mixed-use sites where the REIT can add value through its experience and expertise in owning and operating multi-family rentals.

b) The REIT is continuing to make progress on its four active developments as well as the evaluation of other intensification opportunities within the portfolio. For more information on our ongoing projects, see “Properties Under Development”

LIQUIDITY UPDATE

- The Trust’s current credit facilities total $222.0 million of available credit. There is approximately $91.0 million drawn on these facilities as at March 31, 2022.
- At March 31, 2022, the Trust had approximately $247.3 million in unencumbered properties that do not have mortgages nor provide security for any credit facilities.
- During the quarter, the Trust closed on an additional $31.7 million of new mortgages, as well as upfinancings of $77.6 million, net of repayments.
- With a debt-to-GBV ratio of 36.4%, the REIT has significant liquidity available through both CMHC insured and conventional mortgage financing to finance future capital programs, development opportunities and acquisitions.


30 Edith Drive,
Toronto, ON

Q1 PERFORMANCE HIGHLIGHTS

The following table presents a summary of InterRent's operating performance for the three months ended March 31, 2022 compared to the same period in 2021:

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[1]	**+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 (2021 – 11,161) suites fully owned by the REIT and 960 (2021 – 614) suites owned 50% by the REIT.

- Overall Portfolio:
  a) Operating revenue for the quarter rose by $8.8 million to $51.9 million, an increase of 20.5% over Q1 2021.
  b) Average monthly rent per suite increased to $1,404 (March 2022) from $1,325 (March 2021), an increase of 6.0%.
  c) Occupancy for March 2022 was 95.5%, a decrease of 10 basis points from December 2021 and an increase of 420 basis points when compared to March 2021.
  d) NOI for the quarter was $32.4 million, an increase of $5.9 million, or 22.2%, over Q1 2021. NOI margin for the quarter was 62.4%, up 90 basis points over Q1 2021.
- Same Property Portfolio:
  a) Operating revenue for the quarter increased by $4.2 million to $46.1 million, an increase of 10.0%, over Q1 2021.
  b) Average monthly rent per suite for the same property portfolio increased to $1,391 (March 2022) from $1,321 (March 2021), an increase of 5.3%.
  c) Occupancy for March 2022 was 96.4%, an increase of 10 basis points when compared to December 2021 and an increase of 480 basis points when compared to March 2021.
  d) NOI for the quarter was $28.9 million, an increase of $3.1 million, or 12.1%, over Q1 2021. Same property NOI margin for the quarter was 62.8%, up 120 basis points over Q1 2021.

- Repositioned properties had an average monthly rent per suite of $1,423, occupancy of 96.6% for March 2022 and an NOI margin for the quarter of 64.2%.
- Net income for the quarter was $94.6 million, a decrease of $10.1 million compared to Q1 2021. This difference was due primarily to the fair value gain on investment properties which was $65.8 million in Q1 2022, versus $97.6 million in Q1 2021, as well as a $2.7 million increase in finance and administrative costs. These drops were offset by the increase in net operating income of $5.9 million, and the increase in the unrealized gain on financial liabilities of $18.9 million (a gain of $10.0 million in 2022 compared to a loss of $8.8 million in 2021).
- FFO for the quarter increased by $2.9 million, or 17.8%, to $19.1 million compared to Q1 2021.
- FFO per Unit for the quarter increased by 16.7% to $0.133 per Unit compared to $0.114 per Unit for Q1 2021.
- AFFO for the quarter increased by $2.7 million, or 18.9%, to $17.3 million compared to Q1 2021.
- AFFO per Unit for the quarter increased by 17.6% to $0.120 per Unit compared to $0.102 per Unit for Q1 2021.
- ACFO remained $13.2 million for the quarter which represented no change compared to Q1 2021.
- Debt-to-GBV at quarter end was 36.4%, a decrease of 30 basis points compared to December 2021.

PORTFOLIO SUMMARY

The Trust started the year with 12,426 suites. During the first quarter of 2022, the Trust purchased a 50% ownership stake in two properties with 57 suites in Vancouver, British Columbia, added one suite to an existing property in Hamilton, Ontario, and moved 10 suites in Ottawa, Ontario from income-producing to properties under development. At March 31, 2022, the Trust owned 12,445 suites. Management continuously reviews the markets that the REIT operates in to determine if the portfolio mix remains suitable. Management believes that there are significant opportunities within the portfolio for organic rent growth, to reduce operating costs, and to further streamline operations. At March 31, 2022, 88.7% of the portfolio was same property suites and 71.9% of the portfolio was repositioned property suites. We are actively seeking opportunities within our target markets, as well as evaluating other gateway cities in Canada, in order to continue to build our acquisition pipeline and grow the REIT in a fiscally prudent manner. The following chart shows our suite mix by region. InterRent's focus on recycling capital and growing its core markets of the Greater Toronto & Hamilton Area ("GTHA"), National Capital Region ("NCR"), Greater Montréal Area ("GMA"), and Greater Vancouver Area ("GVA") has resulted in approximately 85% of InterRent's suites being located in these core markets.

▼ Suites By Region at March 31, 2022

Region	Total Portfolio		Same Property	
	Suites	% of Portfolio	Suites	% of Portfolio
Greater Toronto & Hamilton Area	4,141 (1)	32.0%	3,567	32.3%
National Capital Region	2,960	22.9%	2,955	26.8%
Other Ontario	2,002	15.5%	1,730	15.7%
Greater Montreal Area	2,956	22.9%	2,787	25.2%
Greater Vancouver Area	866 (2)	6.7%	-	-
Total	12,925	100.0%	11,039	100.0%

(1) Represents total suites of which the REIT owns a 100% interest in 4,047 suites and a 50% interest in 94 suites.

(2) Represents total suites of which the REIT owns a 50% interest in.

▼ Acquisitions

The Trust completed the following investment property transactions during the first quarter:

Transaction Date	Property	City	Region	Property Type	# of Suites	Transaction Price	
24-Jan-2022	2183 W 44th Avenue	Vancouver	GVA	Residential	36	$	16,500,000
28-Feb-2022	1918 Haro Street	Vancouver	GVA	Residential	21	$	9,125,000
	Total Vancouver No. 1 Apartments Partnership (100% interest)					$	25,625,000
Q1 2021 Acquisitions at the Trust's 50% financial interest						**$**	**12,812,500**

▼ Properties Under Development

Development activity is another important way that the REIT surfaces value through accretive growth. InterRent's development strategy is consistent with its broader goals: to expand its portfolio within its primary markets. Development opportunities are regularly reviewed by Management, and are selectively undertaken based on the expected contribution of the property to the REIT's portfolio.

The REIT currently has four ongoing development projects that, when complete, will provide an additional 4,094 suites and over 570,000 square feet of commercial and retail space. This includes one project involving the adaptive reuse of obsolete office stock, providing an opportunity to divert waste, recycle materials, and revitalize an underused building structure.

Project	City	Suite Count	Commercial Sq. Ft.	Ownership Interest	Target Completion Date	Expected Yield
473 Albert Street	Ottawa	158	-	100.0%	Q4 2022	4.40%
Richmond & Churchill	Ottawa	180	18,650	100.0%	Q4 2025	4.40-4.90%
Burlington GO Lands	Burlington	1,566 (Phases 1-2) 949 (Phases 3-4)	20,081 (Phases 1-2) 19,779 (Phases 3-4)	25.0%	Q2 2028 (Phases 1-2)	4.90-5.40% (Phases 1-2)
900 Albert Street	Ottawa	1,241	511,608	47.5%[1]	TBD	4.75-5.25%

Transfers into the operating portfolio occur when the property is operating in the manner intended by Management. Generally this occurs upon completion of construction, as well as the receipt of all necessary permits.

