



INTERRENT REIT

ANNUAL MEETING

August 4, 2020





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.





AGENDA

INTERRENT REIT IS A GROWTH-ORIENTED REAL ESTATE INVESTMENT TRUST ENGAGED IN INCREASING VALUE AND CREATING A GROWING AND SUSTAINABLE DISTRIBUTION THROUGH THE ACQUISITION AND OWNERSHIP OF MULTI-RESIDENTIAL PROPERTIES



ABOUT INTERRENT

VALUE CREATION STRATEGY

FINANCIAL PERFORMANCE

COVID-19 OPERATIONAL UPDATE

GOING FORWARD

A modern interior space, likely a lounge or office break area. The left wall is covered in horizontal wood slats. Several round tables with dark blue chairs are arranged. A long bar with dark blue stools is on the right. Large windows in the background offer a view of a city skyline. The ceiling has several pendant lights with glass shades.

ABOUT INTERRENT





A COMPANY BUILT ON VALUES



QUALITY

Providing best in class products and services thereby results in delivering the highest levels of customer satisfaction.



INTEGRITY

Inspiring trust by saying what we mean, acting honestly and taking responsibility for our actions.



STRONG TEAMS AND COMMUNITIES

Encouraging and working with our team to give back to our communities through sustainable programs and philanthropic efforts.



RESPECT

Having and showing respect for our customers, suppliers, Unitholders and communities while maintaining an environment of teamwork and growth.



SERVICE EXCELLENCE

Continuously building on our accomplishments and setting best-in-class standards within our industry.



WE ARE PROVIDERS OF HOMES ACROSS ONTARIO AND QUEBEC

GTA (INCLUDING HAMILTON)

27 PROPERTIES	0.8% PENETRATION	29.4% OF PORTFOLIO
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3,038 SUITES	359,642 ¹ TOTAL SUITES IN MARKET
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MONTREAL

22 PROPERTIES	0.5% PENETRATION	27.0% OF PORTFOLIO
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2,785 SUITES	590,305 ¹ TOTAL SUITES IN MARKET
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NATIONAL CAPITAL REGION

28 PROPERTIES	3.4% PENETRATION	28.7% OF PORTFOLIO
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2,965 SUITES	87,209 ¹ TOTAL SUITES IN MARKET
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Our primary markets make up more than 80% of our NOI

● Primary Market
8,788 Suites

● Secondary Market
1,534 Suites

¹ CMHC Fall 2019 Rental Market Report apartment universe.

