

InterRent REIT

Investor Presentation

Q2 2022 Conference Call

August 9, 2022





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Forward Looking Statements



This presentation contains “forward-looking statements” within the meaning of applicable 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 publicly filed information which may be 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 presentation to reflect actual events or new circumstances.

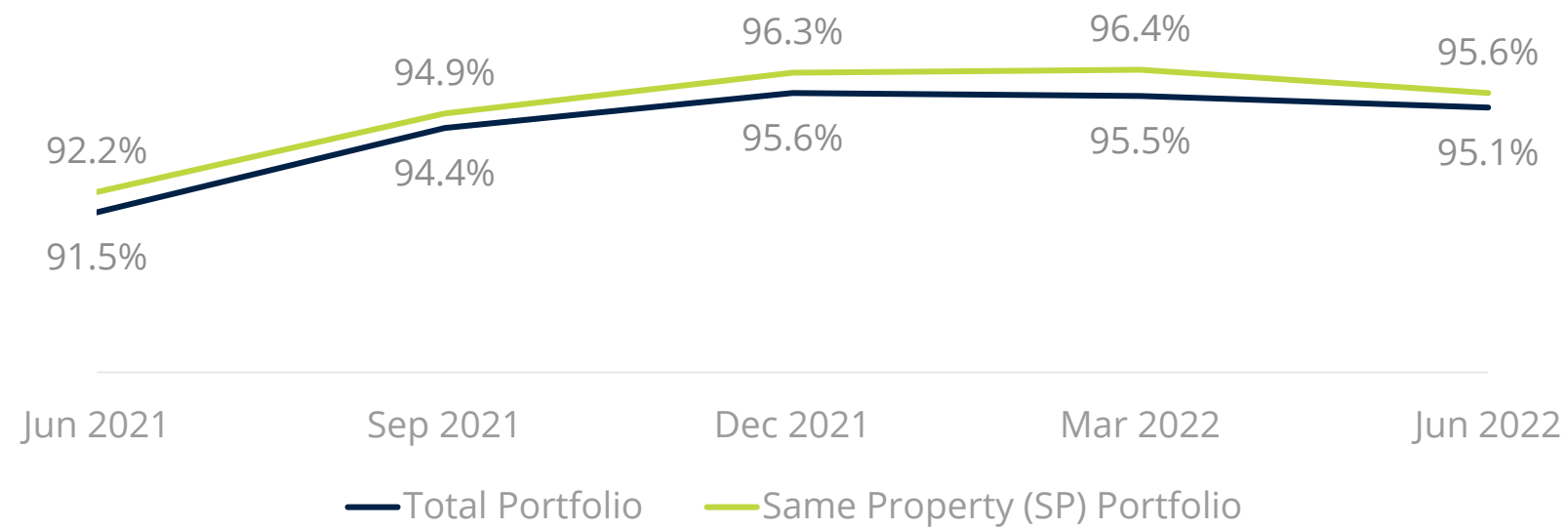
Quarterly Results at a Glance



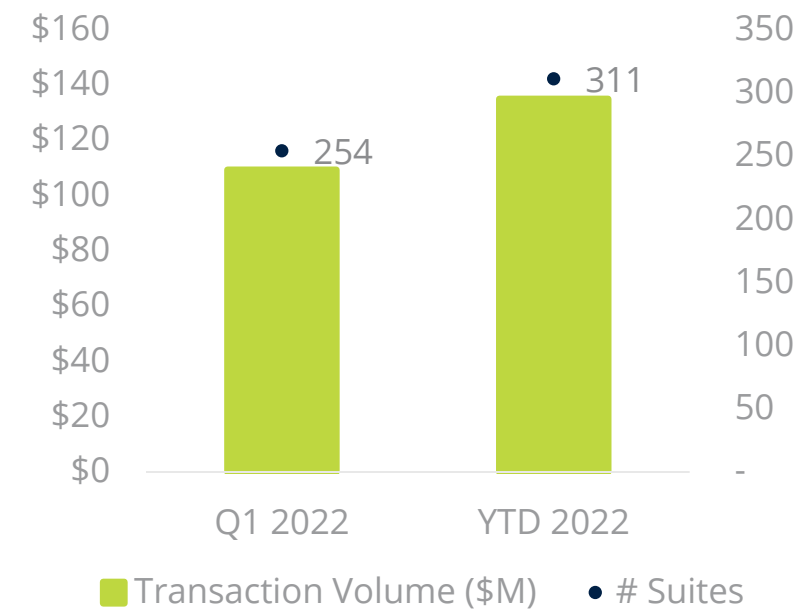


OPERATIONAL HIGHLIGHTS

OCCUPANCY



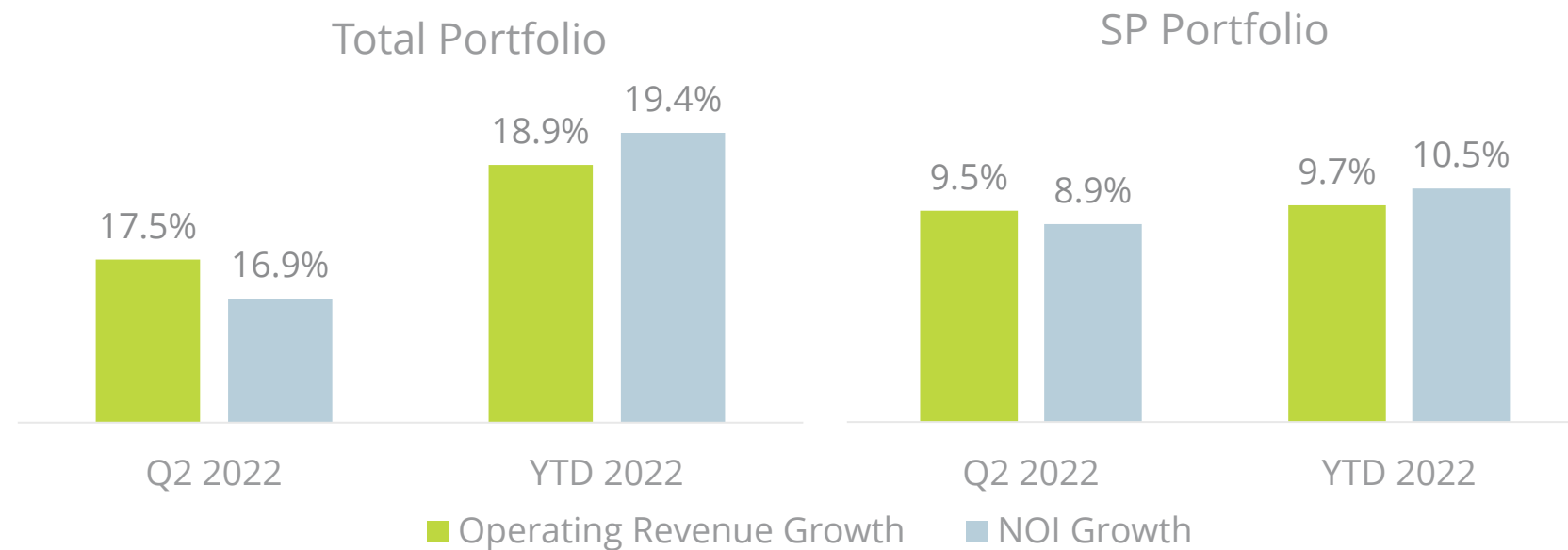
EXTERNAL GROWTH¹



FINANCIAL HEALTH

Debt/GBV	37.3%
W.A. Interest Cost	2.80%
CMHC Insured Mortgages	73%
Interest Coverage ²	3.19x
Available Liquidity Jul. 31, 2022 ³	~\$315M

