



INTERRENT REIT

INVESTOR PRESENTATION

September 2018



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.





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.





ROADMAP TO THE PRESENT

2009 - 2011

- CLV arranges private placement at \$1.50/unit
- Change of executive control September 30, 2009
- CLV Group begins managing InterRent's entire portfolio
- Began rebuilding & repositioning
- Changed culture & priorities
- Restored focus on property operations
- Completed disposition of non-core properties
- Focused on growing NOI organically through top line growth and operating cost reductions

2012 - 2014

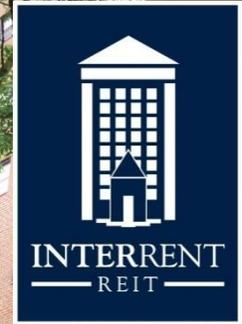
- Continued to grow NOI organically through top line growth and operating cost reductions
- Built Acquisitions Team and grew potential acquisition pipeline - focus on value-add properties
- Purchased 1,000 suites in 2012, 1,339 suites in 2013 and 645 in 2014
- Expanded into Quebec (Gatineau & Montreal)
- Focused on best in class within our target markets
- Refinanced repositioned properties with CMHC insured mortgages
- Increased distribution by 33% (12¢ to 16¢) in 2012, by 25 % (16¢ to 20¢) in 2013 and by 10% (20¢ to 22¢) in 2014

2015 - PRESENT

- Completed LIV redevelopment
- Continued to focus on repositioning and organic growth
- Purchased 1,702 suites in 2015, 545 suites in 2016 and 547 suites in 2017
- Changed model/staffing of rental operations to focus on customer service and overall performance
- Continued to refinance repositioned properties with CMHC to capitalize on low interest rates
- Increased distribution by 5% (22¢ to 23¢) in 2015, by 5% (23¢ to 24¢) in 2016 and again by 11% (24¢ to 27¢) in 2017
- Entered into joint venture for development of 900 Albert Street
- Internalized property management in 2018



DISTRIBUTIONS



Start	September 30, 2009
End	As at September 4, 2018
Unit Price	\$1.50 to \$11.33
Cumulative Distributions	\$1.67
Total Return	809%
Number of Suites	4,033 to 9,021 124%

Since current management took over, **InterRent has been one of the best performing REITs in Canada with a total return of 809%**. InterRent continues to focus on organic growth of existing properties, target new properties to reposition, as well as acquisitions of properties with untapped value.



WE ARE PROVIDERS OF HOMES ACROSS ONTARIO AND QUEBEC

GTA (INCLUDING HAMILTON)

22 PROPERTIES 0.8% PENETRATION 31.3% OF PORTFOLIO

2,821 SUITES 354,845¹ TOTAL SUITES IN MARKET

MONTREAL

8 PROPERTIES 0.2% PENETRATION 15.9% OF PORTFOLIO

1,430 SUITES 574,102¹ TOTAL SUITES IN MARKET

NATIONAL CAPITAL REGION

27 PROPERTIES 3.6% PENETRATION 32.8% OF PORTFOLIO

2,961 SUITES 83,306¹ TOTAL SUITES IN MARKET

Our primary markets make up more than 80% of our NOI



¹ CMHC Fall 2017 Rental Market Report apartment universe



PROVEN ABILITY TO SOURCE DEALS

Proven track record of sourcing acquisitions, with over \$700 Million in acquisitions since change of control (over 6,200 units).

Continued pipeline of potential properties through solid relationships and proprietary lead generation database.

Crystal Beach East, Ottawa
15 Kappele Circle, Stratford
Tindale Court & Quigley Road, Hamilton
6599 Glen Erin, Mississauga
15 Louisa, Ottawa



2015

1101 Rachel, Montreal
Parkway Park, Ottawa



2017

5775 Sir Walter Scott, Montreal
1-3 Slessor, Grimsby
236 Richmond, Ottawa
381 Churchill, Ottawa
10 Ben Lomond, Hamilton

2014



5501 Adalbert, Montreal
Forest Ridge, Ottawa
Britannia Portfolio, Ottawa
181 Lebreton & 231 Bell, Ottawa
Stoney Creek Portfolio, Hamilton
Maple & Brant, Burlington

2016



1111 & 1121 Mistral, Montreal
3 East 37th, Hamilton
2121 & 2255 Saint Mathieu, Montreal
78 Lawrence, Hamilton

2018



Riviera, Gatineau

5550 Trent, Montreal

Crystal Beach, Ottawa



Acquisitions/Development

- Acquire properties that have untapped value that can be realized through the REIT's repositioning strategy
- Develop properties in our target growth areas

Recycling and Allocation of Capital

- Regularly review the properties within the portfolio to determine the most efficient and effective use of capital
- Refinance at more favourable rates/terms
- Disposition of non-core assets



Our People

Hiring excellence, providing constant training and career advancement

Cost Reduction and Containment

Implement energy-efficient utility programs to lower operating costs while utilizing government programs to leverage investment dollars.

- Replace old boilers, domestic hot water heaters, water fixtures and lighting fixtures
- Conversion of domestic hot water heaters from electric to gas
- Implement hydro submetering programs
- Focus on preventative maintenance
- Reduce customer turnover by providing better customer service

Customer Service

Offer an unsurpassed customer experience by:

- Multi-channel communication stream
- Dedicated customer advocates
- Tracking and reporting to senior management of customer concerns and feedback
- Creating a sense of community

Driving and Enhancing Revenue Streams

Continuously search for new revenue streams as well as ways to grow existing ones.