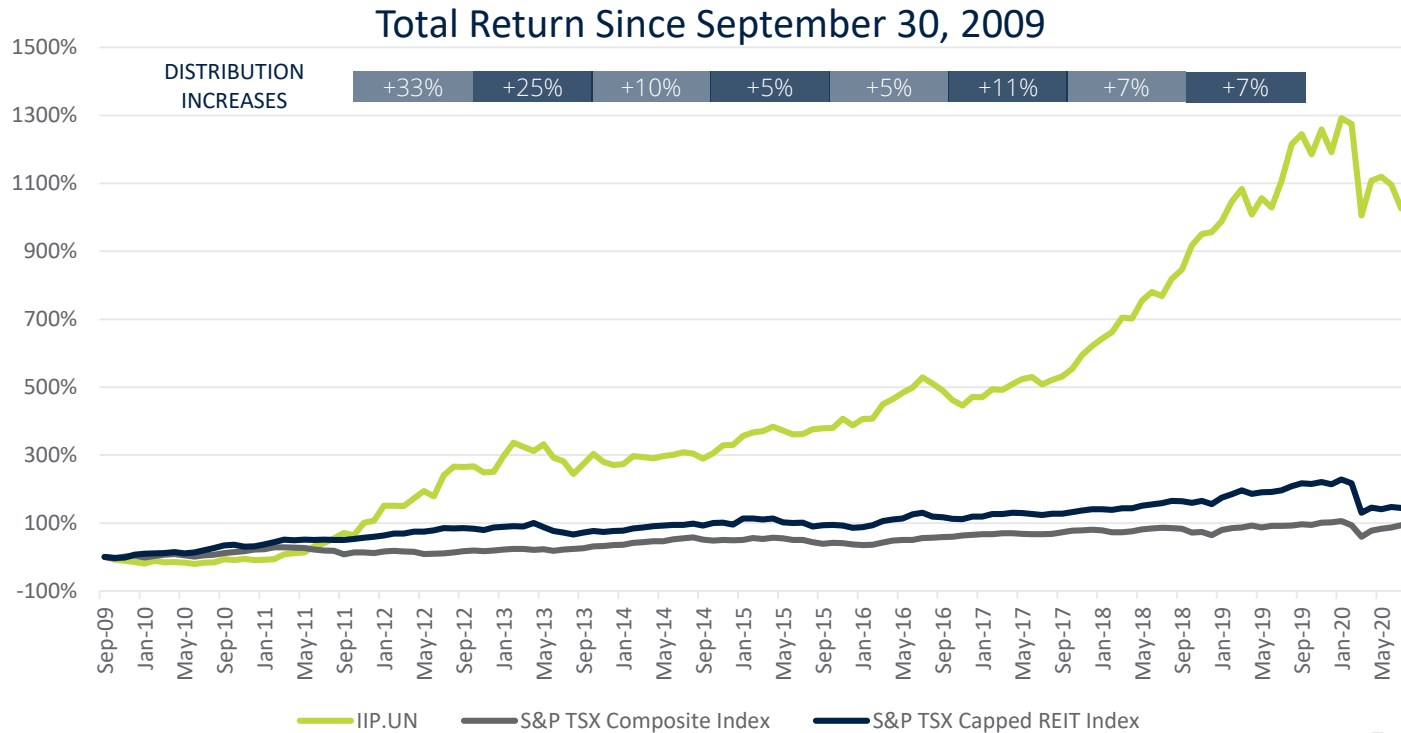


TRACK RECORD OF VALUE CREATION



Since current management took over, **InterRent has been one of the best performing REITs in Canada with a total return of 1,050%. The REIT was the 5th best performing stock in the S&P/TSX Composite Index over the last decade.¹** InterRent continues to focus on organic growth of existing properties, target new properties to reposition, as well as participate in joint ventures for transit-oriented development.

Start	September 30, 2009
End	As at June 24, 2020
Unit Price	\$1.80 to \$13.75
Cumulative Distributions	\$2.23
Total Return	1,050%
Number of Suites	4,033 to 10,322 156%



¹Source: Financial Post



VALUE CREATION STRATEGY





THE VALUE CREATION STRATEGY





ACQUISITION CRITERIA

Whether InterRent enters a new market or expands in an existing one, a disciplined approach is taken. InterRent seeks to acquire properties that have suffered from the absence of professional management. This gives the REIT an opportunity to move rents to market rates, as well as investing in energy saving initiatives. InterRent only pursues properties for its portfolio that it has identified as having the following four parameters:



HEALTHY ECONOMIC CENTRES

Regions that have stable employment and are expected to have continued economic growth



STRONG DEMAND

Cities that have strong population growth and immigration rates



RENTAL RATE GROWTH

Communities with a track record of rising rental rates



STABLE CAPITALIZATION RATES

Target markets that have sufficient supply and demand from investors maintaining relatively stable capitalization rates

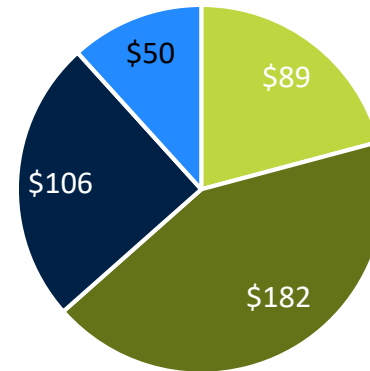


RECENT CATALYSTS COULD RESULT IN ACQUISITION OPPORTUNITIES



- 1. Potential tax policy changes**
- 2. Multi-Family assets sold to fund other non-performing real estate**
- 3. CMHC policy change**