OPERATING REVENUE AND NOI GROWTH (YOY)



PERFORMANCE MEASURES (NON-IFRS/GAAP)

	Q2 2022	YoY Chg.	YTD 2022	YoY Chg.
FFO (\$000)	18,880	+6.3%	37,947	11.7%
FFO/Unit	\$0.131	+5.6%	\$0.263	10.5%
AFFO (\$000)	16,262	+3.8%	33,529	11.0%
AFFO/Unit	\$0.113	+2.7%	\$0.233	9.9%

¹ At 100%; InterRent has 50% ownership interest in all 311 suites acquired to date in 2022

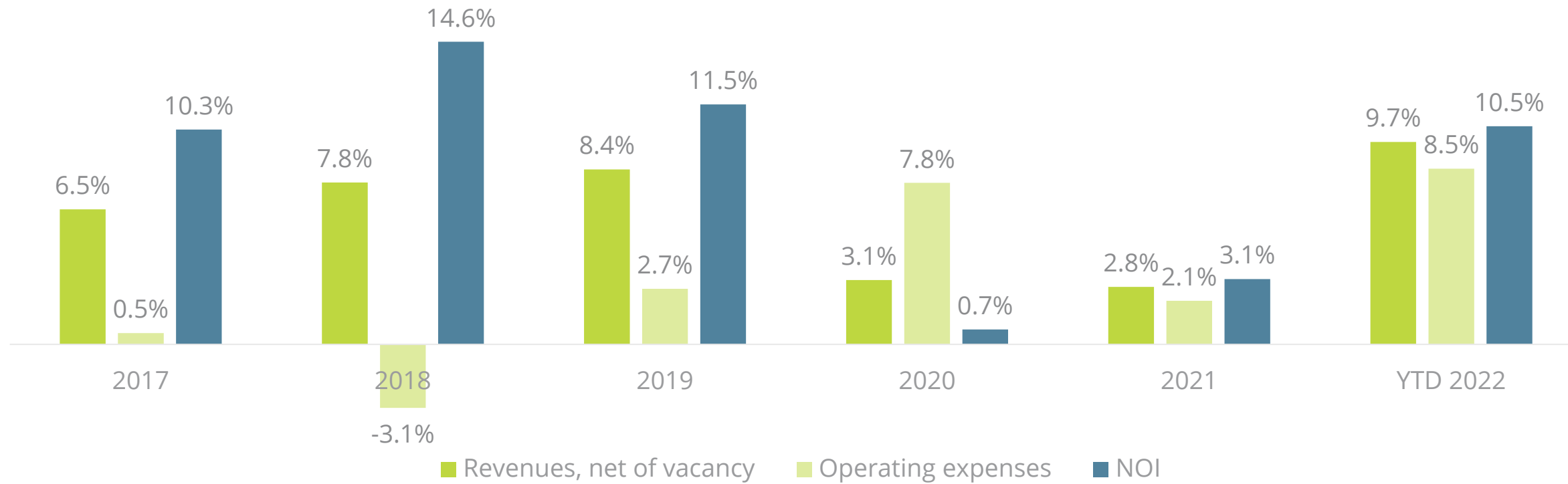
² Rolling 12 months

³ Assuming 50% leverage applied to the value of unencumbered properties as of June 30, 2022.



Top-Line Growth Should Drive Growth in NOI

YoY Growth in Revenues, Expenses, and NOI
Same property portfolio, as reported



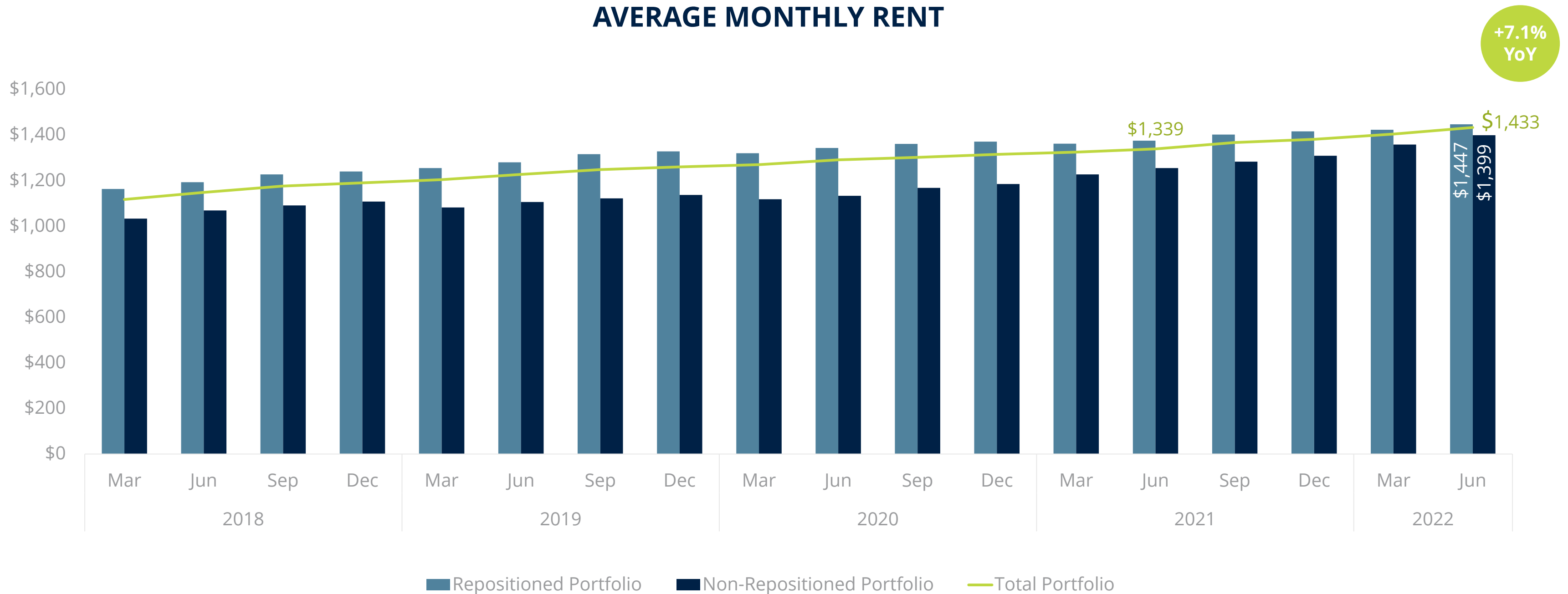
Our demonstrated track record of NOI growth may serve as a cushion against prevailing inflationary pressures