- Increase rents on turnover through exterior, common area and in-suite improvements
- Securing additional streams of income through rooftop leases and revenue sharing agreements
- Growing the rental revenue base organically while at the same time improving its stability by removing undesirable tenants
- Increased focus on parking and ancillary revenue
- Adding suites within under-utilized space

EXTERIOR UPGRADES

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

Before



5220 Lakeshore | Burlington

After



COMMON AREA UPGRADES

- Added functionality
- Designer finishes
- Enhanced security



New Street | Burlington



UNIT UPGRADES

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



LIV | Ottawa





2014 ACQUISITIONS

	As at Acquisition	As at 2018 Q2
Acquisition Cost	\$76,011,767	
Capital Invested		\$25,985,654
Acquisition Cost Plus Capital Invested		\$101,997,421
Net Revenue	\$7,347,268	\$9,829,781
Operating Costs	\$3,426,507	\$3,468,447
NOI	\$3,920,761	\$6,361,333 ↑ 62%
NOI Margin	53%	65%
Cap Rate	5.2%	6.2%
Total Suites	645	645
Current Cap Rate		4.3%
Fair Value Today		\$146,903,000
Value Creation		\$44,905,579
Value per Suite	\$117,848	\$227,757 ↑ 93%



Tindale-Quigley | Hamilton



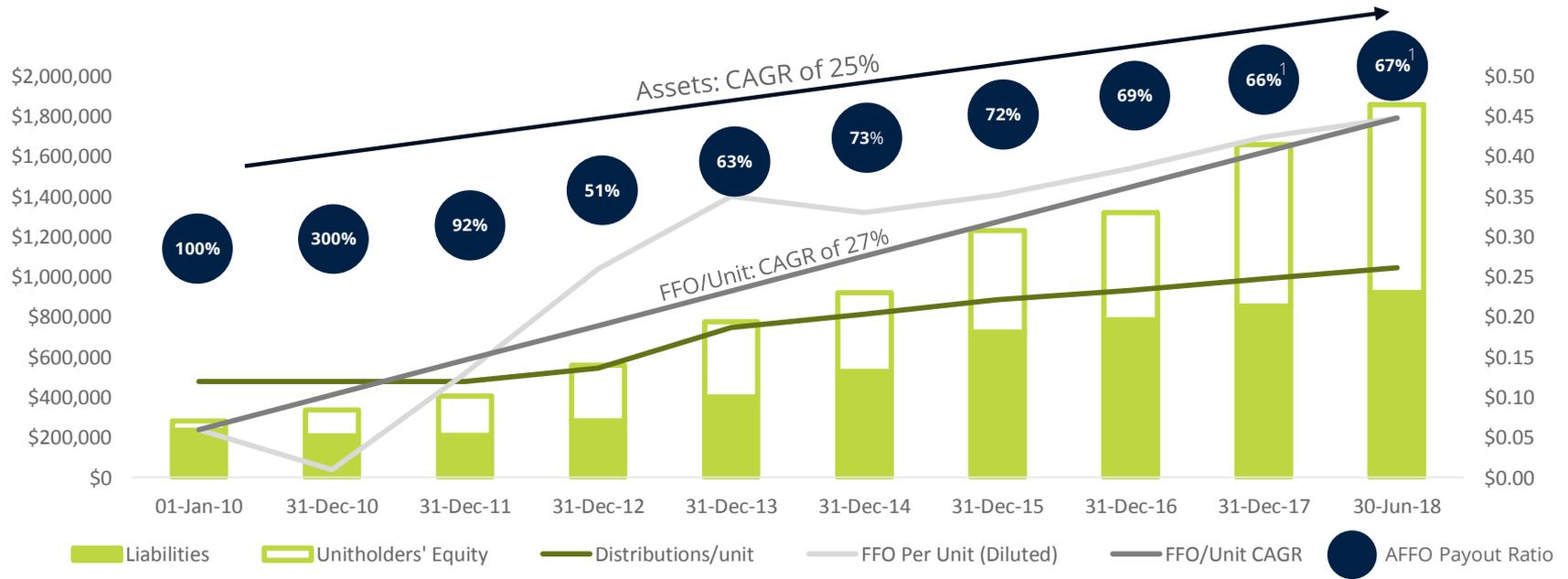
Crystal Beach East | Ottawa



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 calculated in accordance to Realpac definition. Prior years calculated differently.