Pro Forma Liquidity (\$MM)



- Cash
- Available on credit facilities
- Unencumbered assets (50% LTV)
- Accordion feature on credit facility



PROPERTY ENHANCEMENTS

EXTERIOR UPGRADES

- Complete, attractive first impression package
- Designer-influenced exterior finishes

Before



After



COMMON AREA UPGRADES

- Added functionality
- Designer finishes
- Enhanced security



UNIT UPGRADES

- Improving suite layout
- Upgraded bathrooms and kitchens
- Upgraded flooring





473 Albert Street, Ottawa

- Proposed office conversion to 159 residential suites
- Plans are being refined to reflect the City's comments on the REIT's initial Site Plan Application, with resubmission expected by the end of Q3 2020

900 Albert Street, Ottawa (Joint Venture)

- Proposed multi-use development of 1,241 suites, 423,764 sq ft of office, and 87,844 sq ft of retail
- Site Plan Application was approved by City Council in July 2020

Richmond & Churchill, Ottawa

- Development application for 184 suites and 18,706 sq ft of commercial space
- Zoning Bylaw Amendment and Site Plan Application submitted to the City Q2 2020

Burlington GO Lands, Burlington (Joint Venture)

- Proposed development of 2,483 suites and 40,444 sq ft of commercial space
- Site Plan Application was submitted in Q1 of 2020. City comments are being received and site plan is being refined.





BUILDING A MORE SUSTAINABLE BUSINESS THROUGH ESG

Environment	Social	Governance
<ul style="list-style-type: none">• Energy-efficient lighting• Water-saving fixtures• Energy-efficient boilers and domestic hot water tanks• Micro cogeneration• Electric car charging stations	<ul style="list-style-type: none">• Team oriented• Training and development• Building better communities• Charitable involvement• Employee recognition• Service excellence	<ul style="list-style-type: none">• Fostering a culture of integrity and accountability• Governance system built on corporate ethics, transparency, compliance and discipline• Maintaining investor confidence



InterRent is participating in the 2020 GRESB Real Estate Assessment to quantify and improve the REIT's ESG performance



DELIVERING A DIGITAL EXPERIENCE FOR RESIDENTS

Investing in technology has always been one of the distinguishing features of the REIT’s operating platform. InterRent constantly searches for new ways to improve the efficiency of all processes while also ensuring our residents have access to convenient tools that enhance their experience.

INTERNAL INFRASTRUCTURE



BUSINESS INTELLIGENCE



BEST-IN-CLASS CLOUD PLATFORM



AUTOMATED A/P WORKFLOW



FULLY CONNECTED PROPERTIES



BETTER ONLINE TEAM COLLABORATION TOOLS



MOBILE-ENABLED WORKFORCE

RESIDENT EXPERIENCE

- Smart homes
- Resident online self-service:
 - Applications
 - Payments
 - Maintenance requests
 - Amenity bookings





FINANCIAL PERFORMANCE





SECTOR-LEADING SAME PROPERTY GROWTH

In \$ 000's	Total Portfolio			Same Property Portfolio		
	12 Months Ended December 31, 2019	12 Months Ended December 31, 2018	Year-Over-Year Growth	12 Months Ended December 31, 2019	12 Months Ended December 31, 2018	Year-Over-Year Growth
Gross rental revenue	\$143,150	\$125,982	+13.6%	\$126,332	\$117,717	+7.3%
Less: vacancy & rebates	(6,790)	(6,043)	+12.4%	(4,768)	(5,484)	-13.1%
Other revenue	8,942	7,347	+21.7%	7,191	6,606	+8.9%
Operating revenues	\$145,302	\$127,286	+14.2%	\$128,845	\$118,839	+8.4%
Expenses						
Property operating costs	20,988	18,933	+10.9%	18,404	17,718	+3.9%
Property taxes	17,443	16,097	+8.4%	15,337	14,990	+2.3%
Utilities	10,677	10,038	+6.4%	9,271	9,184	+0.9%
Operating expenses	\$49,108	\$45,068	+9.0%	\$43,012	\$41,892	+2.7%
Net operating income	\$96,194	\$82,218	+17.0%	\$85,833	\$76,947	+11.5%
Net operating margin	66.2%	64.6%	+160bps	66.6%	64.7%	+190bps

