

InterRent REIT

Investor Presentation

Q3 2021 Conference Call

November 8, 2021





Forward Looking Statements



Le Neuville | 1101 rue Rachel, Montréal

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.



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On Investors' Minds

West236 | 236 Richmond Rd, Ottawa



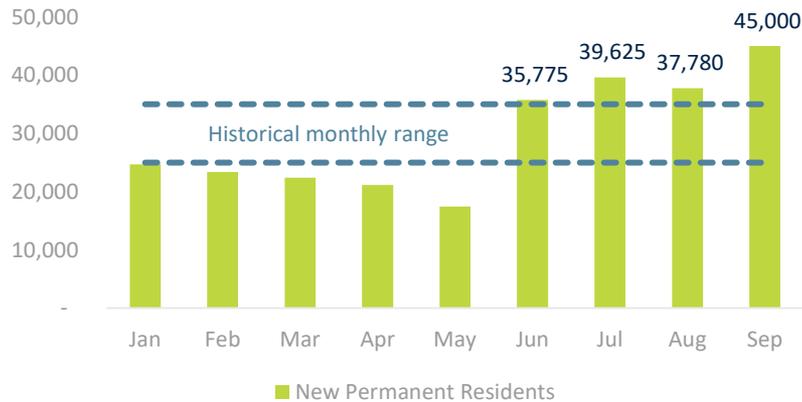
Demand Thesis Intact

LEASING STRENGTH HAS CONTINUED INTO Q4

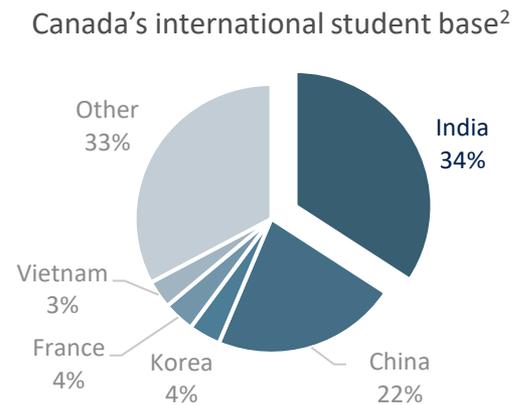


¹ Based on preliminary figures as of November 4, 2021

IMMIGRATION LEVELS AMONG HISTORICAL HIGHS



FLIGHT BAN ON INDIA LIFTED IN LATE SEPTEMBER



² Canadian study permit holders on December 31, 2019 by country of citizenship

Quarterly Results at a Glance

A rooftop terrace with a dining table and chairs, overlooking a cityscape. The terrace is covered by a pergola with dark metal beams and light-colored slats. The floor is made of large, light-colored tiles. In the foreground, there is a rectangular dining table with a light wood top and white legs, surrounded by white plastic chairs. A small potted plant sits on the table. In the background, there are more tables and chairs, some with cushions. The view from the terrace shows a city with many high-rise buildings, a green park area, and mountains in the distance under a clear blue sky.