GROWTH IN ALL THE RIGHT PLACES

<i>In \$000s, except as noted</i>	2010	2011	2012	2013	2014	2015	2016	2017	TTM at 30-Jun-18
Total Suites	3,998	3,820	4,695	6,048	6,700	8,389	8,059	8,660	9,021
Occupancy Rate	96.3%	96.6%	97.8%	96.4%	96.1%	94.6%	94.8%	97.9%	94.0%
Average Rent Per Suite	\$805	\$843	\$887	\$931	\$965	\$996	\$1,064	\$1,110	\$1,148
Operating Revenues	\$35,352	\$38,471	\$47,530	\$60,506	\$65,404	\$82,977	\$97,466	\$109,004	\$118,585
Net Operating Income (NOI)	\$15,913	\$20,506	\$27,946	\$36,041	\$37,884	\$48,490	\$56,868	\$66,166	\$74,226
NOI %	45.0%	53.3%	58.8%	59.6%	57.9%	58.4%	58.3%	60.7%	62.6%
Funds from Operations (FFO)	\$232	\$4,300	\$13,489	\$18,883	\$18,836	\$24,425	\$27,796	\$34,662	\$39,726
FFO Per Unit (basic)	\$0.01	\$0.13	\$0.31	\$0.35	\$0.33	\$0.35	\$0.39	\$0.43	\$0.45
Adjusted Funds from Operations (AFFO)	\$1,135	\$4,343	\$11,748	\$16,278	\$16,189	\$21,145	\$24,170	\$30,570 ¹	\$34,884 ¹
AFFO Per Unit (basic)	\$0.04	\$0.13	\$0.27	\$0.30	\$0.28	\$0.31	\$0.34	\$0.38 ¹	\$0.40 ¹
Debt to GBV	58.3%	48.5%	46.8%	47.4%	52.7%	54.2%	55.3%	47.8%	43.5%

Elmridge | Ottawa



¹TTM AFFO for 2017 & 2018 calculated in accordance to Realpac definition. Prior years calculated differently.



A PROVEN APPROACH TO MANAGING THE BALANCE SHEET

MORTGAGE SCHEDULE

Year Maturing	Mortgage & Debt Balance (000s) 30-Jun-18	Weighted Average by Maturity	Weighted Average Interest Rate
2018	\$90,933	11.2%	3.27%
2019	\$44,301	5.5%	3.21%
2020	\$95,512	11.8%	2.87%
2021	\$51,854	6.4%	3.46%
2022	\$70,765	8.7%	2.83%
Thereafter	\$457,919	56.4%	2.87%
Total	\$811,284	100.0%	2.95%

INTEREST COVERAGE

2.81x

DEBT SERVICE COVERAGE

1.80x

DEBT TO GBV
30-Jun-18

43.5%

Hamilton Landing | Trenton



700 Ross | Burlington



939 Western | London





EXECUTIVE TEAM

BOARD

PAUL AMIRAUT
Trustee

PAUL BOUZANIS
Trustee

RONALD LESLIE
Trustee

MIKE MCGAHAN
Trustee

CHERYL PANGBORN
Trustee

VICTOR STONE
Trustee

“Good teams become great ones when the members trust each other enough to surrender the Me for the We”

- PHIL JACKSON

INTERRENT REIT

MIKE MCGAHAN
Chief Executive Officer
& Trustee

Property Management
Operations
Acquisitions
Development
Syndications
Brokerage

BRAD CUTSEY, CFA
President

Capital Markets / Investor Relations
Research & Financial Modeling
Acquisitions
Property Management
Strategic Management

CURT MILLAR, CPA, CA
Chief Financial Officer

Corporate Finance
Accounting & Financial Reporting
Operations Management
Acquisitions
Business Development
Process & Systems Optimization

DAVE NEVINS
Chief Operating Officer

Property Management
Operations
Construction

BRIAN AWREY, CPA, CA
Vice President

Financial Reporting
Corporate Finance
Accounting

**100+ Years
Combined
Experience**

Our success is dependent on our team members. The InterRent team has a proven track record of creating value through repositioning rental properties, providing both the experience and ability necessary to continue to grow and improve the REIT while creating value for our unitholders.



APPENDIX





RECENT EVENTS

“Strong Fundamentals Drive Solid Cash Flow Growth”

- Mark Rothschild, Canaccord Genuity

August 14, 2018

“Maintaining Outperform on Rent Growth Potential”

- Troy MacLean, BMO Capital Markets

May 16, 2018

“Adjusting Estimates After \$98 mln Offering; Maintain Strong Buy”

- Ken Avalos, Raymond James

March 29, 2018

“Solid Q4 Results and a Constructive 2018 Outlook”

- Michael Smith, RBC Capital Markets

February 22, 2018



Britannia | Ottawa



LIV | Ottawa



5220 Lakeshore | Burlington



PRICE TARGETS & NAV/UNIT ESTIMATES

Broker	Date	Rating	Target Price	NAV/Unit Estimate	NAV/Unit Cap Rate
BMO Capital Markets	17-Aug-18	Outperform	\$12.50	\$10.50	4.5%
Canaccord Genuity	15-Aug-18	Buy	\$12.00	\$10.94	4.5%
CIBC World Markets	14-Aug-18	Neutral	\$11.50	\$10.50	4.5%
Desjardins Capital Markets	14-Aug-18	Buy	\$11.75	\$10.20	NA
Echelon Wealth Partners	14-Aug-18	Buy	\$11.50	\$10.50	4.7%
GMP Securities	14-Aug-18	Buy	\$11.50	\$10.30	4.5%
Industrial Alliance Securities	15-Aug-18	Buy	\$12.00	\$10.50	4.5%
Laurentian Bank Securities	15-Aug-18	Buy	\$12.00	\$10.50	4.7%
NBF	14-Aug-18	Sector Perform	\$11.50	\$10.65	4.5%
Raymond James	15-Aug-18	Strong Buy	\$12.00	\$10.25	4.6%
RBC Capital Markets	14-Aug-18	Outperform	\$12.00	\$10.50	NA
Scotiabank GBM	15-Aug-18	Sector Outperform	\$12.25	\$11.00	4.6%
TD Securities	15-Aug-18	Buy	\$12.50	\$10.50	4.3%
Average			\$11.92	\$10.53	4.5%