Region	Total Portfolio			Same Property Portfolio		
	December 2019 Average Rent	December 2019 Average Rent	Year-Over-Year Growth	December 2019 Average Rent	December 2019 Average Rent	Year-Over-Year Growth
Eastern Ontario	\$1,213	\$1,117	+8.6%	\$1,213	\$1,117	+8.6%
GTA	\$1,593	\$1,490	+6.9%	\$1,593	\$1,490	+6.9%
Hamilton/Niagara	\$1,155	\$1,083	+6.6%	\$1,194	\$1,117	+6.9%
Northern Ontario	-	\$963	n.a.	-	-	n.a.
Montreal	\$1,097	\$1,022	+7.3%	\$1,123	\$1,053	+6.6%
Gatineau	\$976	\$919	+6.2%	\$976	\$919	+6.2%
Ottawa	\$1,430	\$1,340	+6.7%	\$1,411	\$1,320	+6.9%
Western Ontario	\$1,231	\$1,149	+7.1%	\$1,231	\$1,149	+7.1%
Total	\$1,260	\$1,190	+5.9%	\$1,297	\$1,214	+6.8%



SUBSTANTIAL UPSIDE IN NON-REPOSITIONED PORTFOLIO

In \$ 000's	12 Months Ended December 31, 2019					
	Repositioned Property Portfolio		Non-Repositioned Property Portfolio		Total Portfolio	
Gross rental revenue	\$102,204		\$40,946		\$143,150	
Less: vacancy & rebates	(2,664)		(4,126)		(6,790)	
Other revenue	6,215		2,727		8,942	
Operating revenues	\$105,755		\$39,547		\$145,302	
Expenses						
Property operating costs	14,540	13.7%	6,448	16.3%	20,988	14.4%
Property taxes	12,322	11.7%	5,121	12.9%	17,443	12.0%
Utilities	7,282	6.9%	3,395	8.6%	10,677	7.4%
Operating expenses	\$34,144	32.3%	\$14,964	37.8%	\$49,108	33.8%
Net operating income	\$71,611		\$24,583		\$96,194	
Net operating margin	67.7%		62.2%		66.2%	