473 Albert Street

The REIT had previously received approval for site plan application and building permit. Construction at the project is fully underway to convert the existing office building to a residential rental building. All major long lead items have been tendered and awarded, and the 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.

900 Albert Street

The site plan application was approved by Ottawa City Council in July 2020 and the final site plan agreement is currently ongoing. The approved site plan application allows for 1,241 residential suites, 423,764 sq ft of office space, and 87,844 sq ft of retail space. The REIT continues to work with its partners and external consultants to develop detailed design plans in order to deliver an offering that reflects not only the current needs of the market but also incorporates concepts and technologies to ensure its continued relevance as rental housing needs continue to evolve.

Richmond & Churchill

The zoning bylaw amendment for the property has been successfully approved by the City of Ottawa to allow for a 9-storey mixed-use building, as well as an additional rooftop amenity level. The rezoning allows the REIT to develop 180 residential suites and 18,650 sq ft of commercial space on the site. The site plan application was formally approved February 2022. The REIT is working through design development, in preparation of future construction drawings and building permit applications.

Burlington GO Lands

A third site plan application was submitted in Q4 2021, along with a building permit application for Phase 1. Conditional site plan approval is anticipated for Q2 2022 and a shoring and excavation permit is anticipated to be issued in Q3 2022. Architects and consultants continue to work on construction drawings and tender packages for the commencement of Phase 1. The full site plan contemplates 2,515 residential suites with 39,860 sq ft of commercial space. Phase 1 will include 774 units across 2 point towers on a 4 storey podium along with 9,304 sq ft of retail space.

ANALYSIS OF OPERATING RESULTS

In $ 000's	3 Months Ended March 31, 2022		3 Months Ended March 31, 2021	
Gross rental revenue	**$ 52,491**		$ 44,962	
Less: vacancy & rebates	**(3,893)**		(4,754)	
Other revenue	**3,265**		2,843	
Operating revenues	**$ 51,863**		$ 43,051	
Expenses				
Property operating costs	**7,591**	**14.6%**	6,642	15.4%
Property taxes	**5,949**	**11.5%**	5,397	12.6%
Utilities	**5,964**	**11.5%**	4,524	10.5%
Operating expenses	**$ 19,504**	**37.6%**	$ 16,563	38.5%
Net operating income	**$ 32,359**		$ 26,488	
Net operating margin	**62.4%**		61.5%	

REVENUE

Gross rental revenue for the three months ended March 31, 2022 increased 16.7% to $52.5 million compared to $45.0 million for the three months ended March 31, 2021. Operating revenue for the quarter was up $8.8 million to $51.9 million, or 20.5% compared to Q1 2021. The Trust owned, on a weighted average basis, 12,433 suites for the three months ended 2022 as compared to 11,354 throughout Q1 2021, an increase of 1,079 suites over the period. On a weighted average suite basis, operating revenue for 2022 increased by 10.0% over 2021.

The average monthly rent across the portfolio for March 2022 increased to $1,404 per suite from $1,325 (March 2021), an increase of 6.0% and from $1,381 (December 2021), an increase of 1.7%. On a same property basis, the average rent increased by $70 per suite to $1,391 (or up 5.3%) over March 2021 and by $17 per suite (or up 1.2%) over December 2021. Management expects to continue to grow rent organically, as well as continuing to drive other ancillary revenue streams such as parking, laundry, locker rentals, and cable and telecom revenue share agreements.

▼ Average Rent By Region[1]

Region	Total Portfolio			Same Property		
	Mar 2022	Mar 2021	Change	Mar 2022	Mar 2021	Change
Greater Toronto & Hamilton Area	$1,491	$1,396	+6.8%	$1,483	$1,396	+6.2%
National Capital Region[1]	$1,473	$1,414	+4.2%	$1,473	$1,414	+4.2%
Other Ontario	$1,354	$1,277	+6.0%	$1,372	$1,290	+6.4%
Greater Montreal Area	$1,211	$1,149	+5.4%	$1,202	$1,149	+4.6%
Greater Vancouver Area	$1,669	$1,535	+8.7%	-	-	-
Total	**$1,404**	**$1,325**	**+6.0%**	**$1,391**	**$1,321**	**+5.3%**

[1] Excludes extended stay suites.

With the significant gains in employment rates and the return to normal operations in most regions, market rents have begun to return to the levels seen pre-pandemic. The REIT estimates that the average market rental gap on the total portfolio under normal conditions to be approximately 25%; which is still slightly below pre-pandemic levels, however, this is ahead of Q4 2021. The REIT is continuing to carefully monitor the demand in the market and will adjust rents based on balancing short-term occupancy against long term rental revenue growth.

Portfolio Occupancy

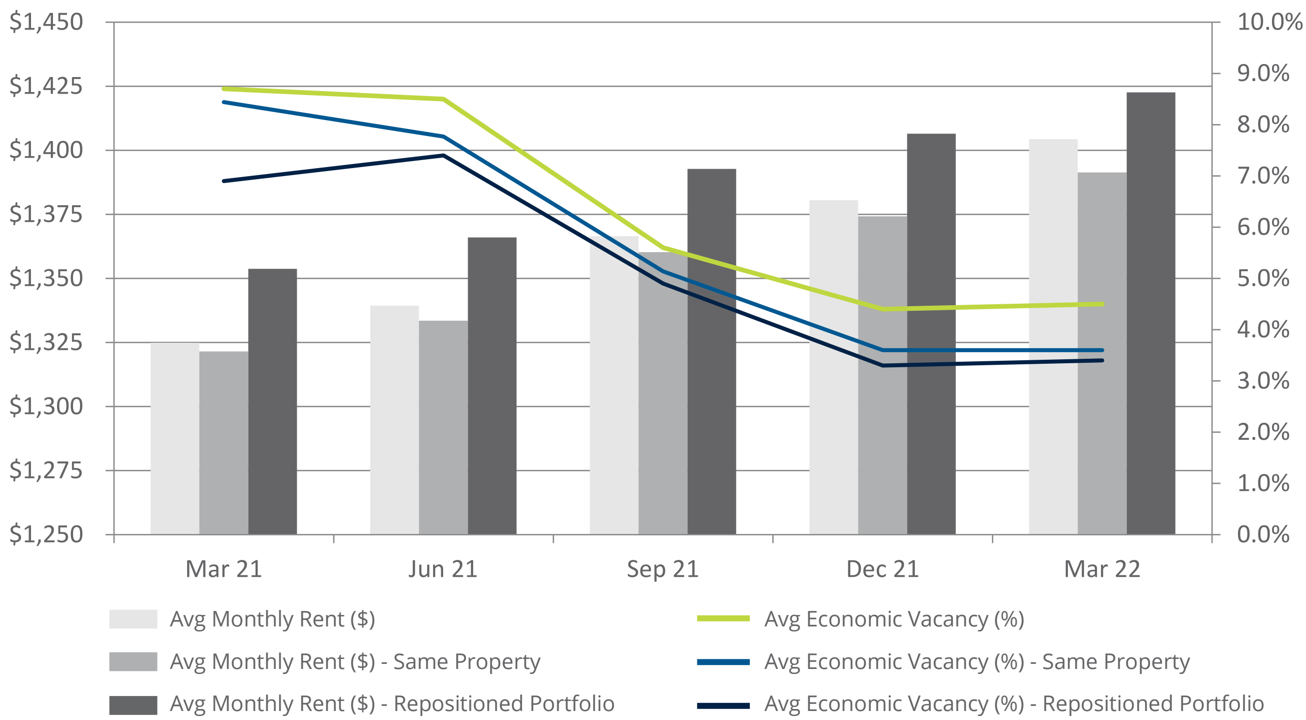
As part of the ongoing effort to balance organic revenue growth and occupancy levels, the vacancy rate on an annual basis is expected to be in the 4% range once a property is repositioned. Going forward, management believes that minor variations in economic vacancy will continue to occur from one quarter to another given the seasonal nature of rental activity. The rental growth objectives are being achieved as a direct result of:

1. ensuring that properties are safe, secure and well maintained;
2. ensuring suites are properly repaired and maintained before being rented to new residents;
3. tailoring marketing to the specific features, location and demographics of each individual property; and,
4. ensuring that operations are running as efficiently and cost effectively as possible to ensure the well-being of residents and resident enjoyment of their homes.