The Link | 3583 Kingsway, Vancouver



QUARTERLY RESULTS AT A GLANCE

Q3 2021

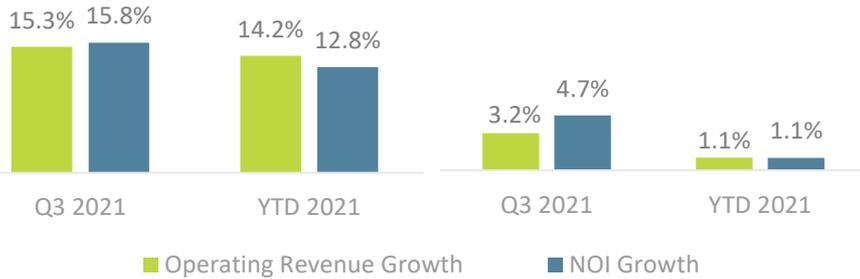
OPERATIONAL HIGHLIGHTS

Occupancy



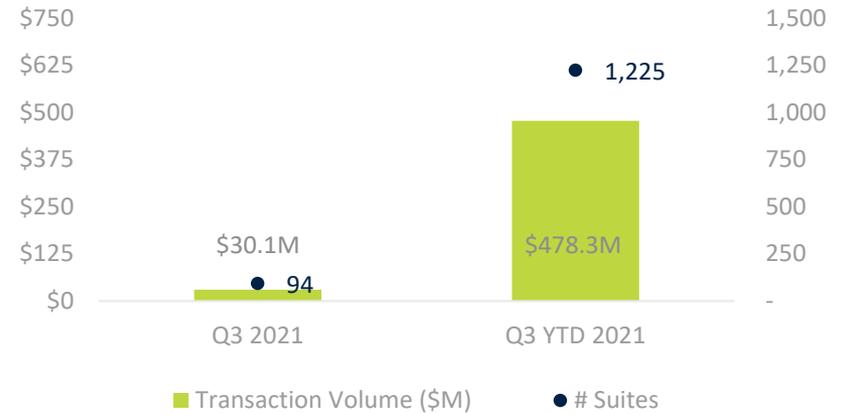
Total Portfolio

SP Portfolio



	Q3 2021	YoY Chg.	YTD 2021	YoY Chg.
FFO (\$M)	19,285	+12.3%	53,243	+13.5%
FFO/Unit	\$0.135	+11.6%	\$0.373	+5.4%
AFFO (\$M)	17,238	+14.4%	47,389	+14.5%
AFFO/Unit	\$0.121	+14.2%	\$0.332	+6.4%

EXTERNAL GROWTH¹



FINANCIAL HEALTH

Debt/GBV	34.4%
Weighted Average Interest Cost	2.39%
CHMC Insured Mortgages	69%
Interest Coverage ²	3.45x
Available Liquidity – Sep 30, 2021 ³	~\$220M

¹ At 100%; InterRent's ownership interest is 50% in Vancouver and in Q3 closings

² Rolling 12 months

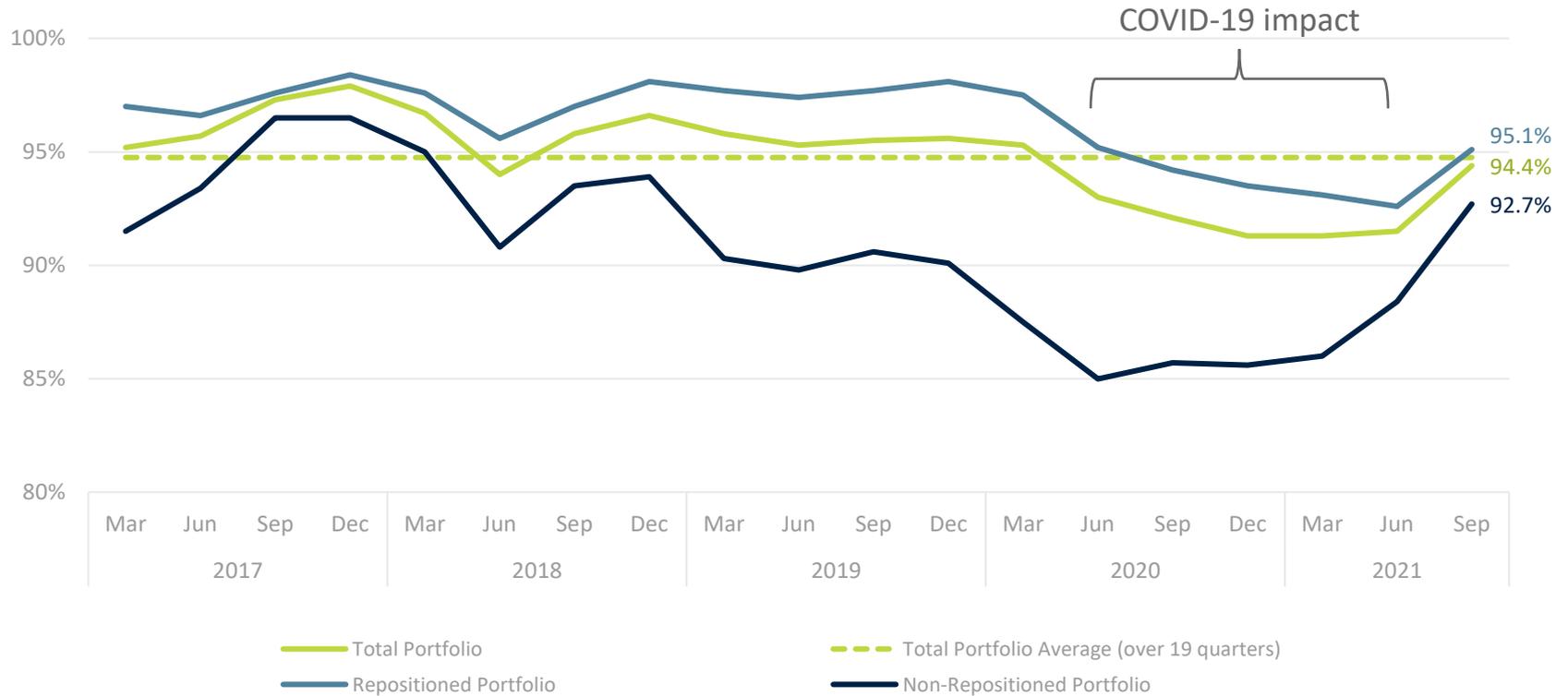
³ Assuming 50% leverage applied to unencumbered properties