“Another Strong Quarter: Very strong fundamentals (SP AMR up +6.9%) and IIP’s value-add strategy continued to produce strong organic growth in Q2, with SPNOI up +13.5%, the fourth quarter in a row of SPNOI growth >10%. This is the **15th consecutive quarter of SPNOI growth above +4% (~8.4% average).**”

- Troy MacLean, BMO Capital Markets
August 17, 2018

“Leverage profile is improving. Accounting for post-quarter refinancing: (1) >80% of IIP’s mortgages are CMHC-insured; (2) variable exposure has been reduced to 13%; (3) the average term exceeds 6+ years; and (4) the average rate is virtually unchanged at 2.95%.”

- Michael Markidis, Desjardins
August 14, 2018

“Our view: Multi-family is a strong sector especially in the greater Toronto, Ottawa and Montreal regions. These regions are benefiting from strong demand underpinned by immigration/population growth and muted supply owing to capacity constraints, regulation and a host of other factors. As Warren Buffett famously said when it comes to investing “I don’t try to jump over 7-foot hurdles, I look for 1-foot hurdles”. We think multi-family in these markets is the proverbial 1-foot hurdle. Even better, we think IIP’s business model and management team are turning 1-foot hurdles into 6-inch hurdles.”

- Michael Smith, RBC Capital Markets
August 14, 2018



1 & 3 SLESSOR BOULEVARD, GRIMSBY



Property Overview

1 and 3 Slessor Boulevard are two dominant rental buildings in the sought after community of Grimsby, located fifteen minutes away from the Hamilton neighbourhood of Stoney Creek. The buildings at 1 and 3 Slessor Boulevard have eight and four storeys respectively, combining for a total of 172 units. The property provides residents with quick access to both the Queen Elizabeth Way highway, and, by 2021, the town's future daily GO Train service.



Suite Count	172
Purchase Price	\$21,075,000
Price per Suite	\$122,529

- ★ 1 & 3 Slessor Boulevard
- 1 Canadian Tire
- 2 Sobey's Grocery Store
- 3 Shoppers Drug Mart
- 4 Canadian Tire Gas
- 5 RBC Royal Bank
- 6 Central Public School
- 7 Blessed Trinity Catholic Secondary School
- 8 Grimsby Secondary School
- 9 Food Basics



5775 SIR WALTER SCOTT AVENUE, MONTREAL



Property Overview

5775 Sir Walter Scott is a low-rise multi-residential building situated in a quiet sought after rental neighborhood within close proximity to downtown Montreal and with easy access to the Montreal West train station and the Vendome metro station. The property is situated one block from the Cavendish Mall, two blocks from Mount Sinai Hospital and has easy access to highways 15, 20, 40 and 520. Additionally, the property is adjacent to an existing InterRent 174 suite complex.



Suite Count

48

Purchase Price

\$5,250,000

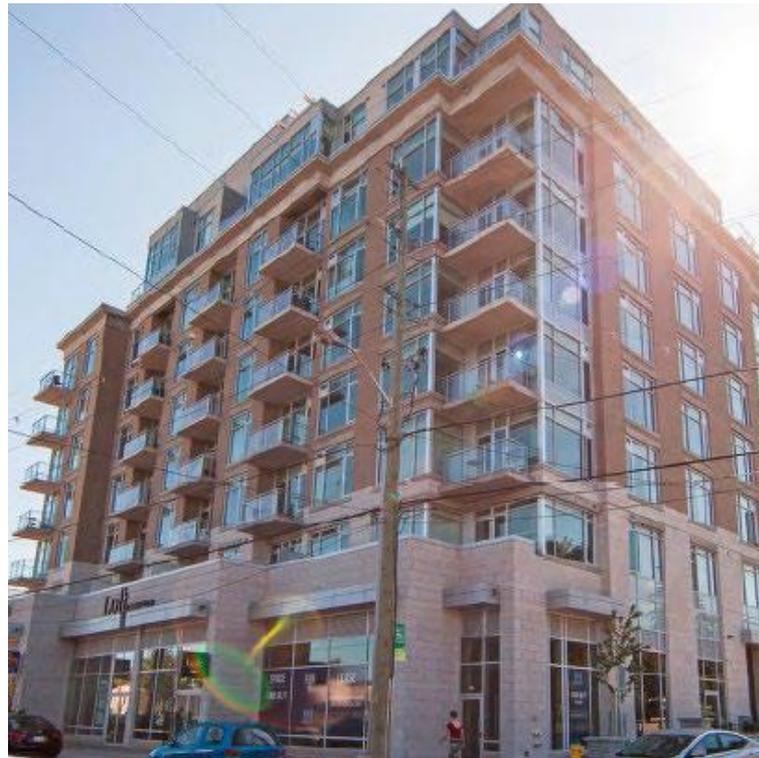
Price per Suite

\$109,375

- ★ 5775 Sir Walter Scott
- 1 IGA Supermarket
- 2 Quartier Cavendish Mall
- 3 Scotiabank Branch
- 4 Eleanor London Côte Saint-Luc Public Library
- 5 Bialik High School
- 6 CIBC Branch and ATM
- 7 Pharmaprix
- 8 Wagar Adult Centre
- 9 Aquatic and Community Centre
- 10 Merton Elementary School
- 11 Mount Sinai Hospital



236 RICHMOND, OTTAWA



Property Overview

236 Richmond Road is a newly constructed mixed-use building located in the revitalized and thriving Westboro community. Completed in 2016, this property sits prominently along Richmond Road – Westboro’s main east-west street and offers its residents an abundance of building and neighbourhood amenities. The property is within a 5 minute walk of Westboro Station, which provides rapid bus services downtown Ottawa and throughout the city. The station will be converted to LRT by 2023. This 9-storey building features 71 residential units, and a first floor of prime retail space anchored by RBC Bank.