This is part of the Trust's repositioning strategy to maximize rental revenues, lower operating costs and create safe, quality communities for our residents, extending the useful life of buildings that would otherwise be heading for demolition, and thereby creating value for all stakeholders. Management intends to continue to pursue this strategy both within the existing portfolio and as it looks to add new properties within targeted regions.


Crystal Beach Suites, Ottawa, ON

The following chart represents both the average monthly rents and the economic occupancy for the entire portfolio for the months listed. Economic occupancy is calculated by taking financial vacancy loss and dividing it by gross rental revenue.



	March 2021	June 2021	September 2021	December 2021	March 2022
Average monthly rents all properties	$1,325	$1,339	$1,367	$1,381	$1,404
Average monthly rents same property	$1,321	$1,333	$1,360	$1,374	$1,391
Average monthly rents repositioned property	$1,354	$1,366	$1,393	$1,407	$1,423

The overall economic vacancy for March 2022 across the entire portfolio was 4.5%, an increase of 10 basis points from the 4.4% recorded in December 2021 and a decrease of 420 basis points as compared to the 8.7% recorded for March 2021.

The overall economic vacancy for March 2022 for the same property portfolio was 3.6%, down 10 basis points from December 2021 and a decrease of 480 basis points as compared to the 8.4% recorded for March 2021.

The Trust continues to expect the arrival of new permanent residents, temporary foreign workers, and international students to gradually return to normal over the course of 2022, barring any new variant waves, which is an important source of demand for multi-family housing across its core regions.

Canada welcomed more than 113,000 new permanent residents in the first quarter of 2022 after doubling the number of permanent resident decisions made in the same period in 2021. Encouragingly, in the month of February 2022, the share of new immigrants that were net new people in the country rose to 40% after hitting a low of 18% in August 2021. The Trust anticipates demand will continue to improve throughout 2022 as this share reverts to historical norms of 70-75%.

After increasing its immigration targets for the next three years, the federal government is taking concrete action to ensure its ambitions are realized. On April 22, Canada's Immigration Minister announced that Canada will resume its Express Entry invitations to immigration candidates in early July 2022, and the vast majority of new applications will again be processed within the six-month service standard. This Federal Skilled Worker Program (FSWP) has been on pause since December 2020 and is the main way the Canadian government manages skilled work applications that are essential to fill hundreds of thousands of vacant positions across Canada.

Looking to international students, the Trust was pleased to see post-secondary study permits up 41% in the first two months of 2022 relative to the same period in 2021. Narrowing to our three provinces of interest, study permits in Ontario were up 65% year-over-year in January and February 2022, while permit holders for students bound for British Columbia were up 34%. In the first two months of 2022, Quebec study permits were roughly flat compared to the same period in 2021, perhaps owing to more stringent health measures in effect in early 2022 relative to Ontario and B.C. The Trust is encouraged by the early study permit trend, but will have a clearer picture of international student enrollments going into the seasonally high permit months of July through September.

▼ **Vacancy By Region**

Region	Total Portfolio			Same Property		
	Mar 2022	Mar 2021	Change	Mar 2022	Mar 2021	Change
Greater Toronto & Hamilton Area	3.5%	6.7%	-320 bps	2.4%	6.7%	-430 bps
National Capital Region	5.3%	10.0%	-470 bps	5.2%	10.0%	-480 bps
Other Ontario	2.5%	3.5%	-100 bps	1.7%	2.9%	-120 bps
Greater Montreal Area	7.3%	13.1%	-580 bps	4.9%	13.1%	-820 bps
Greater Vancouver Area	1.9%	15.8%	-1390 bps	-	-	-
Total	**4.5%**	**8.7%**	**-420 bps**	**3.6%**	**8.4%**	**-480 bps**

Other Revenue

Other rental revenue for the three months ended March 31, 2022 increased 14.8% to $3.3 million compared to $2.8 million for the three months ended March 31, 2021. The increased revenues from commercial space as well as ancillary sources such as parking, laundry, locker rentals, and cable and telecom continues to be a focus as it provides organic revenue growth. For the three months ended March 31 2022, other revenue represents 6.3% of operating revenues, a decrease of 30 basis points as a percentage of operating revenues from the same period in 2021.

PROPERTY OPERATING COSTS

Property operating costs for the investment properties include repairs and maintenance, insurance, caretaking, superintendents' wages and benefits, property management salaries and benefits, uncollectible accounts and eviction costs, marketing, advertising, and leasing costs.

Property operating costs for the three months ended March 31, 2022 amounted to $7.6 million or 14.6% of revenue compared to $6.6 million or 15.4% of revenue for the three months ended March 31, 2021. As a percentage of revenue, operating costs decreased by 80 basis points as compared to 2021.

PROPERTY TAXES

Property taxes for the three months ended March 31, 2022 amounted to $5.9 million or 11.5% of revenue compared to $5.4 million or 12.6% of revenue for 2021. Overall property taxes have decreased as a percentage of operating revenues and the increase in taxes is mainly attributable to the increase in suites from the first quarter of 2021 to 2022.

The Trust is constantly reviewing property tax assessments for its properties and this active approach shall continue to help drive down costs. Where appropriate, the Trust will appeal individual property assessments.

UTILITY COSTS

Utility costs for the three months ended March 31, 2022 amounted to $6.0 million or 11.5% of revenue compared to $4.5 million or 10.5% of revenue for the three months ended March 31, 2021. Utility costs have increased over last year as both a percentage of operating revenues and on a per suite basis. Higher charges for natural gas account for 70% of the overall increase, or $1.1 million, with rates coming in 31% higher across the portfolio. Gas usage was also up 6%, however given the relatively colder winter (15% increase in heating degree days over the same period in 2021), this represents a favourable result and is indicative of the investments the Trust has made in achieving its sustainability and emissions-reduction goals.