Portfolio Characteristics





Occupancy Trend

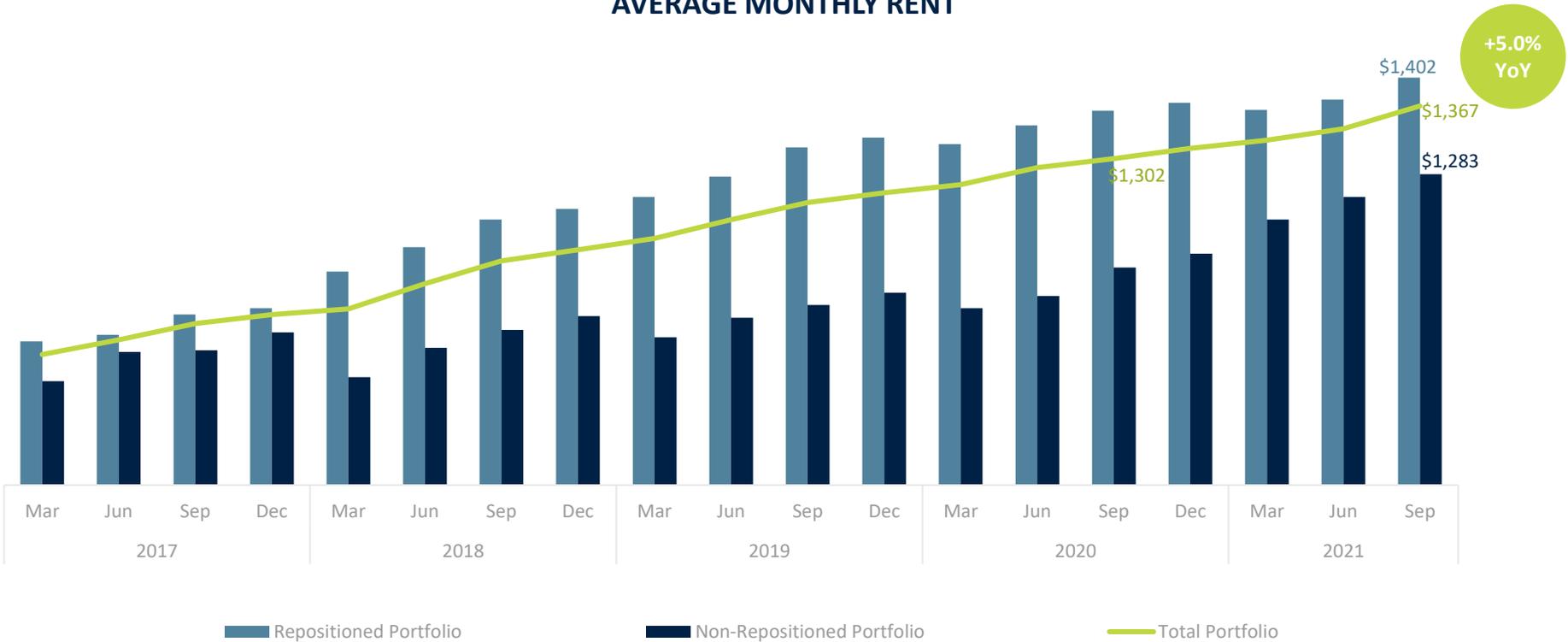


- Occupancy improvements across all portfolio segments in Q3 2021
- Improvement in Non-Repositioned portfolio driven by significant leasing progress in Vancouver