- ★ 236 Richmond Road
- 1 Real Canadian Superstore
- 2 Farm Boy Grocery
- 3 LCBO
- 4 RBC Royal Bank
- 5 CIBC Bank
- 6 Lion’s Park
- 7 Hilson Avenue Public School
- 8 Iona Park
- 9 Shoppers Drug Mart
- 10 TD Canada Trust
- 11 Westboro Beach
- 12 Westboro Station

Suite Count	72
Commercial sf	8,641
Purchase Price	\$36,250,000

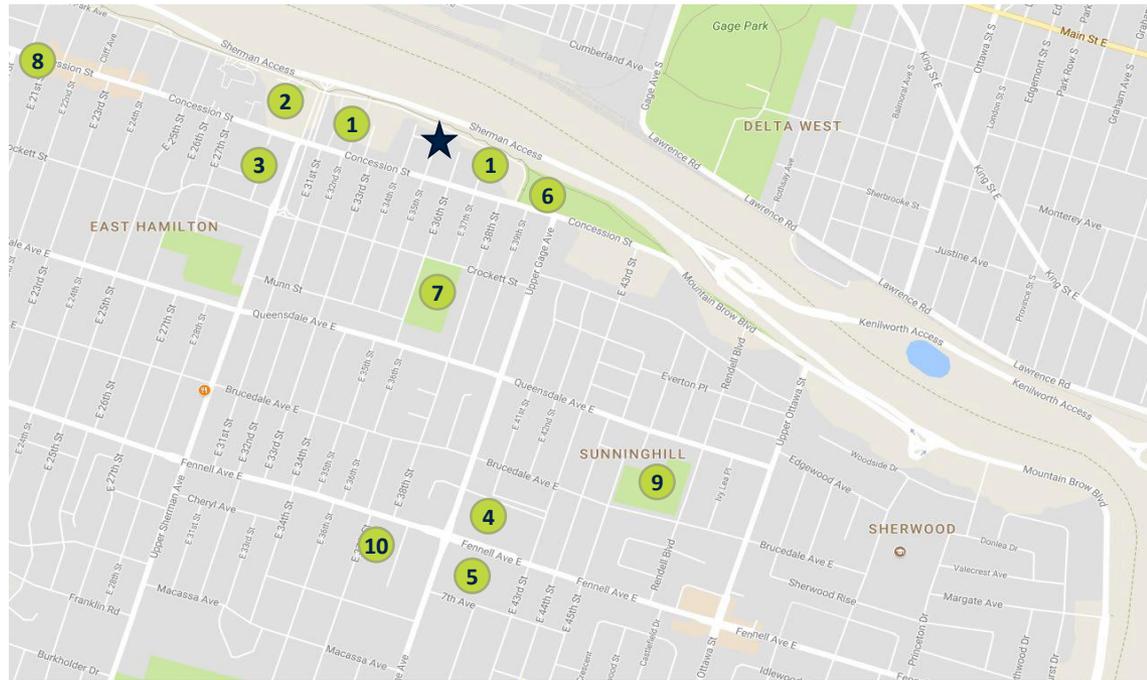


10 BEN LOMOND, HAMILTON



Property Overview

10 Ben Lomond is a 8-storey (plus PH) mid-rise building, tucked away on a quiet street in Hamilton's Raleigh neighbourhood. Situated at the edge of the Niagara Escarpment, the property offers spectacular views of the city's downtown, Hamilton Harbour, and beyond. The property provides easy access to many neighborhood amenities such as parks, schools, shopping, and hospitals.



Total Suite Count	62
Purchase Price	\$10,450,000
Price per Suite	\$168,548

- ★ 10 Ben Lomond
- 1 775 Concession and 3 East 37th St
- 2 Juravinski Hospital and Cancer Centre
- 3 Big Bear Food Mart
- 4 Metro Grocery Store
- 5 Freshco Grocery Store
- 6 Mountain Drive Park
- 7 Peace Memorial Park
- 8 Shoppers Drug Mart
- 9 Sacred Heart of Jesus Catholic School
- 10 Blessed Sacrament Catholic School



2386 & 2400 NEW STREET



BURLINGTON, ONTARIO

Conveniently situated in the Roseland area in Burlington, 2386 & 2400 New Street offers spacious one, two, and three bedroom suites with scenic views of Lake Ontario.

This property has received extensive capital investment over the past three years including new landscaping, new balconies, upgraded kitchens and flooring in many suites, energy efficient lighting, a new gym and a media room. There have also been added 8 suites to this property.