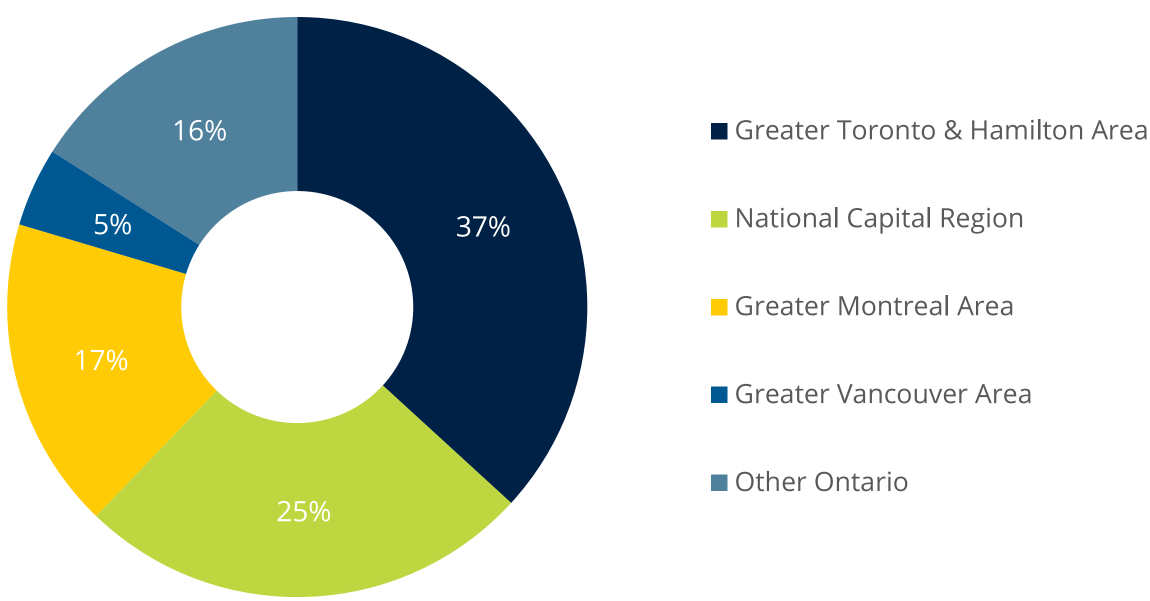
Electricity costs were up $0.3 million with increases in both usage and rates. The Trust continues to manage its electricity costs through its hydro sub-metering initiative, which reduced electricity costs by 18.6%, or $0.5 million for the quarter. At March 31, 2022, the REIT had approximately 83% of its portfolio that had the capability to sub-meter hydro in order to recover the cost. Of these, approximately 82% were on hydro extra leases whereby the resident either pays the local utility provider directly or the REIT recovers the cost from the resident. This represents approximately 68% of the total portfolio. The REIT plans on continuing to roll this program out to new properties as they are acquired.

NET OPERATING INCOME (NOI)

NOI for the three months ended March 31, 2022 amounted to $32.4 million or 62.4% of operating revenue compared to $26.5 million or 61.5% of operating revenue for the three months ended March 31, 2021. The $5.9 million increase in the quarter results primarily from growth in the portfolio, as well as lower vacancy and rebates in Q1 2022 versus Q1 2021. Vacancy and rebates decreased by 18.1% contributing to a 20.5% increase in operating revenue compared to the three months ended March 31, 2021.

NOI for the three months ended March 31, 2022 from the same property portfolio was $28.9 million, or 62.8% of operating revenue. Management continues to focus on top line revenue growth through acquisitions, suite additions and ancillary revenue as well as operating cost reductions (such as efficiencies of scale, investment in energy saving initiatives, and investments to reduce ongoing operating costs).

▼ NOI By Region – 3 Months Ended March 31, 2022



SAME PROPERTY PORTFOLIO PERFORMANCE

Same property results for the three months ended March 31, 2022 are defined as all properties owned and operated by the Trust throughout the comparative periods being reported, and therefore do not take into account the impact on performance of acquisitions, dispositions or properties going through a lease-up during the period from January 1, 2021 to March 31, 2022. As at March 31, 2022, the Trust has 11,039 suites in the same property portfolio. The same property portfolio represents 88.7% of the overall portfolio.

In $ 000's	3 Months Ended March 31, 2022		3 Months Ended March 31, 2021	
Gross rental revenue	**$ 46,210**		$ 43,650	
Less: vacancy & rebates	**(3,107)**		(4,575)	
Other revenue	**2,976**		2,808	
Operating revenues	**$ 46,079**		$ 41,883	
Expenses				
Property operating costs	**6,626**	**14.4%**	6,446	15.4%
Property taxes	**5,296**	**11.5%**	5,253	12.5%
Utilities	**5,230**	**11.4%**	4,390	10.5%
Operating expenses	**$ 17,152**	**37.2%**	$ 16,089	38.4%
Net operating income	**$ 28,927**		$ 25,794	
Net operating margin	**62.8%**		61.6%	

For the three months ended March 31, 2022, operating revenues for same property increased by 10.0% compared to Q1 2021. Property operating costs and property taxes each decreased by 100 basis points as a percentage of operating revenues, whereas utilities increased by 90 basis points. This resulted in an overall decrease in operating expenses, as a percentage of operating revenues, of 120 basis points as compared to the same period last year.

Operating expense growth of 6.6% was more than offset by revenue growth of 10.0%, achieved through a substantial reduction in vacancy and rebates and achieving market rents on turnover. This resulted in an increase in same property NOI of $3.1 million, or 12.1%, as compared to the same period last year. NOI margin for Q1 2022 was 62.8% as compared to 61.6% for Q1 2021, a 120 basis points increase.

The average monthly rent for March 2022 for same property increased to $1,391 per suite from $1,321 (March 2021), an increase of 5.3%. Economic vacancy for March 2022 for same property was 3.6%, compared to 8.4% for March 2021.

	March 2021	June 2021	September 2021	December 2021	March 2022
Average monthly rent same property	$1,321	$1,333	$1,360	$1,374	$1,391
Average monthly vacancy same property	8.4%	7.8%	5.1%	3.7%	3.6%

REPOSITIONED PROPERTY PORTFOLIO PERFORMANCE

The Trust's repositioning program following the acquisition of a property typically spans 3 to 4 years, depending on how significant the capital requirements are and on the resident turnover at the property. Repositioned property suites for the three months ended March 31, 2022 are defined as all properties owned and operated by the Trust prior to January 1, 2019. As at March 31, 2022, the Trust has 8,949 repositioned property suites, which represents 71.9% of the overall portfolio.

In $ 000's	3 Months Ended March 31, 2022					
	Repositioned Property Portfolio		Non-Repositioned Property Portfolio		Total Portfolio	
Gross rental revenue	$ 38,349		$ 14,142		**$ 52,491**	
Less: vacancy & rebates	(2,497)		(1,396)		**(3,893)**	
Other revenue	2,205		1,060		**3,265**	
Operating revenues	$ 38,057		$ 13,806		**$ 51,863**	
Expenses						
Property operating costs	5,256	13.8%	2,335	16.9%	**7,591**	**14.6%**
Property taxes	4,363	11.5%	1,586	11.5%	**5,949**	**11.5%**
Utilities	4,020	10.5%	1,944	14.1%	**5,964**	**11.5%**
Operating expenses	$ 13,639	35.8%	$ 5,865	42.5%	**$ 19,504**	**37.6%**
Net operating income	$ 24,418		$ 7,941		**$ 32,359**	
Net operating margin	64.2%		57.5%		**62.4%**	

The average monthly rent for March 2022 for the repositioned property portfolio was $1,423 per suite and the economic vacancy for March 2022 was 3.4% whereas the non-repositioned properties had an average monthly rent of $1,358 per suite and an economic vacancy of 7.5% for March 2022.

Region	**Repositioned Property Portfolio**			**Non-Repositioned Property Portfolio**		
	Suites	Mar 2022 Average Rent	Mar 2022 Vacancy	Suites	Mar 2022 Average Rent	Mar 2022 Vacancy
Greater Toronto & Hamilton Area	2,886	$1,498	2.3%	1,208	$1,475	6.6%
National Capital Region	2,955	$1,473	5.2%	5	$1,618	71.6%
Other Ontario	1,460	$1,416	1.8%	542	$1,189	4.8%
Greater Montreal Area	1,648	$1,208	3.7%	1,308	$1,216	11.9%
Greater Vancouver Area	-	-	-	433	$1,669	1.9%
Total	**8,949**	**$1,423**	**3.4%**	**3,496**	**$1,358**	**7.5%**

FINANCING AND ADMINISTRATIVE COSTS

In $ 000's	3 Months Ended March 31, 2022	3 Months Ended March 31, 2021
Net operating income	**$ 32,359**	$ 26,488
Expenses		
Financing costs	**9,655**	6,995
Administrative costs	**3,501**	3,005
Income before other income and expenses	**$ 19,203**	$ 16,488

FINANCING COSTS

Financing costs amounted to $9.7 million or 18.6% of operating revenue for the three months ended March 31, 2022 compared to $7.0 million or 16.2% of operating revenue for the three months ended March 31, 2021 due to the higher amount of outstanding mortgage debt, both from growth in the portfolio as well as new mortgages and successful upfinancings.