Proven Track Record of Rental Growth

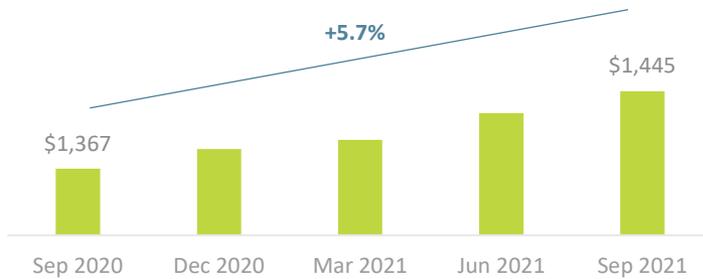
AVERAGE MONTHLY RENT



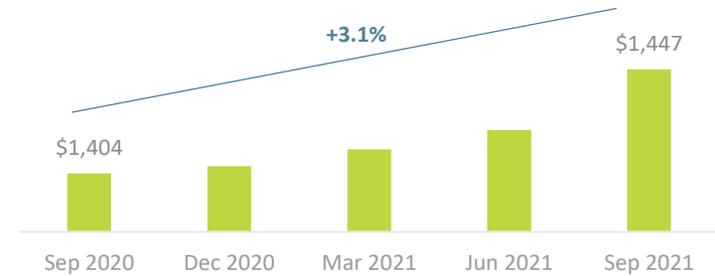


Growing Average Monthly Rent Across the Portfolio

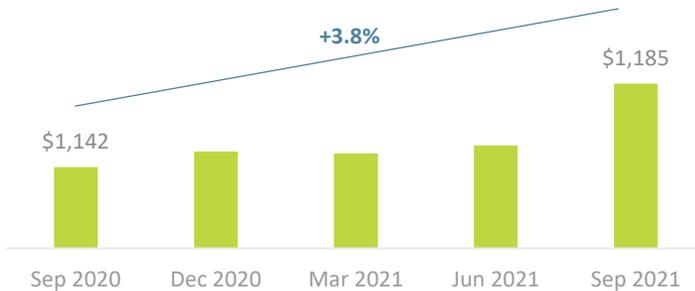
GREATER TORONTO & HAMILTON AREA



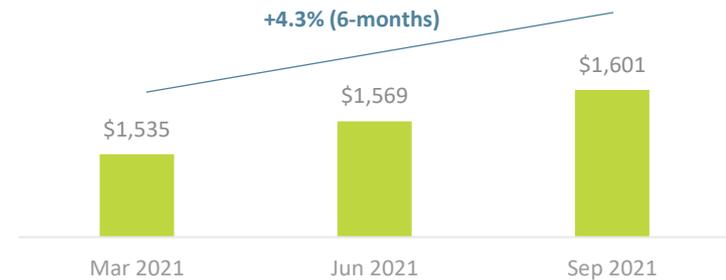
NATIONAL CAPITAL REGION



GREATER MONTREAL AREA



GREATER VANCOUVER AREA



Capital Deployment





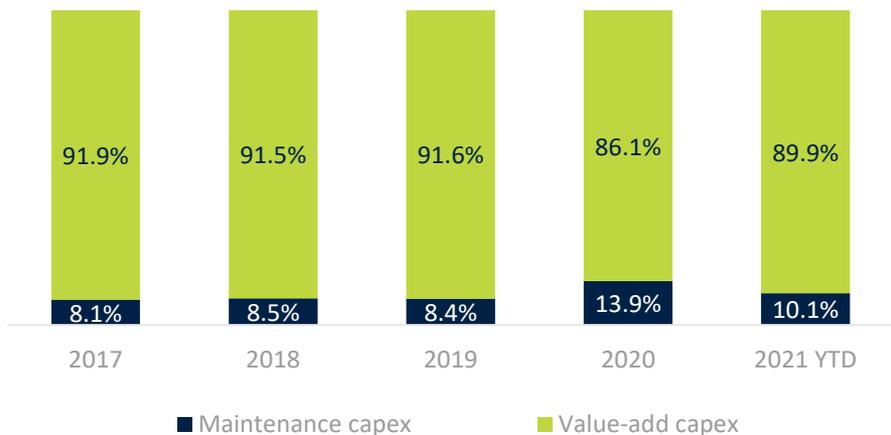
Strategic CAPEX

WELL-MAINTAINED PORTFOLIO

	Maintenance Capex	Per Repositioned Suite
2017	\$4.1M	\$866
2018	\$5.6M	\$966
2019	\$6.4M	\$975
2020	\$7.3M	\$946
2021 YTD	\$5.8M	\$930 ¹

¹ Annualized

WITH FOCUS ON VALUE-ADD INVESTMENTS



REPOSITIONING PROGRAM

Acquired properties undergo repositioning work spanning 3-4 years to increase efficiency and enhance revenue.