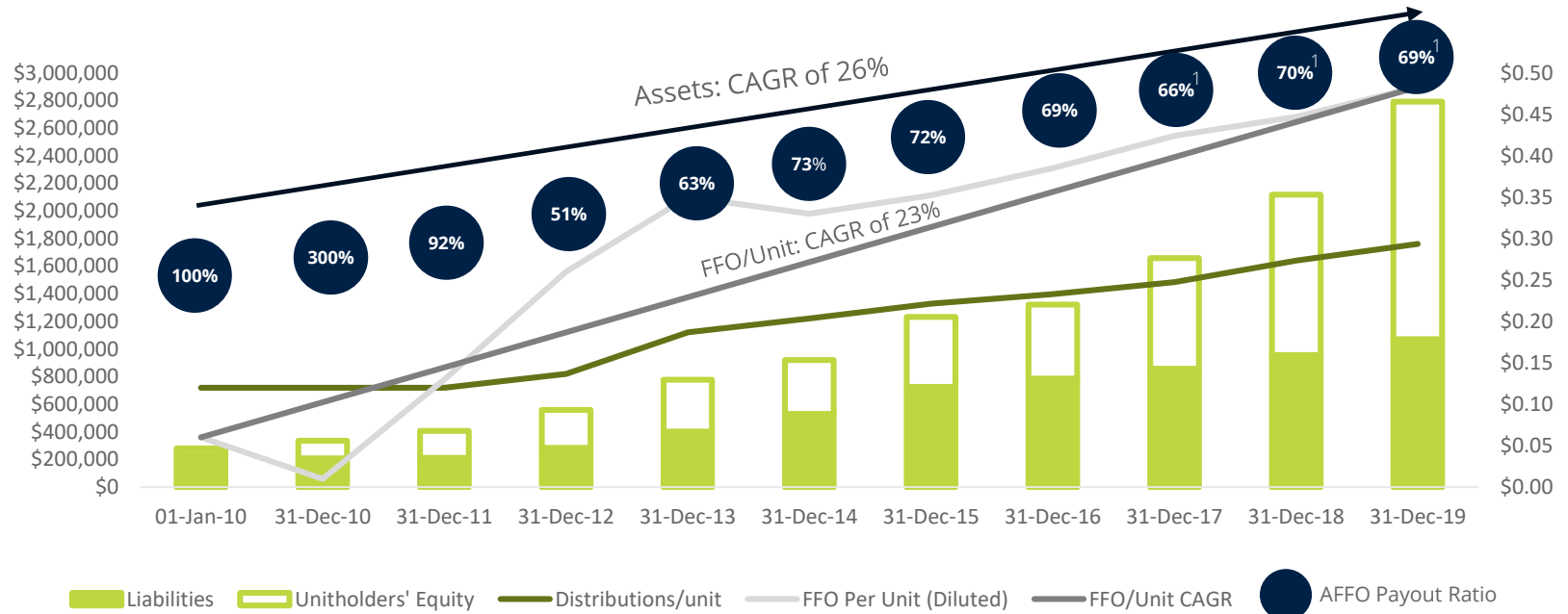
Region	Repositioned Property Portfolio			Non-Repositioned Property Portfolio		
	Suites	December 2019 Average Rent	December 2019 Vacancy	Suites	December 2019 Average Rent	December 2019 Vacancy
Eastern Ontario	204	\$1,213	7.6%	-	-	-
GTA	1,283	\$1,593	1.6%	-	-	-
Hamilton/Niagara	816	\$1,292	3.1%	1,118	\$1,056	4.1%
Montreal	782	\$1,046	1.4%	2,003	\$1,117	14.8%
Gatineau	497	\$976	1.7%	-	-	-
Ottawa	1,968	\$1,436	1.3%	496	\$1,403	3.7%
Western Ontario	997	\$1,231	1.6%	-	-	-
Total	6,547	\$1,328	1.9%	3,617	\$1,137	9.9%



PROVEN TRACK RECORD OF SUCCESS

Effective use of capital through:
 Smart disposition of properties
 Recycle capital from dispositions fully into repositionings
 Capitalize on low interest rate environment