In $ 000's	3 Months Ended March 31, 2022		3 Months Ended March 31, 2021	
	Amount	% of Revenue	Amount	% of Revenue
Cash based:				
Mortgage interest	$ 8,596	16.6%	$ 6,824	15.9%
Credit facilities	900	1.7%	300	0.7%
Interest capitalized	(248)	(0.5%)	(207)	(0.5%)
Interest income	(88)	(0.2%)	(110)	(0.3%)
Non-Cash based:				
Amortization of deferred finance cost and premiums on assumed debt	495	1.0%	188	0.4%
Total	$ 9,655	18.6%	$ 6,995	16.2%

Mortgage interest is one of the single largest expense line items for InterRent REIT. Given the current rates in the market for CMHC insured mortgages (currently in the range of 3.55% to 3.65% for 5-year terms and 3.85% to 3.95% for 10-year terms), it is management's expectation that there will be some upward pressure on mortgage interest costs. Mortgage debt has increased on an overall basis, mainly attributable to up-financing for property acquisitions and repositioning.

Amortization of deferred finance costs for the quarter included a $0.3 million write-off related to the financing of mortgages through CMHC. As the REIT continues to actively manage its mortgage ladder, there will be additional write-offs as we continue to increase our percentage of CMHC insured mortgages.

ADMINISTRATIVE COSTS

Administrative costs include such items as: director pay; salaries and incentive payments; employee benefits; investor relations and sustainability; transfer agent listing and filing fees; legal, tax, audit, other professional fees; and amortization on corporate assets.

Administrative costs for the three months ended March 31, 2022 amounted to $3.5 million, or 6.8% of operating revenue, compared to $3.0 million for 2021, being 7.0% of operating revenue.

OTHER INCOME AND EXPENSES

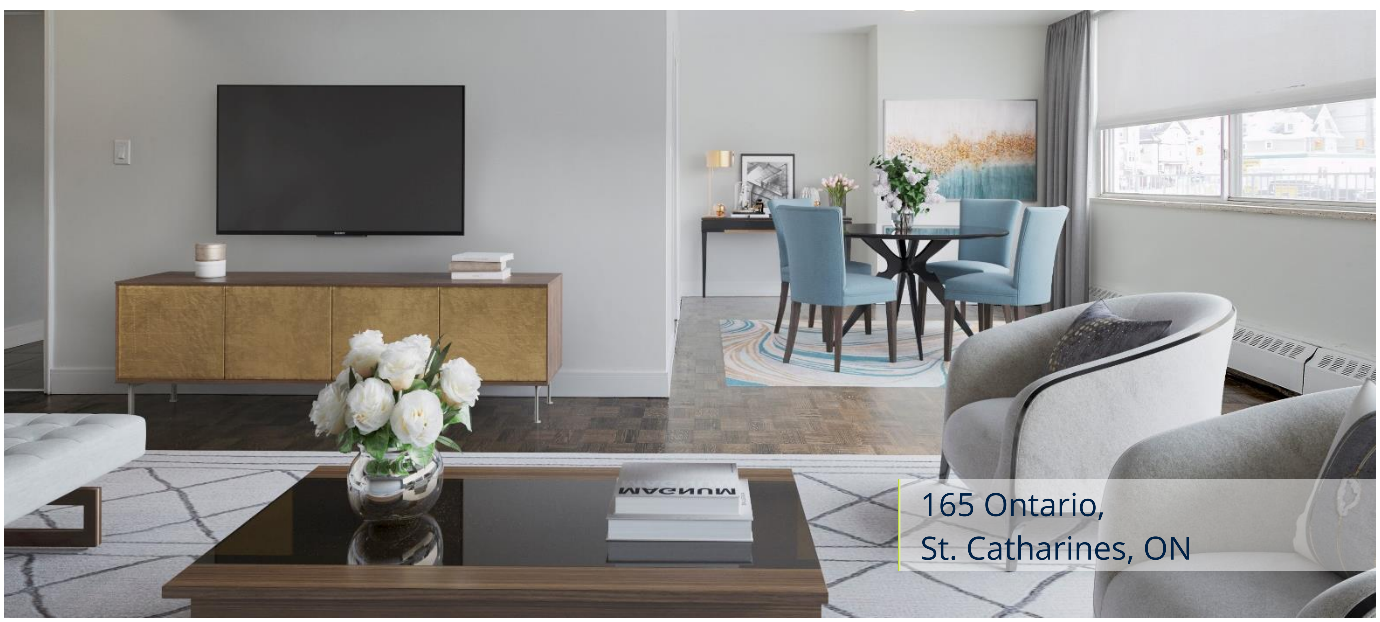
In $ 000's	3 Months Ended March 31, 2022	3 Months Ended March 31, 2021
Income before other income and expenses	**$ 19,203**	$ 16,488
Other income and expenses		
Income from joint ventures	**10**	10
Other income and fees	**234**	62
Fair value adjustments of investment properties	**65,835**	97,639
Unrealized gain/(loss) on financial liabilities	**10,022**	(8,844)
Distributions expense on units classified as financial liabilities	**(672)**	(646)
Net income	**$ 94,632**	$104,709

OTHER INCOME AND FEES

The Trust has contractual arrangements with Vancouver No. 1 Apartments Partnership and Ontario No. 1 Apartments Partnership and receives compensation to perform the property and project management services for the 866 and 94 residential suites within the joint operations, respectively.

FAIR VALUE ADJUSTMENTS OF INVESTMENT PROPERTIES

The fair value of the portfolio at March 31, 2022 and 2021 was determined internally by the Trust. In order to substantiate management's valuation, the Trust engaged a leading independent national real estate appraisal firm to provide appraisals for substantially all of the portfolio at December 31, 2021. The Trust engaged the firm once again to review and advise of any significant changes in any of the key input assumptions in the model (such as capitalization rate, turnover rate and market rental rate estimates) as at March 31, 2022. For the three months ended March 31, 2022, a fair value gain of $65.8 million was recorded on the financial statements as a result of changes in the fair value of investment properties. The weighted average capitalization rate used across the portfolio at the end of Q1 2022 was 3.82% as compared to 3.86% for Q4 2021 and 4.06% for Q1 2021. The compression in the capitalization rate in the quarter was driven primarily by the addition of properties acquired in Q4 of 2021 in the GTHA and GVA into the model.



165 Ontario,
St. Catharines, ON

UNREALIZED FAIR VALUE GAIN/LOSS ON FINANCIAL LIABILITIES

The Trust used a price of $15.99 based on the closing price of the TSX listed InterRent REIT Trust Units to determine the fair value of the deferred unit compensation liability. The total fair value of the deferred units recorded on the consolidated balance sheet at March 31, 2022 was $65.6 million and a corresponding fair value gain of $4.9 million was recorded on the consolidated statement of income for the three months ended March 31, 2022.

The Trust determined the fair value of the option plan (unit-based compensation liability) at March 31, 2022 was $2.0 million and a corresponding fair value gain of $0.2 million was recorded on the consolidated statement of income for the three months ended March 31, 2022.