Since acquisition in March 2012, average rent on the suites which have been turned over has increased 54% from \$1,038 to \$1,599. NOI has increased 148% from \$1,313,832 to \$3,253,793. The expected IRR is based on the IFRS value at June 30, 2018 is over 50%.



2386 & 2400 New Street Overview

Total Suites	238
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Investment Highlights

Location	Burlington, Ontario
Investment Timeframe	76 Months
Purchase Price	\$20.7M
Expected IRR	50%+
Equity Multiple	5.9x



2757 BATTLEFORD ROAD



MISSISSAUGA, ONTARIO

2757 Battleford is located adjacent to Lake Aquitaine and at the corner of Erin Mills Parkway and Battleford Road in Mississauga. Including our adjacent property at 6599 Glen Erin Drive, the combined site has a land mass of approximately 420,750 square feet (9.66 acres).

Substantial capital improvements have been made to these properties including new hard & soft landscaping, new entrance and lobby, hydro submetering, new elevators and energy efficient lighting.

Since acquisition in June 2012, average rent on the suites which have been turned over at 2757 Battleford has increased 36% from \$1,152 to \$1,564. NOI has increased 64% from \$1,462,650 to \$2,402,932. The expected IRR based on the IFRS value at June 30, 2018 is over 25%.



2757 Battleford Overview

Suites	184
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Investment Highlights

Investment Timeframe	73 Months
Purchase Price	\$23.9M
Expected IRR	25%+
Equity Multiple	3.9x



BRITANNIA PORTFOLIO



OTTAWA, ONTARIO

InterRent purchased this 286 unit portfolio in 2015. The average purchase price was \$97,028 per unit overall, which the REIT believes was well below market value.

Unit types consist of apartments, duplexes and semi-detached homes and are located along Britannia Park and the waterfront of the Ottawa River.

The average rent for the suites which have turned over since the acquisition of this portfolio in April 2015 is \$1,214. This is an increase of 43% from the average rent for this same group of suites at acquisition of \$848. Capital improvements at these properties include recladding of exteriors, new windows, new landscaping, intercom and security systems new laundry rooms, energy efficient lighting, upgraded boilers and renovated kitchens on turnover.

The expected IRR based on the IFRS value at June 30, 2018 is over 40%.

Britannia Portfolio Overview

Suites	286
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Investment Highlights

Investment Timeframe	38 Months
Purchase Price	\$28.1M
Expected IRR	40%+
Equity Multiple	3.0x