Repositioning investment can include:

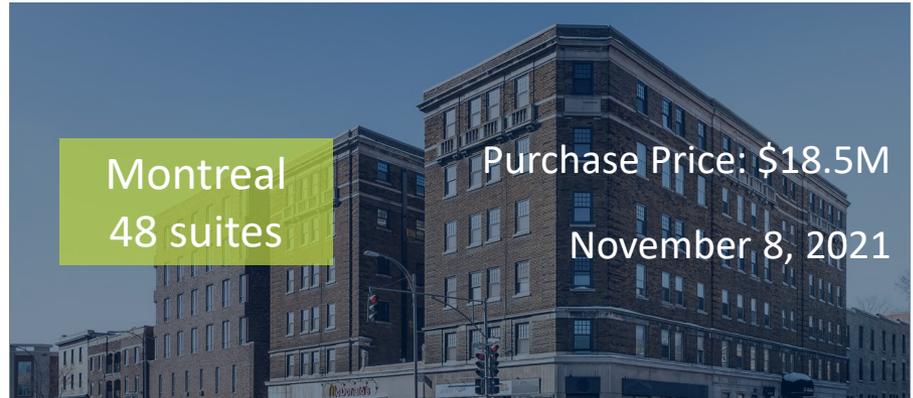
- Common area upgrades
- Exterior upgrades
- Full or partial suite renovations (\$15-\$40K/suite)

As of Sep 30, 2021, the REIT has 3,583 suites at various stages in its repositioning program and has invested \$26.6M YTD.





Acquisitions



- 2021 YTD acquisitions totaling 1,662², growing total suite count by 15% since end of 2020
- Continue to expect high single-digit IRRs for acquisitions in strategic locations
- In addition to value-add, may look to opportunistically add core and core+ communities

¹At 100%; InterRent's ownership interest is 50%

²At 100%; InterRent's ownership interest is 50% in 857 suites

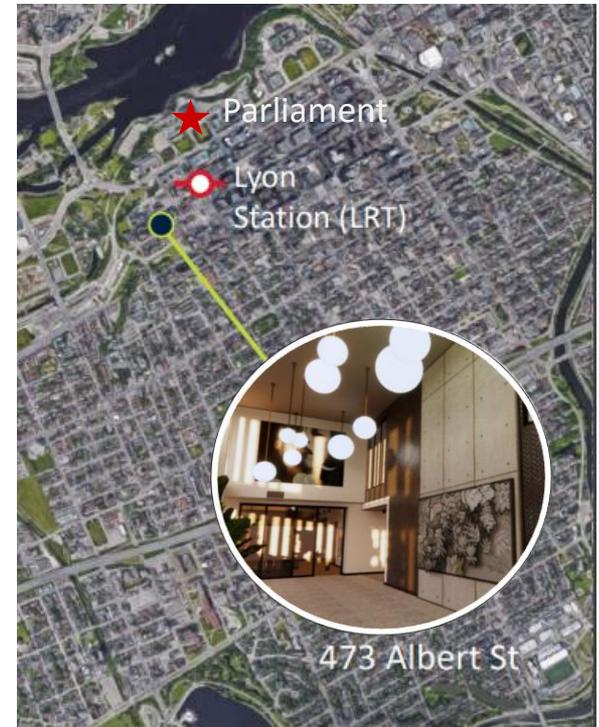


Active Developments

473 Albert Street, Ottawa (NCR)

- Adaptive reuse of obsolete office stock
- Core downtown location, steps from two LRT nodes, Parliament and business core
- Building permit obtained in Aug 2021
- Construction underway and value engineering exercises ongoing

# Suites	158
Total investment	\$73M
Expected completion	Q4 2022
Expected yield	4.4%
Expected IRR ¹	>15%



¹ Levered



Development Pipeline

Project	Location	Ownership	Use	Earliest start date	Status
900 Albert Street	Ottawa	47.5%	1,241 residential suites + ~510,000 sq ft commercial	1H 2023	In planning Zoning amendment approved
Richmond & Churchill	Ottawa	100%	180 residential suites + ~19,000 sq ft commercial	2H 2022	In planning Zoning amendment approved
Burlington GO Lands	Burlington	25%	2,494 residential suites + ~43,000 sq ft commercial	2H 2022	In planning Site plan application in progress