Strengthening Fundamentals

AVERAGE MONTHLY RENT

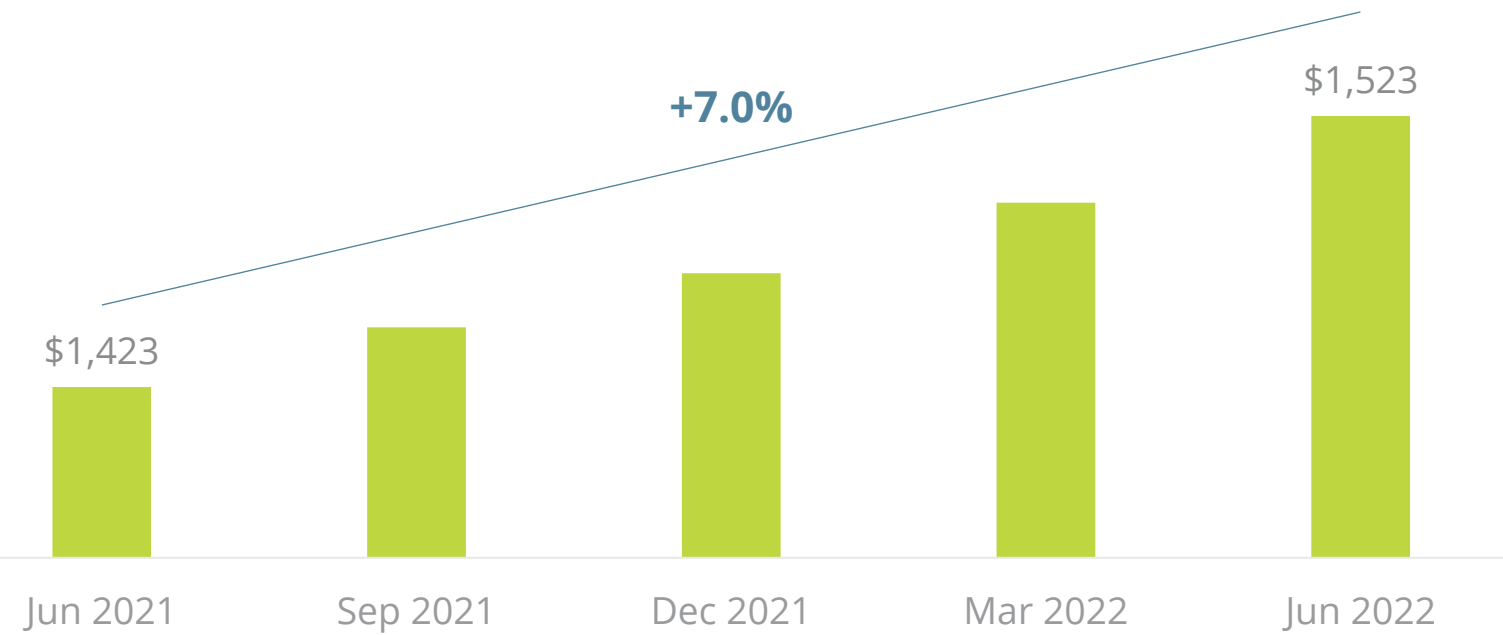


+7.1%
YoY

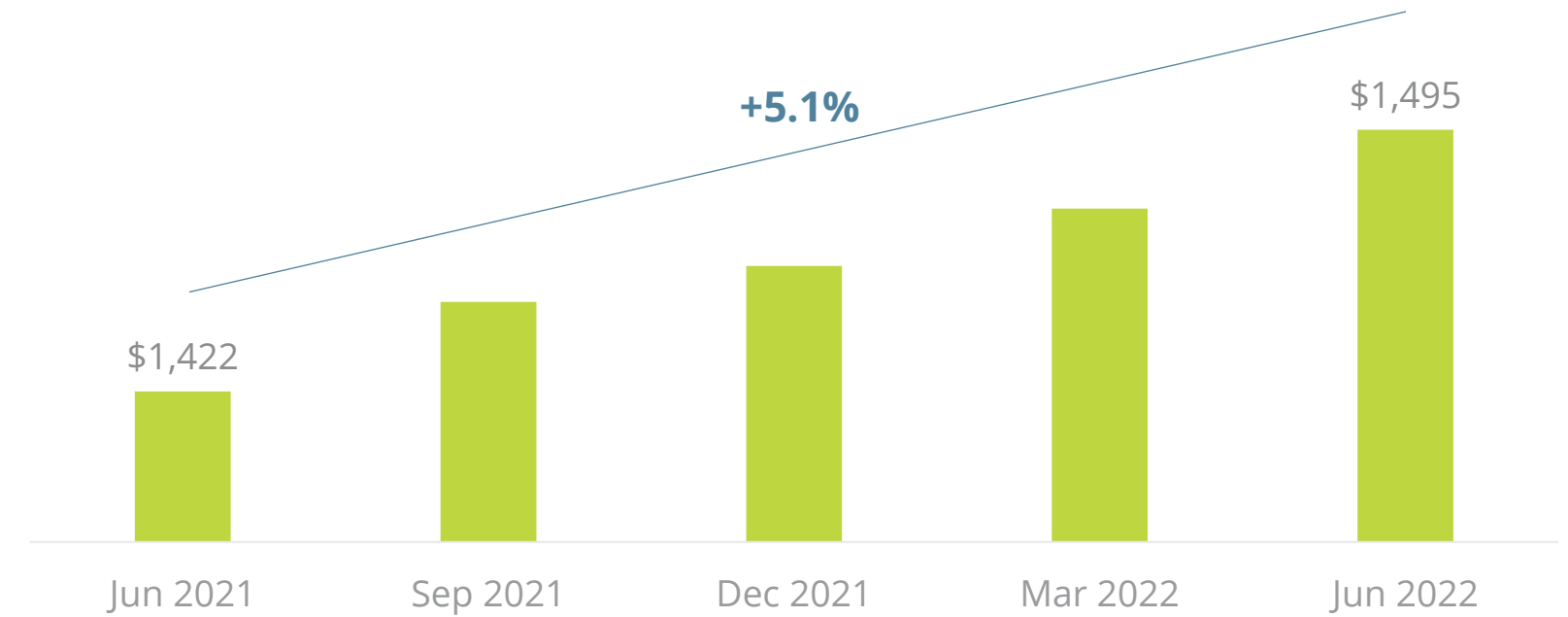


Growing Average Monthly Rent Across All Regions

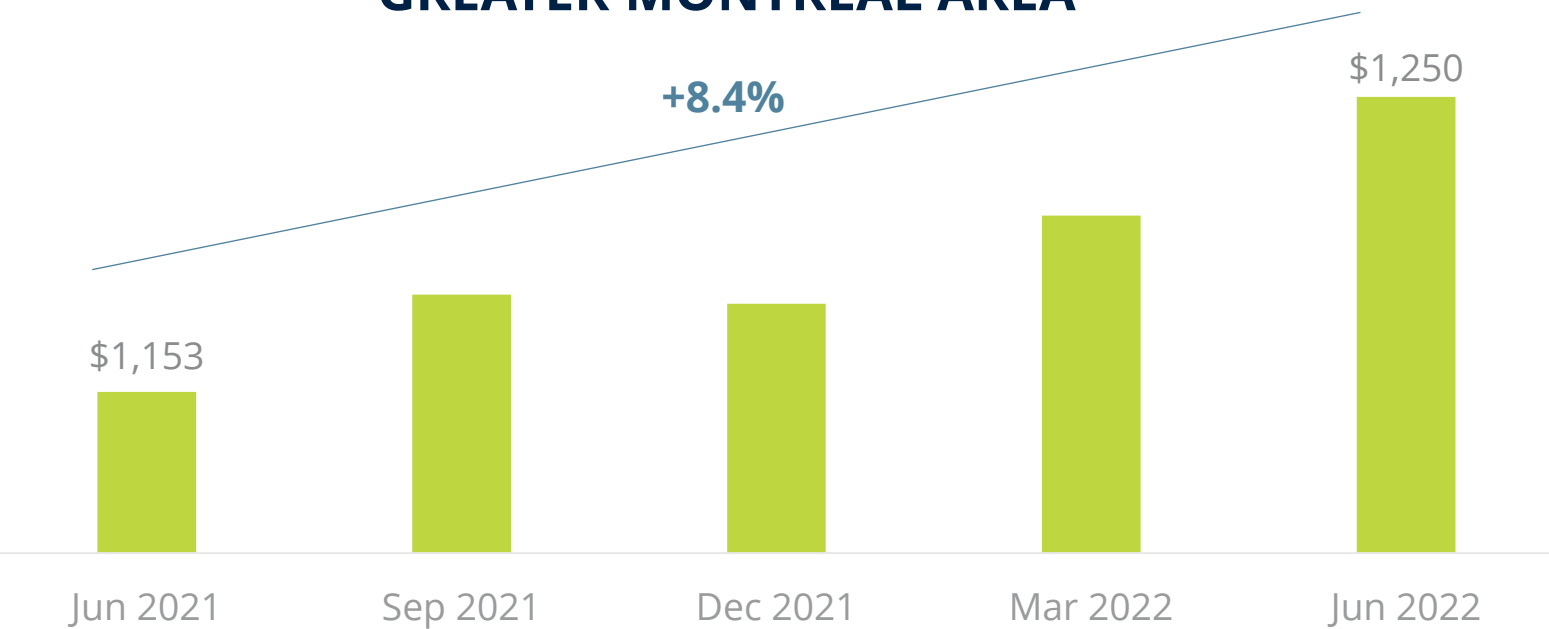
GREATER TORONTO & HAMILTON AREA



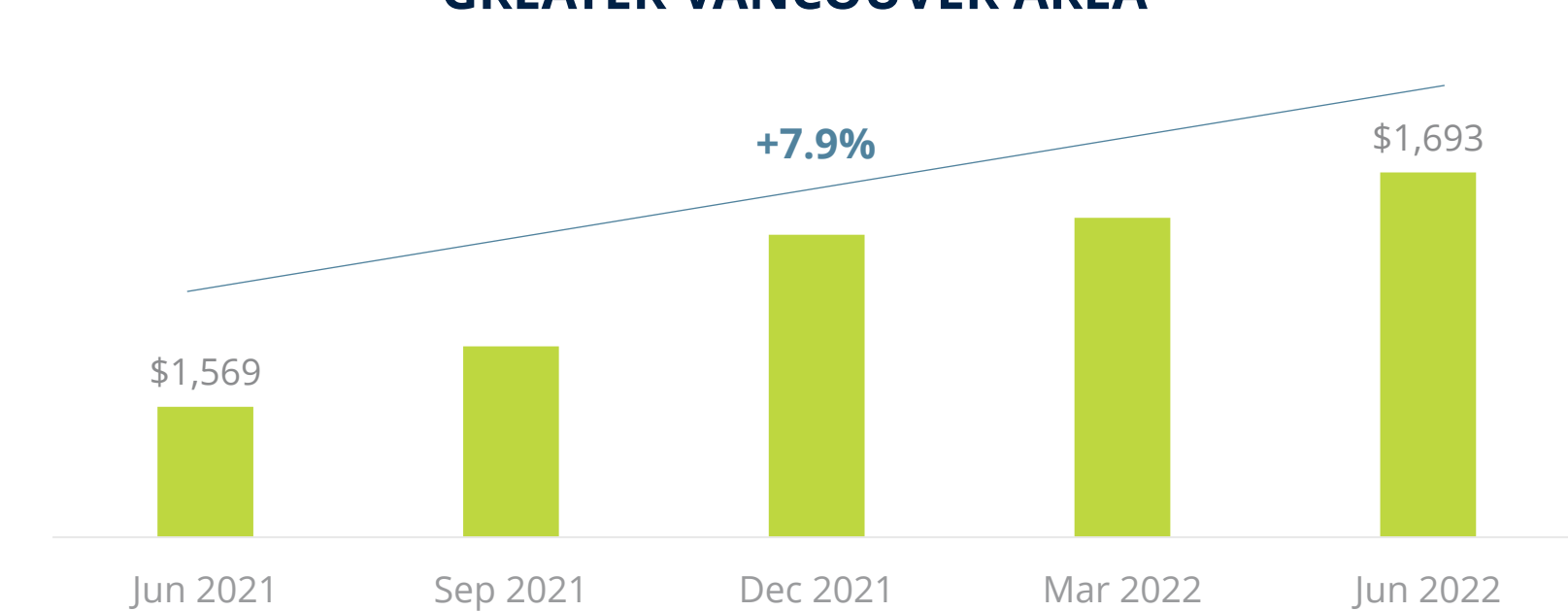
NATIONAL CAPITAL REGION



GREATER MONTREAL AREA



GREATER VANCOUVER AREA

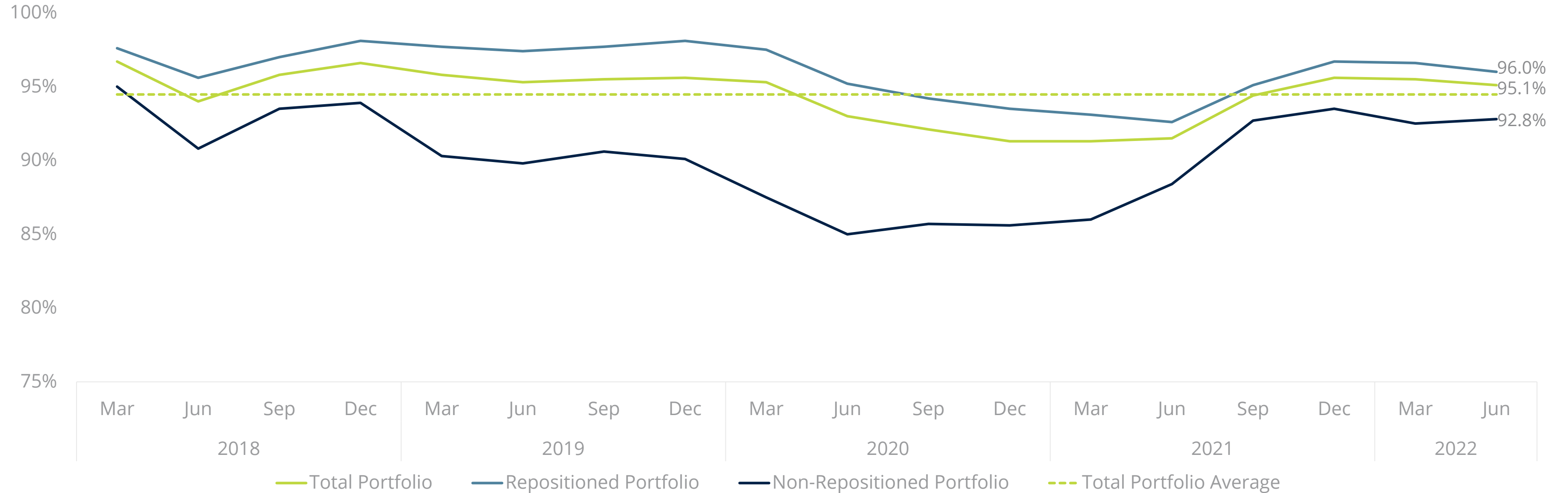


Operating Highlights