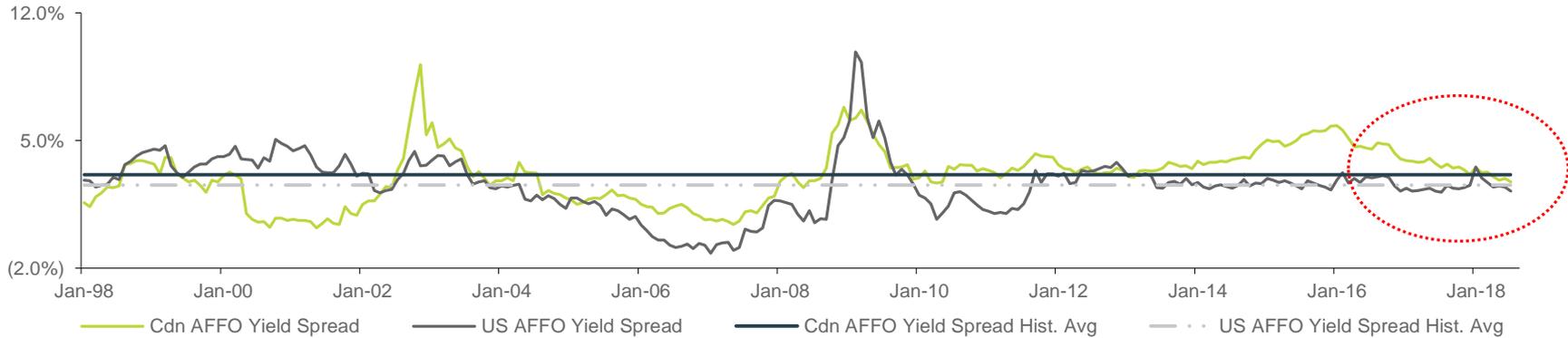


CANADIAN APARTMENT REITS: IN LINE WITH HISTORICAL VALUATIONS

Historical Price / Consensus AFFO



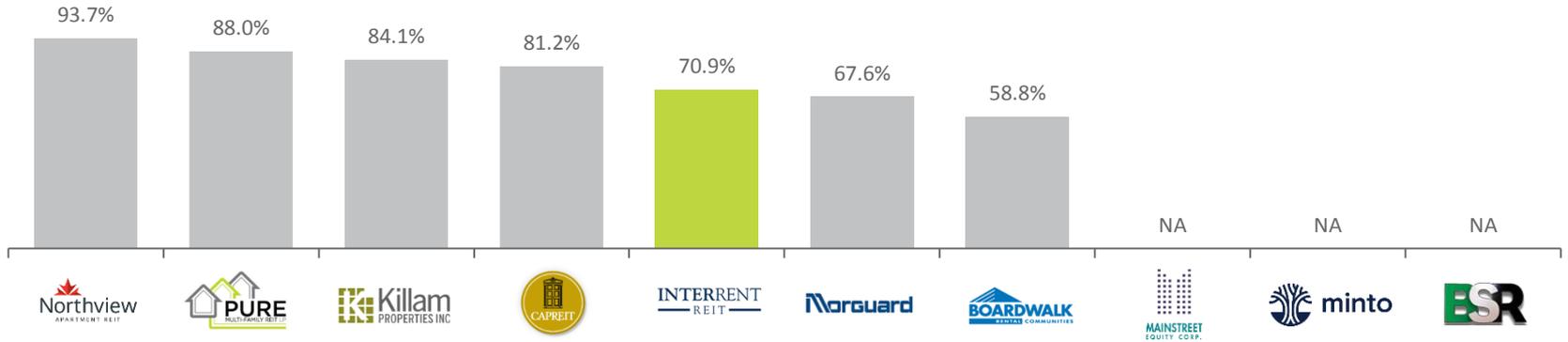
Historical AFFO Yield Spread





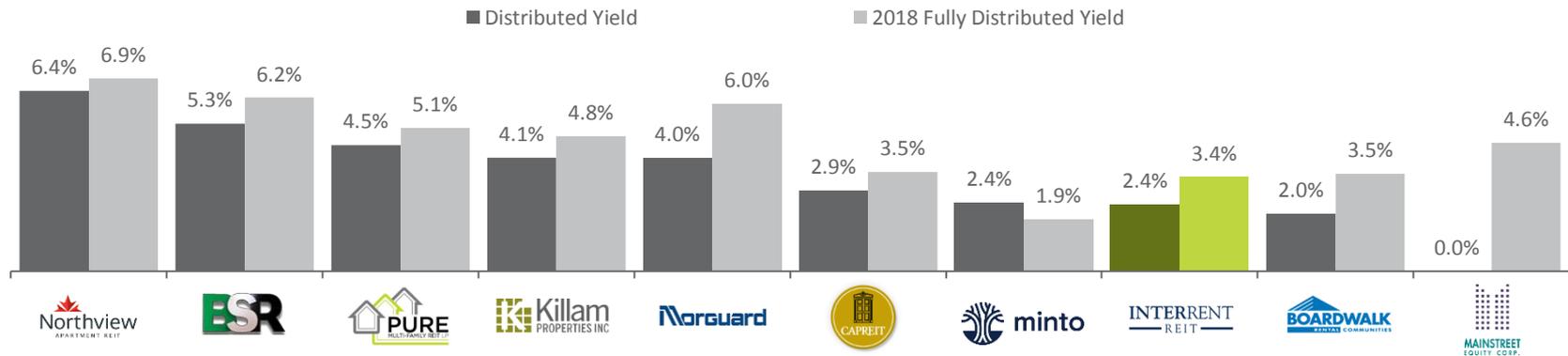
INTERRENT'S PAYOUT RATIO: REMAINS CONSERVATIVE

2018E AFFO Payout Ratio



Distribution Yields

Company	2019 Fully Distributed Yield
Northview Apartment REIT	7.2%
PURE Multi-Family REIT LP	7.1%
Killam Properties Inc	5.7%
CAPREIT	5.1%
INTERRENT REIT	6.4%
Norguard	3.7%
BOARDWALK TRUST COMMUNITIES	3.9%
MAINSTREET EQUITY CORP.	3.8%
minto	3.9%
ESR	5.0%

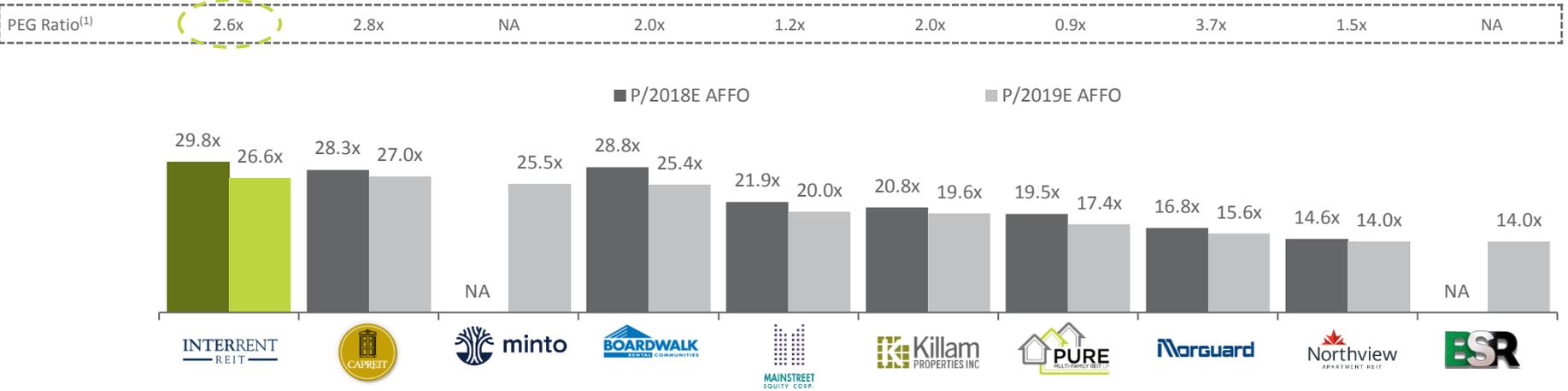


Figures based on consensus estimates as at September 4, 2018. Source: S&P Global Market Intelligence.