The Trust used a price of $15.99 based on the closing price of the TSX listed InterRent REIT Trust Units to determine the fair value of the Class B LP unit liability. The total fair value of these Units recorded on the consolidated balance sheet at March 31, 2022 was $54.5 million and a corresponding fair value gain of $4.5 million was recorded on the consolidated statement of income for the three months ended March 31, 2022.

In $ 000's	3 Months Ended March 31, 2022	3 Months Ended March 31, 2021
Fair value gain/(loss) on financial liabilities:		
Deferred unit compensation plan	**$ 4,872**	$ (4,390)
Option plan	**249**	(684)
Class B LP unit liability	**4,502**	(3,751)
Rate swap	**399**	(19)
Fair value gain/(loss) on financial liabilities	**$ 10,022**	$ (8,844)

DISTRIBUTION EXPENSE

The distribution expense is comprised of distributions to holders of the Class B LP units and distributions earned on the deferred unit plan, as both are classified as a liability.


WEST236,
Ottawa, ON

INVESTMENT PROPERTIES

The following chart shows the changes in investment properties from December 31, 2021 to March 31, 2022.

In $ 000's	March 31, 2022
Balance, December 31, 2021	$ 4,062,593
Acquisitions	13,508
Property capital investments	25,978
Fair value gains	65,835
Total investment properties	$ 4,167,914

The Trust purchased a 50% ownership stake in two properties with 57 suites during the quarter.

The Trust's repositioning program following the acquisition of a property typically spans 3 to 4 years, depending on how significant the capital requirements are and on the resident turnover at the property. For the purpose of identifying capital expenditures related to properties being repositioned, for 2022 the REIT uses a cut-off of December 31, 2018. Any property purchased after this date is considered a repositioning property and capital expenditures are all part of the program to improve the property by lowering operating costs and/or enhancing revenue. For properties acquired prior to January 1, 2019, management reviews the capital expenditures to identify and allocate, to the best of its abilities, those that relate to enhancing the value of the property (either through lowering operating costs or increasing revenue) and those expenditures that relate to sustaining and maintaining the existing space. There are 8,949 suites in the REIT's portfolio that were acquired prior to January 1, 2019 and are considered repositioned properties for the purpose of calculating maintenance capital investment.

For the three month period ended March 31, 2022, the Trust invested $26.0 million in the portfolio compared to $15.6 million in 2021. In the first three months of the year, $8.6 million was invested in the non-repositioned properties and $7.8 million was invested in properties under development. Of the remaining $9.6 million, $7.8 million was invested in value enhancing initiatives and $1.8 million was related to sustaining and maintaining existing spaces within the repositioned portfolio. This significant level of capital expenditures allows the trust to rejuvenate multi-family supply, thereby extending the life of the properties, and creates safe living spaces that our residents can be proud to call home.

4560 Sainte-Catherine O,
Westmount, QC

UNITHOLDERS' EQUITY

The following chart shows the changes in reported Unitholders' equity from December 31, 2021 to March 31, 2022.

Summary of Unitholders' Capital Contributions	Trust Units	Amount (in $ 000's)
December 31, 2021	140,179,844	$1,030,780
Units issued under the deferred unit plan	22,685	369
Units issued under distribution reinvestment plan	291,146	4,523
Units issued from options exercised	63,887	1,054
March 31, 2022	140,557,562	$1,036,726

As at March 31, 2022 there were 140,557,562 Trust Units issued and outstanding.

DISTRIBUTIONS

The distributions per Unit were $0.0855 and $0.0814 for the three months ended March 31, 2022 and 2021, respectively. The Trust is currently making monthly distributions of $0.02850 per Unit, which equates to $0.34200 per Unit on an annualized basis. For the three months ended March 31, 2022, the Trust's FFO and AFFO was $0.133 and $0.120 per unit (basic) respectively, compared to $0.114 and $0.102 for the three months ended March 31, 2021.

Distributions to Unitholders are as follows:

In $ 000's	3 Months Ended March 31, 2022	3 Months Ended March 31, 2021
Distributions declared to Unitholders	**$ 12,004**	$ 11,284
Distributions reinvested through DRIP	**(4,523)**	(3,965)
Distributions declared to Unitholders, net of DRIP	**$ 7,481**	$ 7,319
DRIP participation rate	**37.7%**	35.1%

InterRent's Declaration of Trust provides the trustees with the discretion to determine the payout of distributions that would be in the best interest of the Trust. In establishing the level of distributions to Unitholders, consideration is given to future cash requirements of the Trust as well as forward-looking cash flow information.

WEIGHTED AVERAGE NUMBER OF UNITS

The following table sets forth the weighted average number of Units outstanding:

	3 Months Ended March 31, 2022	3 Months Ended March 31, 2021
Trust units	**140,348,734**	138,577,944
LP Class B units	**3,410,766**	3,410,766
Weighted average units outstanding - Basic	**143,759,500**	141,988,710
Unexercised dilutive options (1)	**134,327**	386,004
Weighted average units outstanding - Diluted	**143,893,827**	142,374,714

(1) Calculated using the treasury method.

PERFORMANCE MEASURES

Management believes that Funds from Operations (FFO) and Adjusted Funds from Operations (AFFO) are key measures for real estate investment trusts, however they do not have standardized meanings prescribed by IFRS (GAAP). These measures may differ from similar computations as reported by other real estate investment trusts and, accordingly, may not be comparable to similarly termed measures reported by other such issuers.

As both measures exclude the fair value adjustments on investment properties and gains and losses from property dispositions, it provides an operating performance measure that, when compared period over period, reflects the impact on operations of trends in occupancy levels, rental rates, operating costs and realty taxes, acquisition activities and interest costs, and provides a perspective of the financial performance that is not immediately apparent from net income determined in accordance with GAAP. As these measures are based on historical performance, they lag current operation and are negatively impacted, most notably on a per unit basis, during periods of significant growth. This is further amplified when the growth stems primarily from repositioning/development properties.

FFO Reconciliation In $000's, except per Unit amounts and Units outstanding	**3 Months Ended Mar 31, 2022**	**3 Months Ended Mar 31, 2021**
Net income	**$ 94,632**	$ 104,709
Add (deduct):		
Fair value adjustments on investment property	**(65,835)**	(97,639)
Unrealized (gain) loss on financial instruments	**(10,022)**	8,844
Interest expense on puttable units classified as liabilities	**292**	278
Funds from Operations (FFO)	**$ 19,067**	$ 16,192
FFO per weighted average unit - basic	**$0.133**	$0.114
FFO per weighted average unit - diluted	**$0.133**	$0.114

AFFO Reconciliation In $000's, except per Unit amounts and Units outstanding	**3 Months Ended Mar 31, 2022**	**3 Months Ended Mar 31, 2021**
Funds from Operations	**$ 19,067**	$ 16,192
Add (deduct):		
Actual maintenance capital investment	**(1,800)[(1)]**	(1,666)[(1)]
Adjusted Funds from Operations (AFFO)	**$ 17,267**	$ 14,526
AFFO per weighted average unit - basic	**$0.120**	$0.102
AFFO per weighted average unit - diluted	**$0.120**	$0.102

(1) Maintenance capital investment total is for the 8,949 (2021 – 8,314) repositioned suites

Adjusted Cash Flow from Operations (ACFO) was introduced in February 2017, and updated February 2019, in REALpac's "White Paper on Adjusted Cashflow from Operations (ACFO) for IFRS" as a sustainable, economic cash flow metric. Management believes ACFO can be a useful measure to evaluate the Trust's ability to fund distributions to unitholders. ACFO should not be construed as an alternative to cash flows provided by or used in operating activities determined in accordance with IFRS. ACFO is calculated in accordance with the REALpac definition but may differ from other REIT's methods and accordingly, may not be comparable to ACFO reported by other issuers.