Q2 2022 Occupancy In Line with Seasonal Expectations



- Total portfolio occupancy at 95.1%, representing an increase of 360 basis points over June 2021 and in line with seasonal expectations against March 2022 backdrop
- Encouraging trend in National Capital Region in the first weeks of Q3, yet continuing softness in Greater Montreal Area



Deep Dive into the Greater Montreal Area

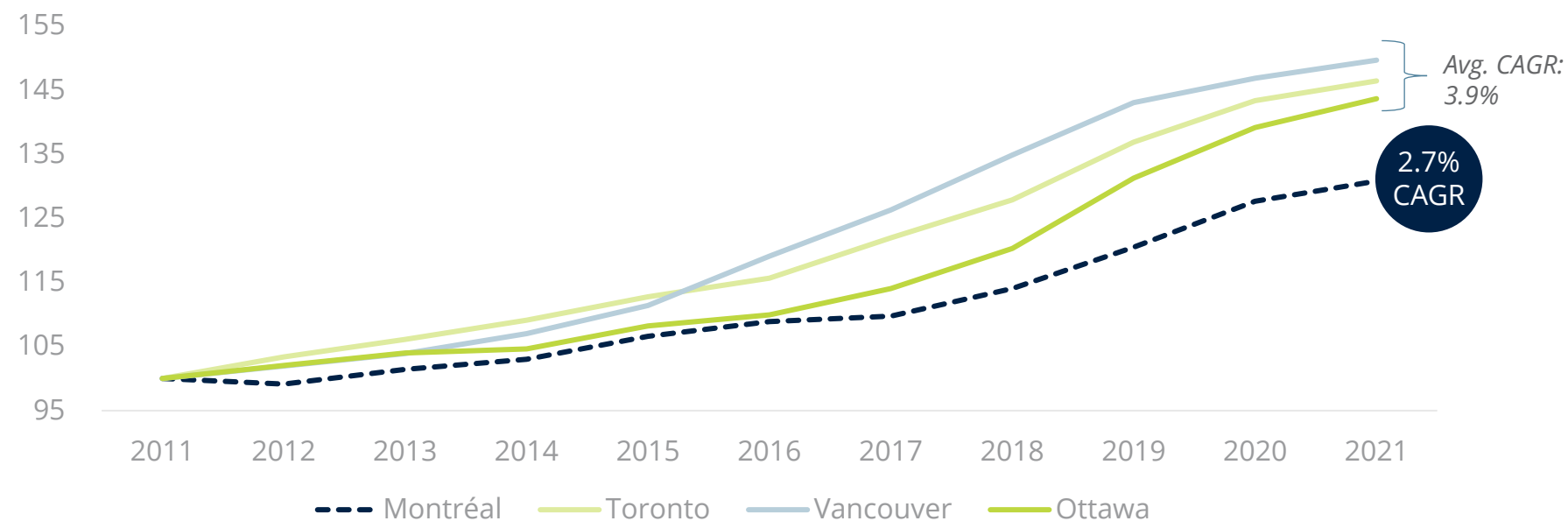
Regional Fundamentals

- Strong rental growth runway