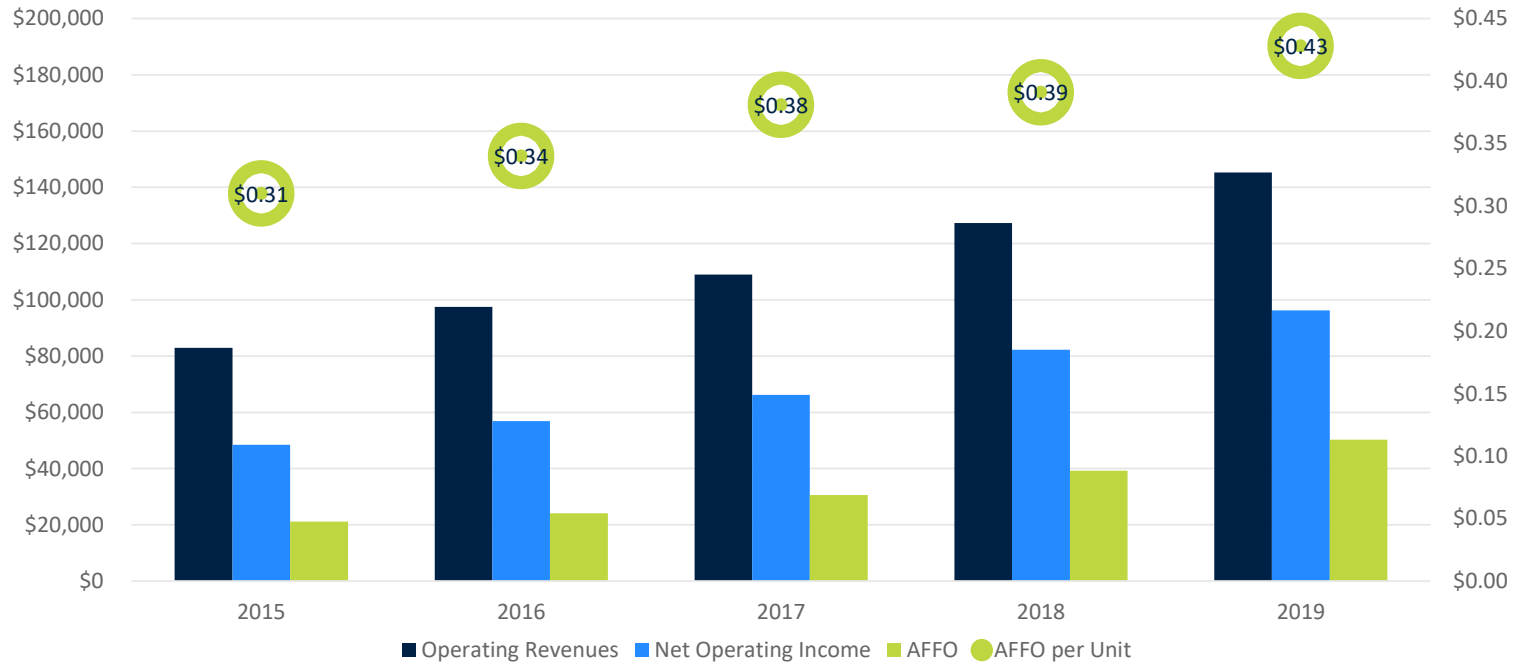
TOTAL ASSET GROWTH



¹TTM AFFO for 2017-2019 calculated in accordance to Realpac definition. Prior years calculated differently.