900 Albert Street



Richmond & Churchill



Burlington GO Lands

Balance Sheet

PAVILLON
HUTCHISON



IFRS Valuation

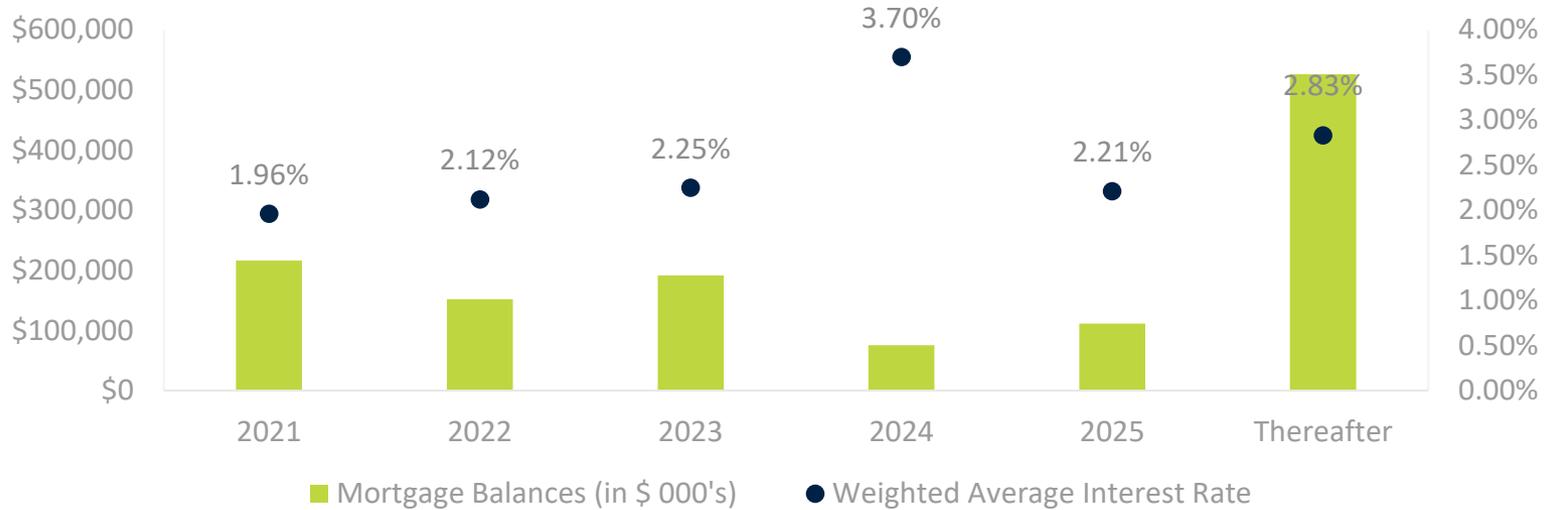
Region	Q3 21 Cap Rate	Q2 21 Cap Rate	Q-o-Q Change
Greater Toronto & Hamilton Area	3.81%	3.86%	-5bps
National Capital Region	4.31%	4.34%	-3bps
Greater Montreal Area	3.58%	3.66%	-8bps
Greater Vancouver Area	2.96%	2.95%	+1bps
Other Ontario	4.43%	4.50%	-7bps
Total Investment Properties	3.93%	3.98%	-5bps

- \$85.5M fair value gain in Q3 2021 driven by portfolio operational improvements and 5bps of cap rate compression
- Improvement in Other Ontario driven by performance in St. Catharines and Stratford
- Private market transactions supportive of further cap rate compression



Financing Structure

MORTGAGE MATURITY SCHEDULE



AVERAGE TERM TO MATURITY	WEIGHTED AVERAGE INTEREST COST	CHMC INSURED MORTGAGES	DEBT/GBV	INTEREST COVERAGE¹

¹ Rolling 12 months

Sustainability





Bringing You Up to Speed

1ST SUSTAINABILITY REPORT



DIVERSITY & INCLUSION

In Q3 2021, we continued on our diversity & inclusion (D&I) journey with the following:



- We became an **Employer Partner** with the Canadian Centre for Diversity and Inclusion ([CCDI](#))
- We marked Canada’s first **National Day for Truth and Reconciliation (Sep 30)** with an intimate coffee chat with Raven Lacerte, member of the Carrier First Nation and co-founder of the [Moose Hide Campaign](#)

GRESB

25% increase in 2021 score & earned a “Green Star”



Improvement drivers:

- ✓ Employee satisfaction & engagement
- ✓ Diversity disclosure
- ✓ Resident satisfaction & engagement