 - Relatively affordable market in comparison to other metropolitan cities in Canada
- Attractive market for tech talent, ranked #4 in Canada and #15 in North America in *CBRE's Scoring Tech Talent Report*
- Home to many world class educational institutions

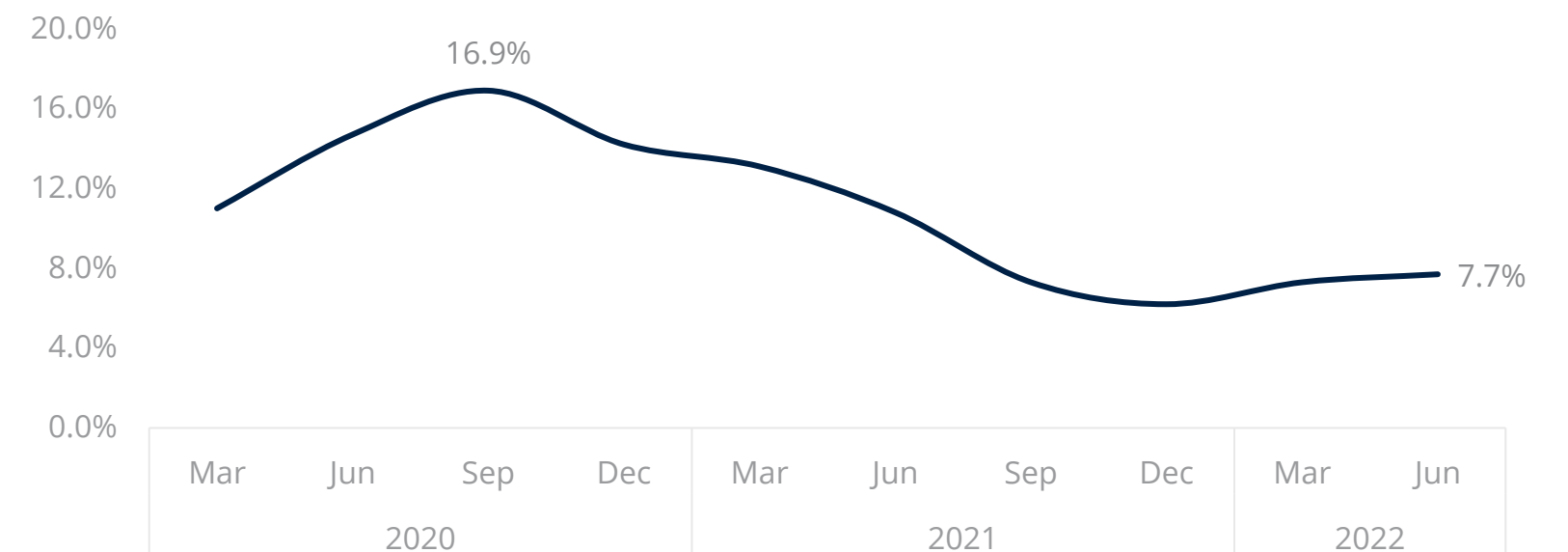
Portfolio Statistics

As of June 30,	2022	2021
% of suites	24.4%	22.9%
% of NOI (Q2)	17.4%	19.1%
Vacancy	7.7%	10.8%
AMR	\$1,250	\$1,153
YoY Change in AMR	8.4%	3.0%