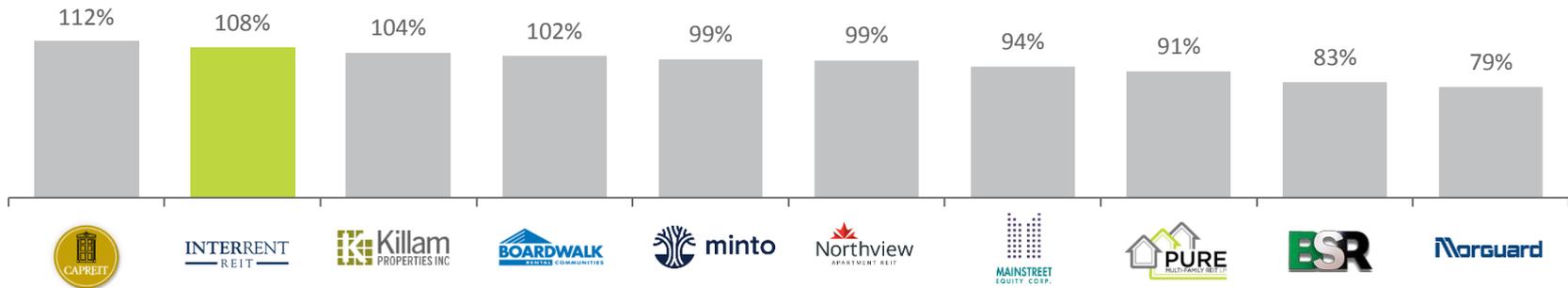


INTERRENT'S PEG RATIO: AT A DISCOUNT RELATIVE TO ITS PEERS

Price / Consensus AFFO



Price / Consensus NAV



Figures based on consensus estimates as at September 4, 2018.

Source: S&P Global Market Intelligence.

(1) PEG Ratio = P/AFFO ('17E) / CAGR of AFFO ('17P-'19E) + current yield



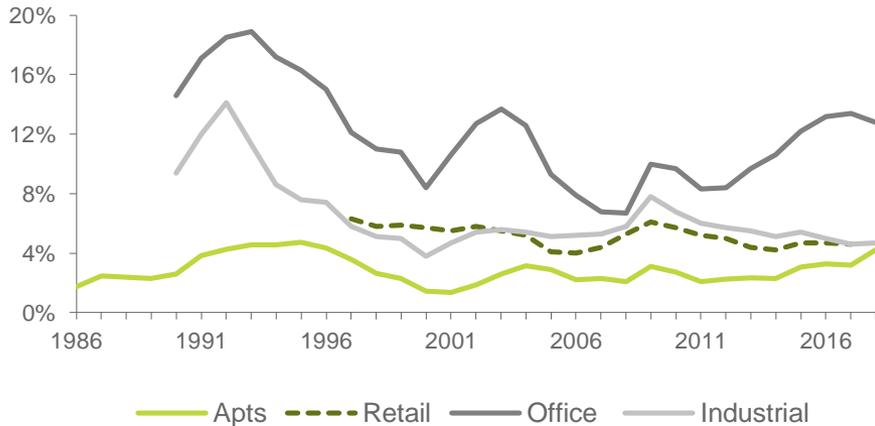
VERY DEFENSIVE ASSET CLASS

- Multi-family properties known as safest real-estate asset class
- Steady and stable rent increases enabled by short term lease durations
- Lower cost mortgage financing with CMHC insurance and mortgage renewal risk mitigated
- Acquisitions at a discount to replacement cost

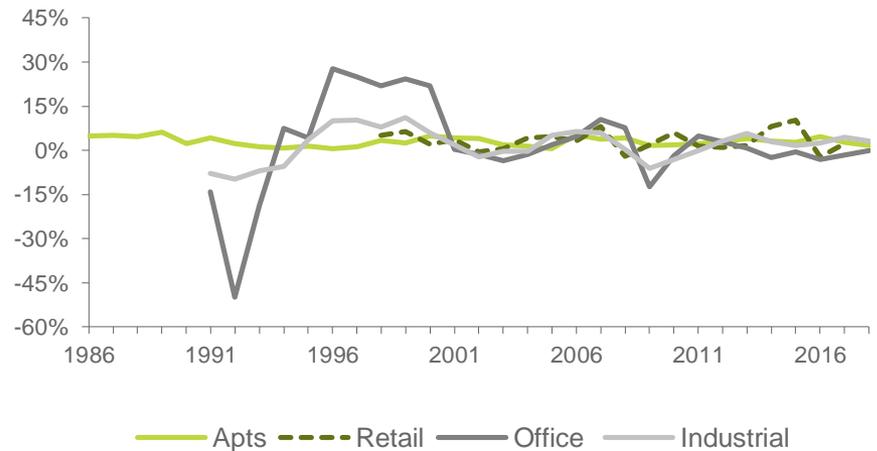
Stable Multi-Family Fundamentals

Multi-Family assets have experienced less volatile changes in vacancy and more stable Y/Y rent growth over the past 30 years relative to other real estate sectors

Historical Vacancy



Historical Y/Y Rent Growth





INTERRENT REIT

NOTES



INTERRENT REIT

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INTERRENT REIT

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