ACFO Reconciliation In $000's, except per Unit amounts and Units outstanding	**3 Months Ended Mar 31, 2022**	**3 Months Ended Mar 31, 2022**
Cash generated from operating activities	**$ 16,163**	$ 19,778
Add (deduct):		
Changes in non-cash working capital not indicative of sustainable cash flows	**(650)**	(4,750)
Amortization of finance costs	**(495)**	(188)
Principal portion of lease payments	**(48)**	-
Actual maintenance capital investment	**(1,800)**	(1,666)
ACFO	**$ 13,170**	$ 13,174
Distributions declared [1]	**$ 12,296**	$ 11,561
Excess/(shortfall) of ACFO over distributions declared	**$ 874**	$ 1,613
ACFO payout ratio	**93.4%**	87.8%

[1] Includes distributions on LP Class B units

For the three months ended March 31, 2022, ACFO exceeded distributions declared by $0.9 million. Amounts retained in excess of the declared distributions are used to fund acquisitions and capital expenditure requirements.

CASH FROM OPERATING ACTIVITIES AND CASH DISTRIBUTIONS

The following table outlines the differences between cash flows from operating activities and net income and cash distributions in accordance with National Policy 41-201, "Income Trusts and Other Indirect Offerings":

In $000's	**3 Months Ended Mar 31, 2022**	**3 Months Ended Mar 31, 2022**
Net income	**$ 94,632**	$ 104,709
Cash flows from operating activities	**16,163**	19,778
Distributions paid [1]	**7,469**	7,586
Distributions declared [1]	**12,296**	11,561
Excess of net income over distributions paid	**87,163**	97,123
Excess of net income over distributions declared	**82,336**	93,148
Excess of cash flows from operations over distributions paid	**8,694**	12,192
Excess of cash flows from operations over distributions declared	**3,867**	8,217

[1] Includes distributions on LP Class B units

For the three months ended March 31, 2022, cash flows from operating activities exceeded distributions paid by $8.7 million. Net income is not used as a proxy for distributions as it includes fair value changes on investment properties and fair value change on financial instruments, which are not reflective of the Trust's ability to make distributions. Amounts retained in excess of the declared distributions are used to fund acquisitions and capital expenditure requirements.

LIQUIDITY AND CAPITAL RESOURCES

InterRent REIT's overall debt level was at 36.4% of Gross Book Value ("GBV") at March 31, 2022. GBV is a non-GAAP term that is defined in the DOT and includes all operations. The following chart sets out the Trust's computed debt-to-GBV:

In $ 000's	March 31, 2022	December 31, 2021
Total assets per Balance Sheet	$ 4,226,031	$ 4,118,699
Mortgages payable	$ 1,448,383	$ 1,371,577
Credit facilities	91,020	140,495
Total debt	$ 1,539,403	$ 1,512,072
Debt-to-GBV	36.4%	36.7%

With a DOT limit of 75% of Debt-to-Gross Book Value, InterRent REIT has the ability to further leverage the existing portfolio to assist with future investments in new assets. The Trust is conscious of the current credit environment and how this affects the ability of the Trust to grow. Management continues to evaluate on-going repositioning efforts, potential new acquisition opportunities as well as potential dispositions in order to continue to grow the Trust in a fiscally prudent manner.

INTEREST AND DEBT SERVICE COVERAGE

The following schedule summarizes the interest and debt service coverage ratios for InterRent for the comparable rolling 12-month periods ending March 31, 2022:

In $000's	12 Months Ended March 31, 2022	12 Months Ended March 31, 2021
NOI	$ 123,529	$ 103,919
Less: Administrative costs	13,712	11,617
EBITDA	$ 109,817	$ 92,302
Interest expense [1]	$ 33,199	$ 26,163
Interest coverage ratio	**3.31x**	**3.53x**
Contractual principal repayments	$ 26,398	$ 21,772
Total debt service payments	$ 59,597	$ 47,935
Debt service coverage ratio	**1.84x**	**1.93x**

[1] Interest expense includes interest on mortgages and credit facilities, including interest capitalized to properties under development and interest income, and excludes interest (distributions) on units classified as financial liabilities.

The Monterey Apartments, Vancouver, BC

MORTGAGE AND DEBT SCHEDULE

The following schedule summarizes the aggregate future minimum principal payments and debt maturities for the mortgages of InterRent REIT.

Year Maturing	Mortgage Balances At March 31, 2022 (in $ 000's)	Weighted Average by Maturity	Weighted Average Interest Rate
2022	$ 340,231	23.0%	2.20%
2023	$ 225,680	15.3%	2.30%
2024	$ 78,348	5.3%	3.70%
2025	$ 114,690	7.8%	2.21%
2026	$ 99,445	6.7%	2.15%
Thereafter	$ 619,540	41.9%	2.72%
Total	$ 1,477,934	100.0%	2.51%

At March 31, 2022, the average term to maturity of the mortgage debt was approximately 4.5 years and the weighted average cost of mortgage debt was 2.51%. At March 31, 2022, approximately 71% of InterRent REIT's mortgage debt was backed by CMHC insurance.

During the quarter, the Trust 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. The net result at March 31, 2022 compared to December 31, 2021 was:

- An increase in the average term to maturity of the mortgage debt to 4.5 years from 3.6 years;
- An increase in the weighted average cost of mortgage debt to 2.51% from 2.38%; and
- An increase in the mortgage debt backed by CMHC insurance to approximately 71% from 63%.

As at March 31, 2022, the Trust had the following credit facilities:

- A $2.0 million demand credit facility with a Canadian chartered bank secured by a general security agreement. Interest is charged at a floating rate plus a pre-defined spread. As at March 31, 2022, the Trust had no amounts outstanding on this facility.
- A $105.0 million term credit facility, maturing in 2022, with a Canadian chartered bank secured by a general security agreement and second collateral mortgages on nine of the Trust's properties. Interest is charged at a floating rate plus a pre-defined spread. As at March 31, 2022, the Trust had no amounts outstanding on this facility.
- A $15.0 million term credit facility, maturing in 2023, with a Canadian chartered bank secured by a general security agreement, a first mortgage on one of the Trust's properties and second collateral mortgages on one of the Trust's properties. Interest is charged at a floating rate plus a pre-defined spread. As at March 31, 2022, the Trust had utilized $5.0 million of this facility.
- A $100.0 million term credit facility, maturing in 2024, with a Canadian chartered bank secured by a general security agreement, first mortgages on two of the Trust's properties and second collateral mortgages on four of the Trust's properties. Interest is charged at a floating rate plus a pre-defined spread for prime advances and banker's acceptances. As at March 31, 2022, the Trust had utilized $86.0 million of this facility.

ACCOUNTING

FUTURE ACCOUNTING CHANGES

Amendment to IAS 1, Presentation of Financial Statements - Classification of Liabilities as Current or Non-Current

In January 2020, the IASB issued amendments to IAS 1 to specify the requirements for classifying liabilities as current or noncurrent. The narrow scope amendments affect only the presentation of liabilities in the statement of financial position and not the amount or timing of their recognition. It clarifies that the classification of liabilities as current or non-current is based on rights that are in existence at the end of the reporting period and specifies that classification is unaffected by expectations about whether an entity will exercise its right to defer settlement of a liability. It also introduces a definition of 'settlement' to make clear that settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services. The amendments are effective for annual reporting periods beginning on or after January 1, 2023. Earlier application is permitted. The implementation of these amendments is not expected to have a significant impact on the Trust as the balance sheet is presented on a liquidity basis.