AVERAGE CMHC RENT
INDEXED TO 100



VACANCY TREND
MARCH 2020 - JUNE 2022





Strategic CAPEX

WELL-MAINTAINED PORTFOLIO

	Maintenance Capex	Per Repositioned Suite
2018	\$5.6M	\$966
2019	\$6.4M	\$975
2020	\$7.3M	\$946
2021	\$7.9M	\$950
YTD 2022	\$4.5M	\$1,006 ¹

REPOSITIONING PROGRAM

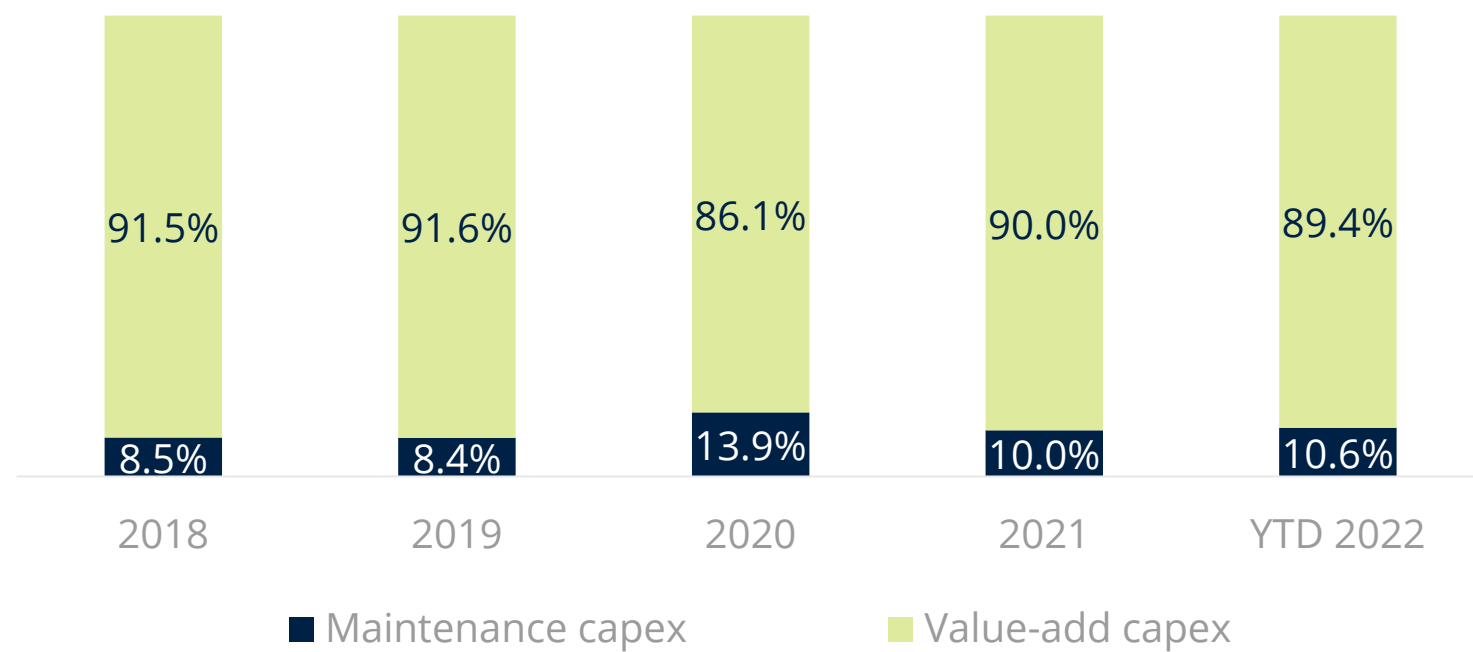
Acquired properties undergo repositioning work spanning 3-4 years to increase efficiency, enhance revenue, and create safe, quality communities for residents, while extending the useful life of buildings that would otherwise be heading for demolition.

Repositioning investment can include:

- Common area upgrades
- Exterior upgrades
- Full or partial suite renovations (\$15-\$50K/suite)

As of June 30, 2022, the REIT has 3,623 suites at various stages in its repositioning program and invested \$19.3M in the first six months of the fiscal year.

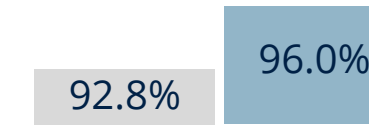
WITH FOCUS ON VALUE-ADD INVESTMENTS²



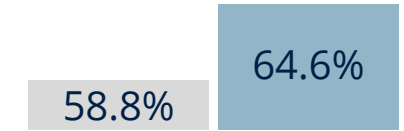
**Jun 2022
Average Rent
+3.4%**



**Jun 2022
Occupancy
+320bps**



**YTD 2022
NOI Margin
+580bps**



■ Non-Repositioned ■ Repositioned

Pavillon Milton, Montréal



¹ Annualized

² Excluding capital expenditures related to properties under development

Balance Sheet

TONIGHT ONE, GOLD MEDAL MATCH IN WOMEN'S TEAM		
TABLE TENNIS WOMEN'S TEAM GOLD 7:45 PM ET / 4:45 PT		SN
BEACH VOLLEYBALL WOMEN'S GOLD - USA vs AUS 10:30 PM ET / 7:30 PT		SN
FOOTBALL WOMEN'S GOLD - CAN vs SWE TOMORROW - 8:00 AM ET / 5:00 PT		#CBC