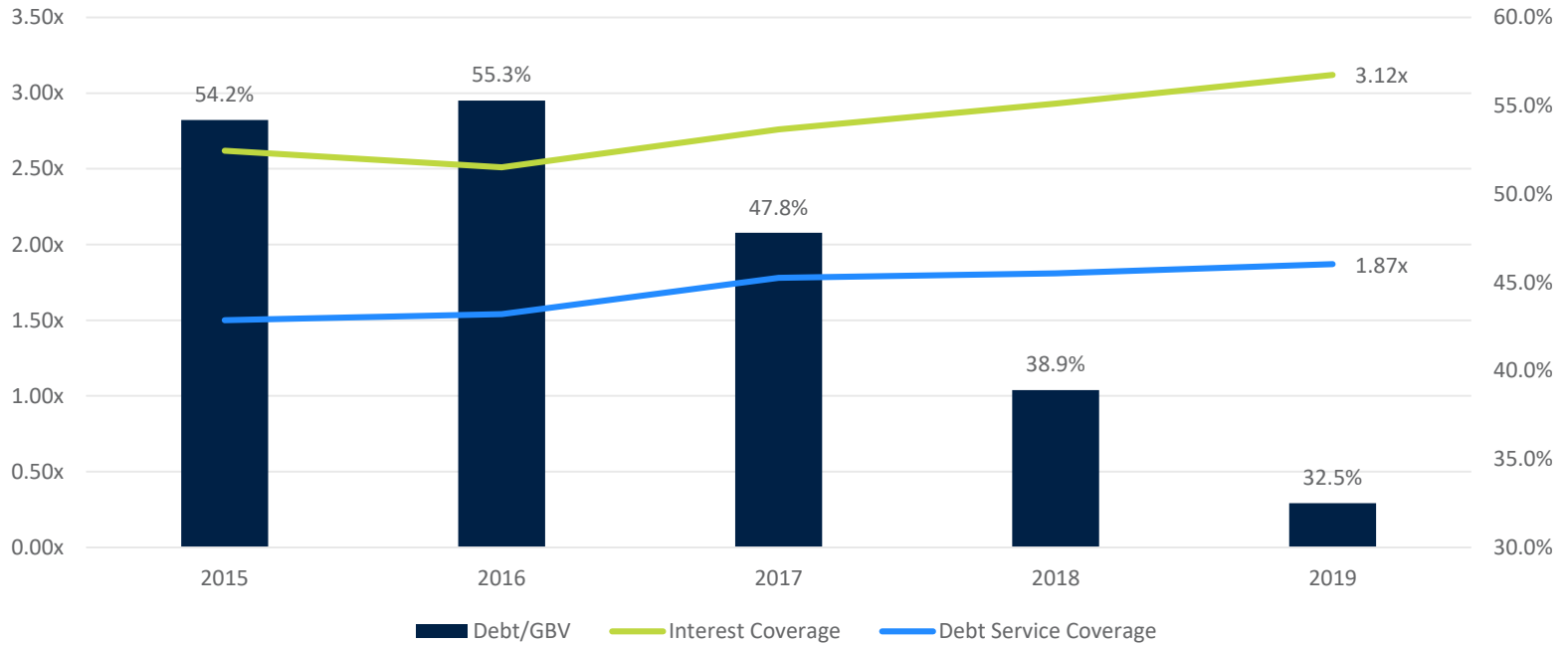


GROWTH IN ALL THE RIGHT PLACES





A PROVEN APPROACH TO MANAGING THE BALANCE SHEET





VIE



COVID-19 OPERATIONAL UPDATE





OPERATIONAL UPDATE



Conducted wellness phone calls to over 10,000 residents to check on their safety and to identify residents in need of additional assistance



Implemented enhanced cleaning protocols for all buildings with frequent disinfection of high touch areas



Online information hub for residents ([interrentreit.com/covid-19](https://www.interrentreit.com/covid-19))



Sales and leasing teams have implemented an end-to-end contactless rental process.



Since COVID-19 started, collections have been in the high 90% range.



Currently we have entered into rent deferral agreements with approximately 0.5% of our residential residents.



CLV CLEAN & SECURE +™

- Launched an innovative and industry-leading cleaning and safety program called “[CLV Clean & Secure +™](#)”
- Program includes:
 - The use of industry-leading products such as the [Victory Innovations Electrostatic Sprayer](#)
 - High-frequency cleaning protocols in all common spaces
 - Increased supply and systematic use of personal protective equipment (PPE)
 - Enhanced guidelines for residents, staff and visitors
 - Emphasized use of digital technology
 - A revamped, touchless rental process using digital technology
 - All community staff are subject to a rigorous initial training program with regular follow-up training sessions

Testimonials:

“Hi, I just wanted to take a second and say thank you for going above and beyond during this pandemic and I really appreciate all the hard work the staff is putting in to ensure we all stay healthy! Thank you”