CLIMATE CHANGE

TCFD Recommendations

Governance	Climate risks and opportunities managed by senior leadership, with Board of Trustees oversight
Strategy	Have begun initial steps to identify and quantify climate risks that may impact strategy
Risk Management	Will conduct baseline climate change risk assessment and disclose through CDP
Metrics & Targets	Currently monitor Scope 1 and 2 GHG emissions and will establish GHG emissions reduction target

Key Takeaways

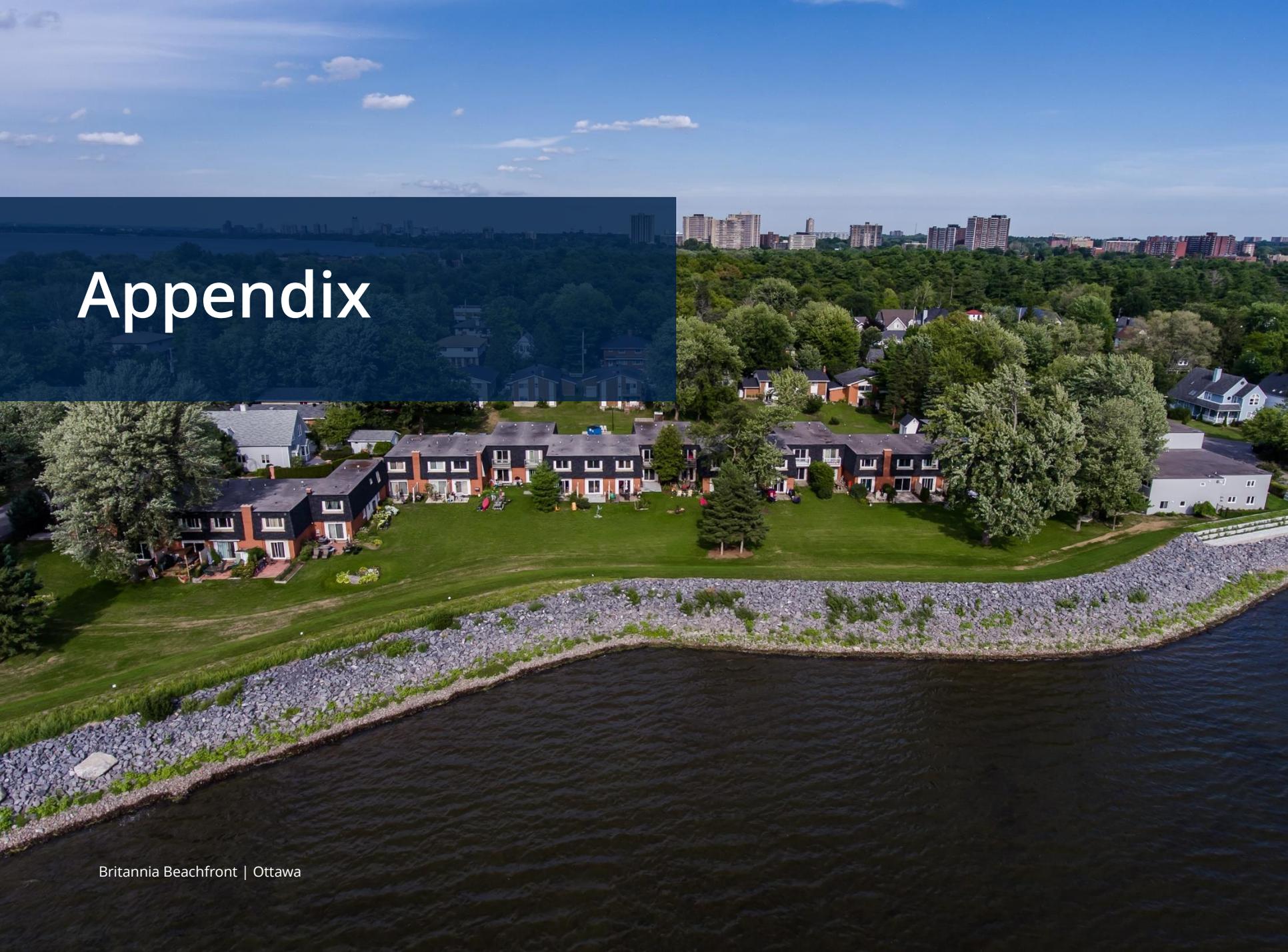




Key Takeaways

- Strong domestic rental demand, with international students expected to return to in-person learning in 2022
- Remaining disciplined, yet opportunistic, in frenzied transaction market
- Reinforcing sustainability commitment with inaugural report and GRESB performance