IFRS Valuation

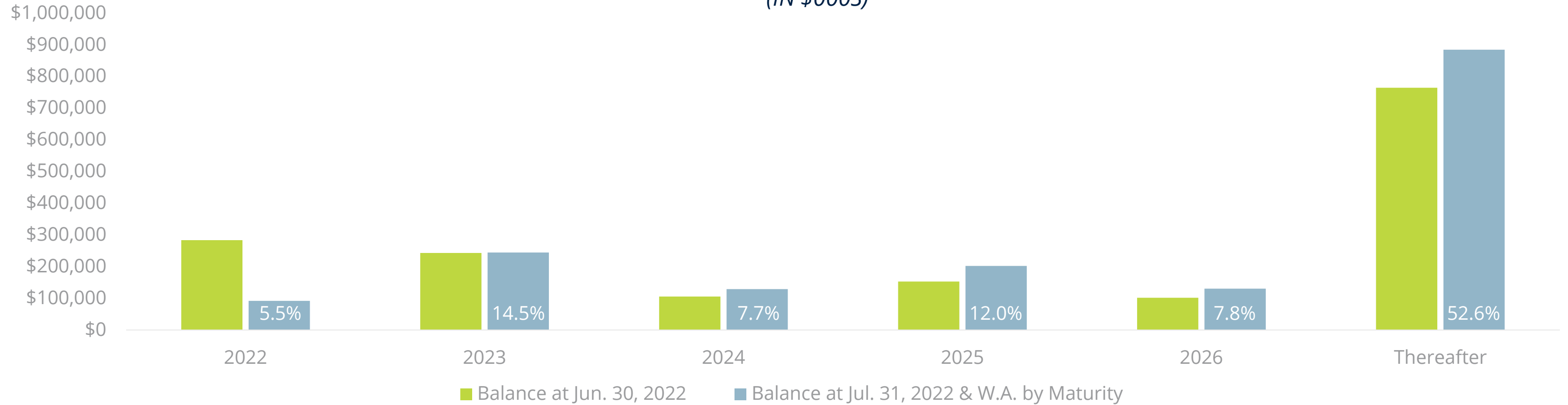
Region	Q2 22 Cap Rate	Q1 22 Cap Rate	Q-o-Q Change
Greater Toronto & Hamilton Area	3.66%	3.66%	-
National Capital Region	4.22%	4.21%	+1bp
Greater Montreal Area	3.57%	3.56%	+1bp
Greater Vancouver Area	3.04%	3.04%	-
Other Ontario	4.35%	4.34%	+1bp
Total Investment Properties	3.83%	3.82%	+1bp

- \$27.8 million fair value gain in Q2 2022 fully attributable to NOI improvements
- The 1bp capitalization rate increase reflective of properties advancing in their repositioning strategy

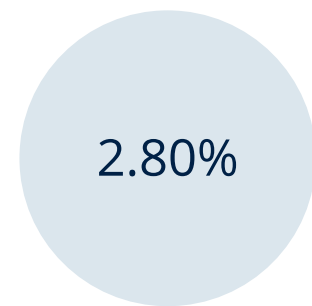


Financing Structure

MORTGAGE MATURITY SCHEDULE (IN \$000S)

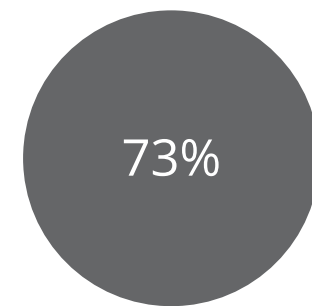


AVERAGE TERM TO MATURITY

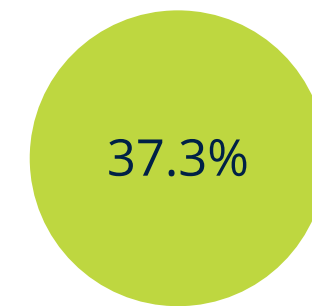


WEIGHTED AVERAGE INTEREST COST

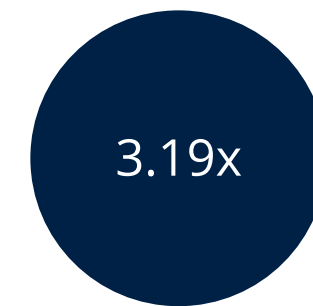
AT JUL. 31: 2.99%



CMHC INSURED MORTGAGES



DEBT/GBV



INTEREST COVERAGE¹

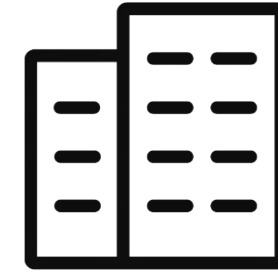
¹ Rolling 12 months

Sustainability





Tangible Actions to Move Us Forward



Focus area: **CLIMATE CHANGE**

Advanced **Climate Commitment #2:**

“Establish science-based GHG emissions reduction target(s)”

- Submitted [SBTi](#) commitment letter
- Disclosed GHG protocol-aligned emissions

Completed **Climate Commitment #3:**

“Voluntarily disclose climate-related initiatives and performance through the [CDP’s](#) climate questionnaire”

Focus area: **REFUGEE HOUSING**

Provided **75 suites** for Ukrainian and Afghanistan refugee families in ON, QC, and BC, featuring:

- Fast-tracked applications
- Automatic approval
- Up to four months of free rent
- One-year leases, with flexibility around notice period

Focus area: **GOVERNANCE**

Enhanced:

- [Diversity Policy](#)
- [Board Charter](#)
- [Audit Committee Charter](#)
- [Nominations & Governance Committee Charter](#)

Introduced:

- [Climate Policy](#)
- [Environmental Policy](#)
- [ESG Committee Charter](#)

Capital Allocation





Q2 Acquisition Marks Entrance Into New Greater Montreal Submarket

GREATER MONTREAL AREA

254 suites, 1,744 sq. ft. commercial¹
Completed in 2021

City: Brossard

Purchase Price: \$109,250,000¹

Closing Date: June 30, 2022

Investment Highlights

- The South Shore is one of Greater Montreal's **fastest growing rental markets**, with significant development activity, strong absorption, and rent growth.
- The transaction was funded in part through CMHC's MLI Select program by qualifying for energy efficiency and green house gas emissions criteria.
- The acquisition is a 50% joint operation, highlighting the partnership success to date in Vancouver and the GTA and demonstrating our continued access to capital.



This luxury new build community with easy access to downtown complements the REIT's existing Montreal footprint

¹ Purchase price, suite count and commercial sq. ft. shown at 100%; InterRent's ownership interest is 50%.