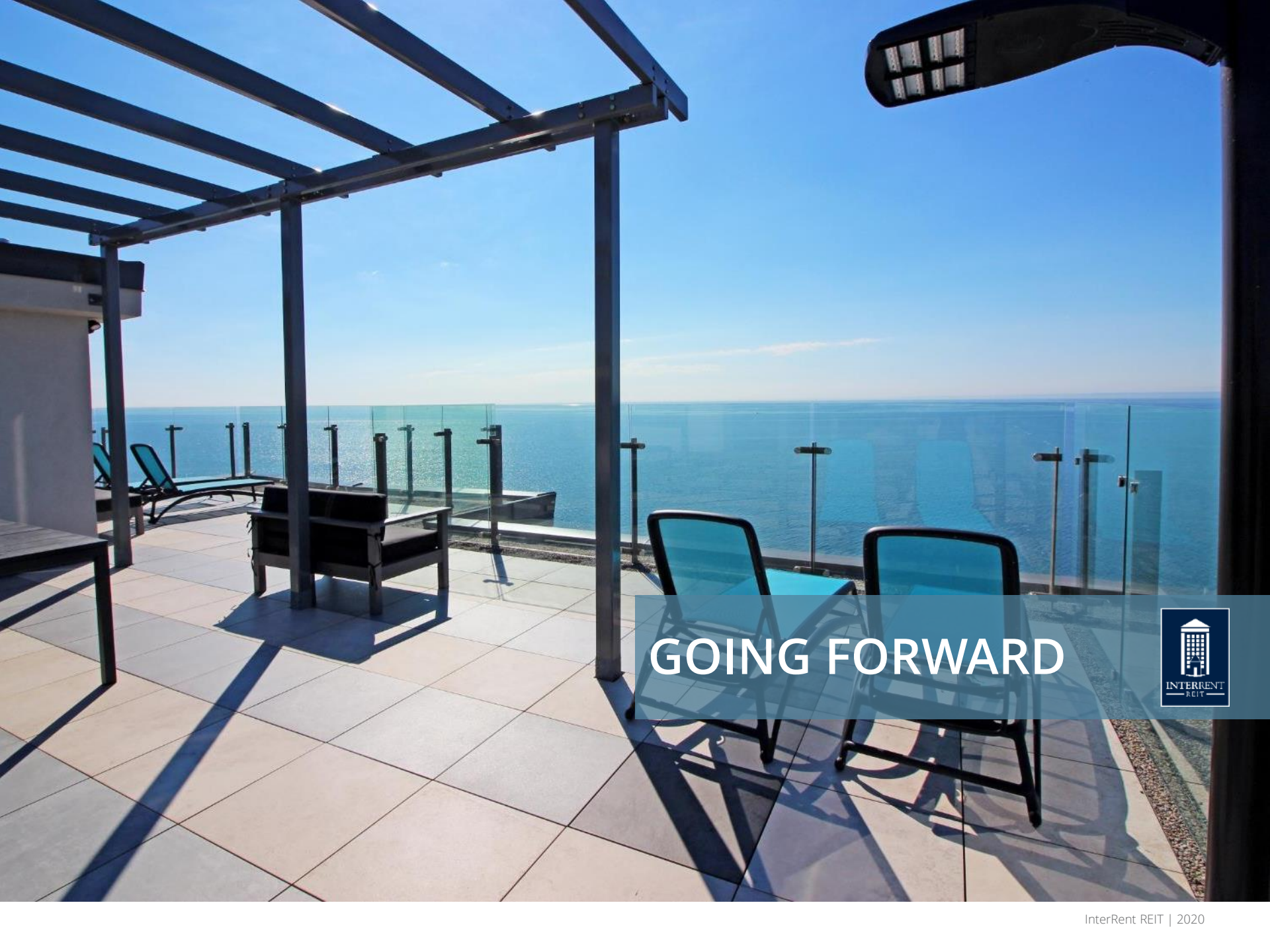
Rosemount Apartments
Burlington, ON

“We are happy we are able to have this done digitally and have really appreciated the measures you have put in place during the current global climate. Thanks again for keeping us up to date as we have moved through this process – it’s greatly appreciated!”

Le Mistral
Montreal, QC

“Thank you to the kind gentleman who spent his Sunday afternoon wiping down all the surfaces and doorways of 225 McLaren! Much appreciated.”

225 McLaren
Ottawa, ON



GOING FORWARD





- Conservative and flexible balance sheet
- Well positioned for both organic and external growth
- Potential strategic partnerships & joint ventures
- We have over 2,500 suites in our repositioning portfolio
- Potential to increase density at many sites across our portfolio
- Greenfield development opportunities
- Significant consolidation potential
- Potential to expand into new markets