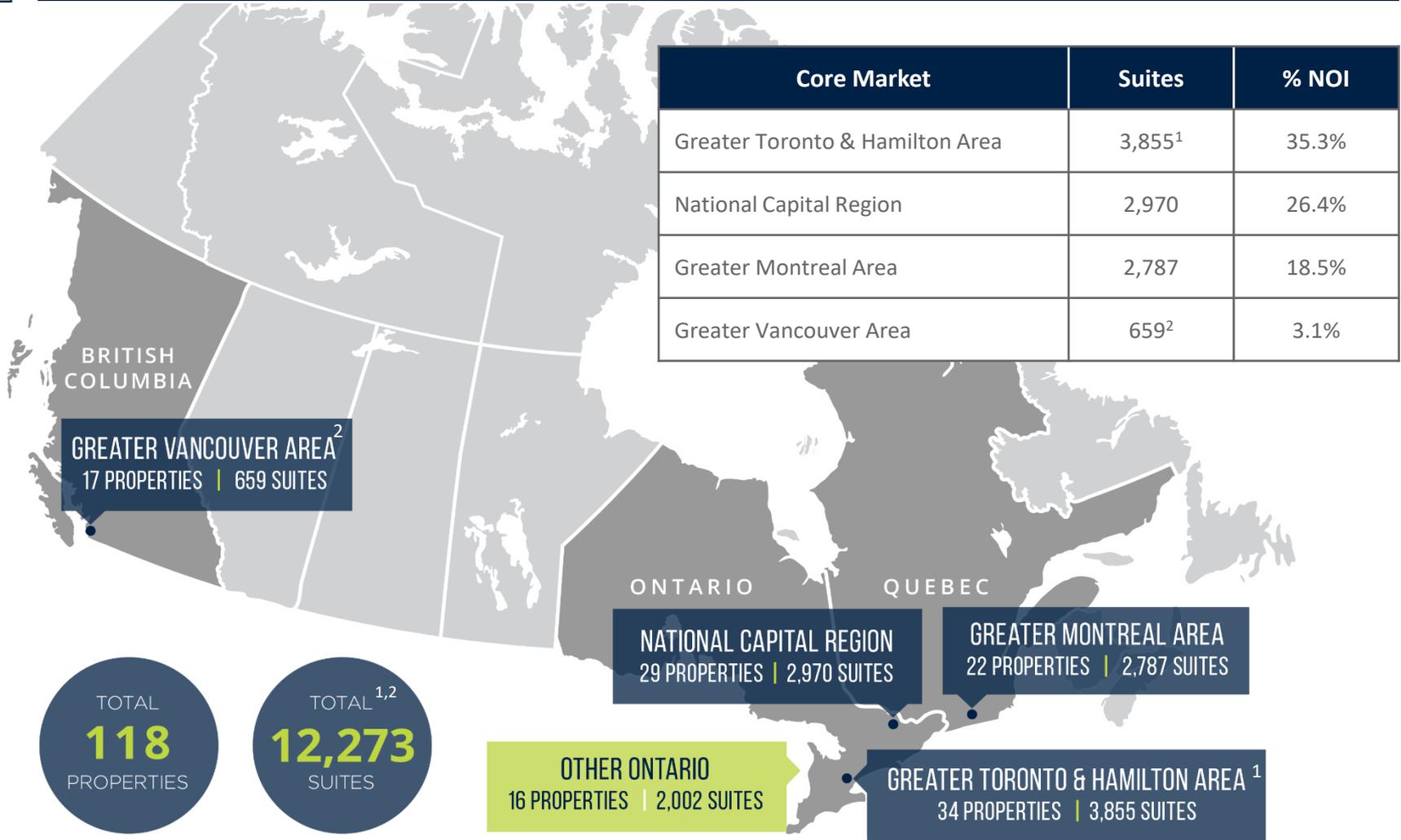


An aerial photograph of a residential development. In the foreground, a dark body of water is bordered by a wide, curved shoreline made of grey stones. Behind the shoreline is a large, well-maintained green lawn. A row of modern, two-story houses with dark grey roofs and brick accents is situated on the lawn. The houses have large windows and some have small patios. To the right of the main row, there is a larger, white, single-story building. The background is filled with lush green trees, and in the distance, a city skyline with several high-rise buildings is visible under a clear blue sky with a few wispy clouds.

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%.



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