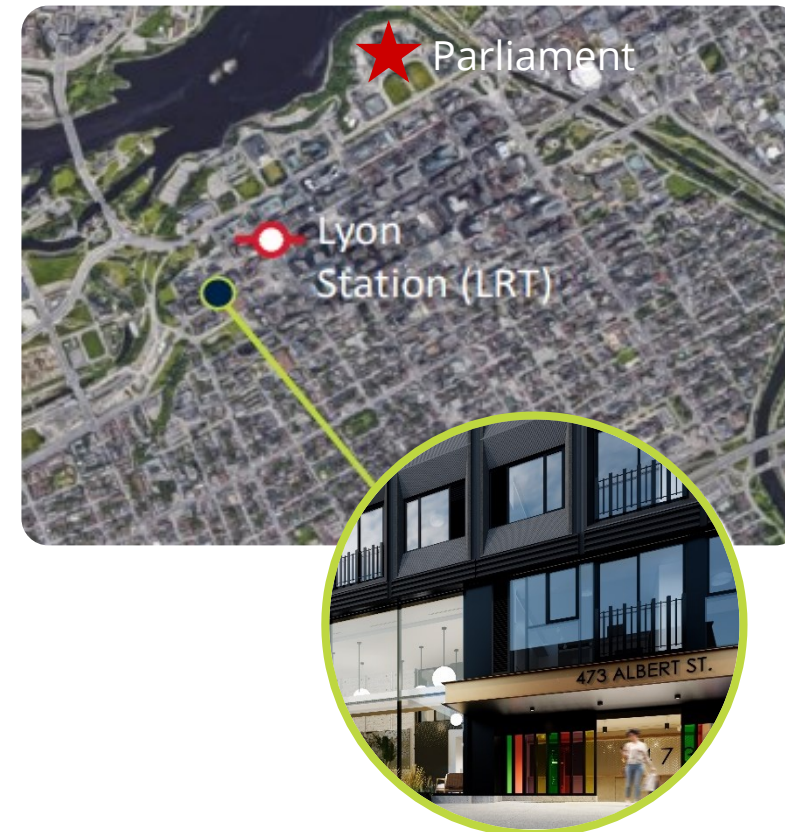


473 Albert Street

Ottawa, ON (NCR)

- Adaptive reuse project, transforming an existing office space into residential apartments
- Core downtown location, steps from two LRT nodes, Parliament and business core
- Hard costs 95% contracted
- Marketing and pre-leasing activities began in late Q2 to prepare for partial occupancy commencing late Q3 2022

Suites	158
Total project cost	\$77M
Estimated cost to complete	\$28M
Expected completion	Q4 2022
Expected yield	4.3%
Expected IRR ¹	>15%



¹ Levered



Development Pipeline

Project	City	Suite Count	Commercial Sq. Ft.	Ownership	Target Completion Date	Expected Yield
Richmond & Churchill	Ottawa	180	18,650	100%	Late 2025	4.20-4.70%
Burlington GO Lands	Burlington	1,526 (Phases 1-2) 989 (Phases 3-4)	20,081 (Phases 1-2) 19,779 (Phases 3-4)	25%	Mid-2028 (Phases 1-2)	4.65-5.15% (Phases 1-2)
900 Albert Street	Ottawa	1,241	511,608	47.5%	TBD	TBD



900 Albert Street

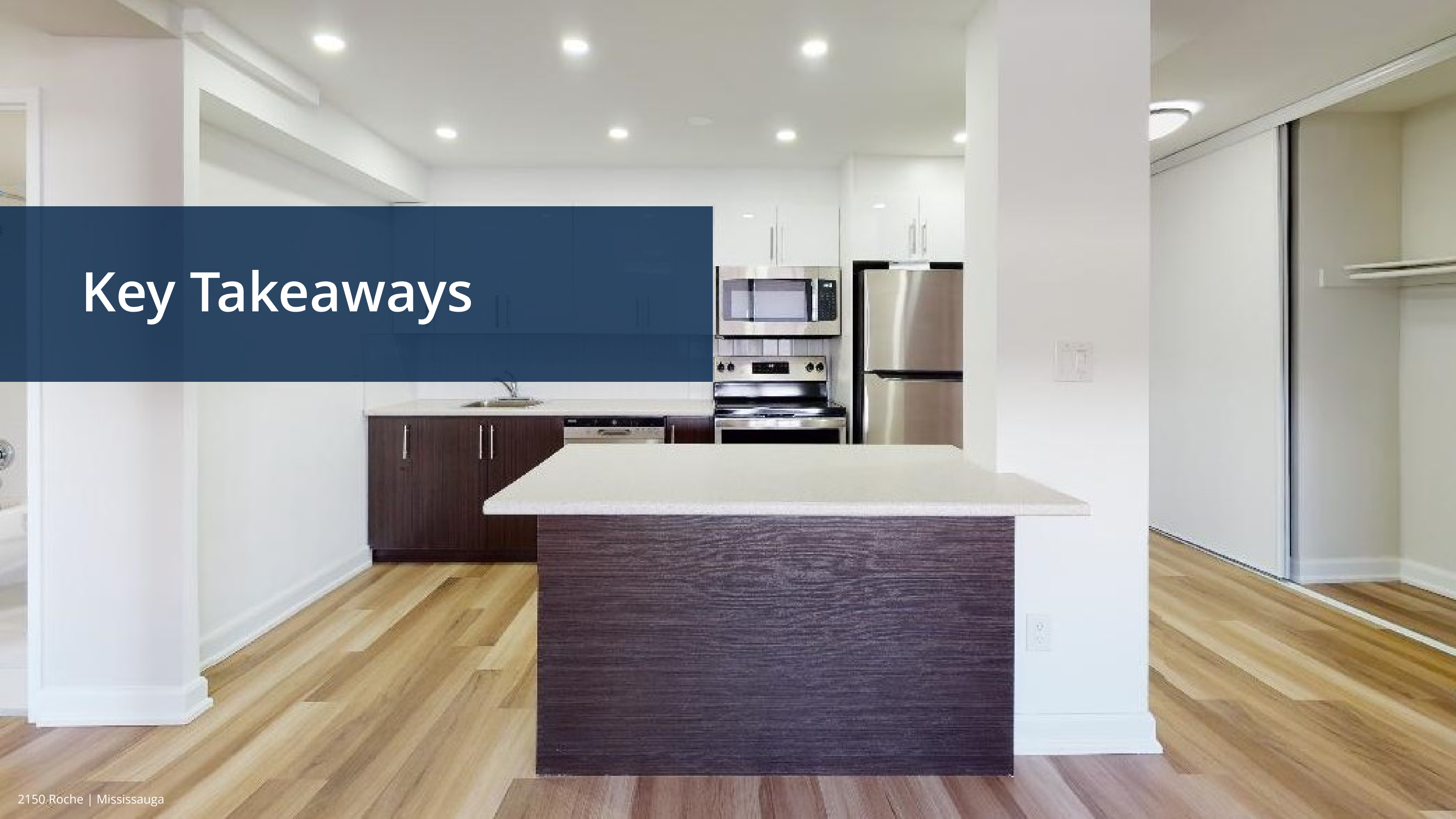


Richmond & Churchill



Burlington GO Lands

Key Takeaways





Key Takeaways

- Seeing demand momentum building across most regions going into Q3
- Continuing to manage costs in inflationary environment and remaining in-line with budget expectations
- Finalizing upcoming mortgage maturities and reducing variable rate exposure
- Exploring dispositions, NCIB, and select strategic acquisitions for capital allocation purposes



Appendix



A Provider of Homes in Urban, High-Growth Markets



¹ Includes 100% of 94-suite community in Mississauga of which InterRent's ownership interest is 50%.

² Includes 100% of Vancouver portfolio of which InterRent's ownership interest is 50%.

³ Includes 100% of 254-suite community in Brossard of which InterRent's ownership interest is 50%.



CONTACT US

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

InterRent REIT
207-485 Bank Street, Ottawa, ON K2P 1Z2
Tel: (613) 569-5699
Fax: (888) 696-5698
interrentreit.com