RISKS AND UNCERTAINTIES

A comprehensive description of the risks and uncertainties can be found in InterRent REIT's December 31, 2021 MD&A and other securities filings at www.sedar.com.

On March 11, 2020, the World Health Organization declared COVID-19 a global pandemic. The duration and impact of the COVID-19 pandemic on the Trust is unknown at this time but 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. Uncertain economic conditions resulting from the COVID-19 outbreak may, in the short or long term, materially adversely impact the Trust's tenants and/or the debt and equity markets, both of which could materially adversely affect the Trust's operations and financial performance.

Refer to "COVID-19 Overview, Risk and Update" section for discussion of the impact of COVID-19 on the Trust's business and operations.

Financial Risk Management and Financial Instruments

a) Overview

The Trust is exposed to credit risk, liquidity risk and market risk. The Trust's primary risk management objective is to protect earnings and cash flow and, ultimately, unitholders value. Risk management strategies, as discussed below, are designed and implemented to ensure the Trust's risks and the related exposures are consistent with its business objectives and risk tolerance.

b) Credit Risk

The Trust's credit risk is attributable to its rents and other receivables and loan receivable long-term incentive plan.

Credit risk arises from the possibility that: (i) residents may experience financial difficulty and be unable to fulfil their lease commitments; and (ii) a party defaults on the repayment of their debt causing a financial loss to the Trust.

The Trust has established various internal controls designed to mitigate credit risk such as credit checks and, where permitted, adequate security to assist in potential recoveries. While the Trust's credit controls and processes have been effective in mitigating credit risk, these controls cannot eliminate credit risk and there can be no assurance that these controls will continue to be effective or that the Trust's current credit loss experience will improve. The Trust monitors its collection process on a regular basis and all receivables from past residents and resident receivables over 30 days are provided for in allowances for doubtful accounts. The Trust believes that the concentration of credit risk of accounts receivable is limited due to its broad resident base, dispersed across varying geographic locations.

Credit risk relating to other receivables and loan receivable long-term incentive plan is mitigated through recourse against such parties and/or the underlying security. These receivables are considered to have low credit risk.

The amounts disclosed as rents and other receivables and loan receivable long-term incentive plan in the consolidated balance sheet are net of allowances for doubtful accounts. At March 31, 2022, the Trust had past due rents and other receivables of $7.7 million net of an allowance for doubtful accounts of $2.6 million which adequately reflects the Trust's credit risk.

c) Liquidity Risk

Liquidity risk is the risk that the Trust will not be able to meet its financial obligations as they fall due. The Trust manages liquidity risk through the management of its capital structure and financial leverage, as outlined in note 22(c) in the March 31, 2022 consolidated financial statements. It also manages liquidity risk by continuously monitoring actual and projected cash flows to ensure that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Trust's reputation.

As at March 31, 2022, the Trust had credit facilities as described in note 9 in the March 31, 2022 consolidated financial statements.

Note 8 in the March 31, 2022 consolidated financial statements reflects the contractual maturities for mortgage payable of the Trust at March 31, 2022, excluding interest payments. The Trust continues to refinance the outstanding debts as they mature. Given the Trust's available credit and its available liquid resources from both financial assets and on-going operations, management assesses the Trust's liquidity risk to be low.

d) Fair Value

Financial instruments are defined as a contractual right to receive or deliver cash or another financial asset. The fair values of the Trust’s financial instruments, except for mortgages payable, approximate their recorded values due to their short-term nature and or the credit terms of those instruments.

The fair value of the mortgages payable has been determined by discounting the cash flows using current market rates of similar instruments. These estimates are subjective in nature and therefore cannot be determined with precision. The fair value of mortgages payable and credit facilities is approximately $1,538 million as at March 31, 2022 excluding any deferred financing costs.

Fair value estimates are made at a specific point in time, based on relevant market information and information about the financial instrument. These estimates are subjective in nature and involve uncertainties and matters of significant judgment and therefore cannot be determined with precision. Changes in assumptions could significantly affect estimates.

e) Market Risk

Market risk includes the risk that changes in interest rates will affect the Trust's cash flows or the fair value of its financial instruments.

At March 31, 2022, approximately 16% (December 31, 2021 – 20%) of the Trust's mortgage debt was at variable interest rates. The Trust's credit facilities bear interest at variable rates. If there was a 100 basis point change in the interest rate, cash flows would have changed by approximately $1.2 million for the three months ended March 31, 2022.

OFF-BALANCE SHEET ARRANGEMENTS

As of March 31, 2022 the Trust did not have any off-balance sheet arrangements in place.

RELATED PARTY TRANSACTIONS

The Audit Committee and Nominations and Governance Committee have reviewed and recommended approval to the Board, and the Board has subsequently approved, the entering into of a services agreement with CLV Group Developments to carry out certain entitlement, development, and construction services on behalf of the REIT in relation to the REITs developments. CLV Group Developments is a private company controlled by an officer of the REIT with a long track record of developing and constructing multifamily properties in Ontario. In order to mitigate the potential conflict of interest, both parties retained separate and independent legal representation for this matter. In addition, an independent external consultant reviewed the services to be supplied and provided a report in regards to the typical range of fees that would be charged for such services. The fees included in the agreement are either at or below the bottom end of the range provided by the consultant. During the three months ended March 31, 2022, the Trust incurred $0.4 million (2021 - nil) in entitlement, development, and construction management services related to the agreement which have been capitalized to the investment properties.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the Chief Executive Officer and the Chief Financial Officer, on a timely basis so that appropriate decisions can be made regarding public disclosure. The preparation of this information is supported by a set of disclosure controls and procedures implemented by management.

Pursuant to Canadian Securities Administrators requirements 52-109, Certification of Disclosure in Issuers' Annual and Interim Filings, InterRent REIT's Chief Executive Officer and Chief Financial Officer have satisfied themselves that as at March 31, 2022:

1. the design of disclosure controls and procedures was appropriate in order to provide reasonable assurance that material information relating to InterRent REIT is made known to us by others;

2. the design of internal controls over financial reporting was appropriate in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statement for external purposes in accordance with GAAP; and,

3. there have been no changes in InterRent REIT's internal controls over financial reporting during the quarter that has materially affected, or is reasonably likely to materially affect, InterRent REIT's internal controls over financial reporting.

SUBSEQUENT EVENTS

On May 9, 2022, the Trust announced that the TSX had approved its normal course issuer bid ("Bid") for a portion of its Trust Units as appropriate opportunities arise from time to time. Under the Bid, the Trust may acquire up to a maximum of 13,357,843 of its Trust Units, or approximately 10% of its public float of 133,578,439 Trust Units as of May 2, 2022, for cancellation over the next 12 months commencing on May 16, 2022 until the earlier of May 15, 2023 or the date on which the Trust has purchased the maximum number of Trust Units permitted under the Bid. The number of Trust Units that can be purchased pursuant to the Bid is subject to a current daily maximum of 93,790 Trust Units (being 25% of the average daily trading volume), except where purchases are made in accordance with "block purchases" exemptions under applicable TSX policies. Purchases will be made at market prices through the facilities of the TSX. The Trust intends to fund the purchases out of its available cash and undrawn credit facilities.

OUTSTANDING SECURITIES DATA

As of May 10, 2022, the Trust had issued and outstanding: (i) 140,663,688 units; (ii) LP Class B Units that are exchangeable for 3,410,766 units of the Trust; (iii) options exercisable to acquire 226,265 units of the Trust; and (iv) deferred units that are redeemable for 4,726,545 units of the Trust.

ADDITIONAL INFORMATION

Additional information concerning InterRent REIT, including InterRent REIT's annual information form, is available on SEDAR at www.sedar.com.