

INVESTOR PRESENTATION

2015 Q2



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.



2010 - 2011

- Rebuilding & repositioning
- Changing culture & priorities
- Restore focus on property operations
- Complete disposition of non-core properties
- Internal growth via rent increases, new suites
- Focus on growing NOI organically through top line growth and operating cost reductions

2012 - 2013

- Continued to grow NOI organically through top line growth and operating cost reductions
- Build Acquisitions Team and grow potential acquisition pipeline – focus on value-add properties
- Purchased 1,000 suites in 2012 and 1,341 suites in 2013
- Expanded into Quebec (Gatineau and Montreal)
- Focused on best in class within our target markets
- Refinanced repositioned properties with CMHC insured mortgages
- Increased distribution by 33% in 2012 and 25% in 2013

2014 - 2015

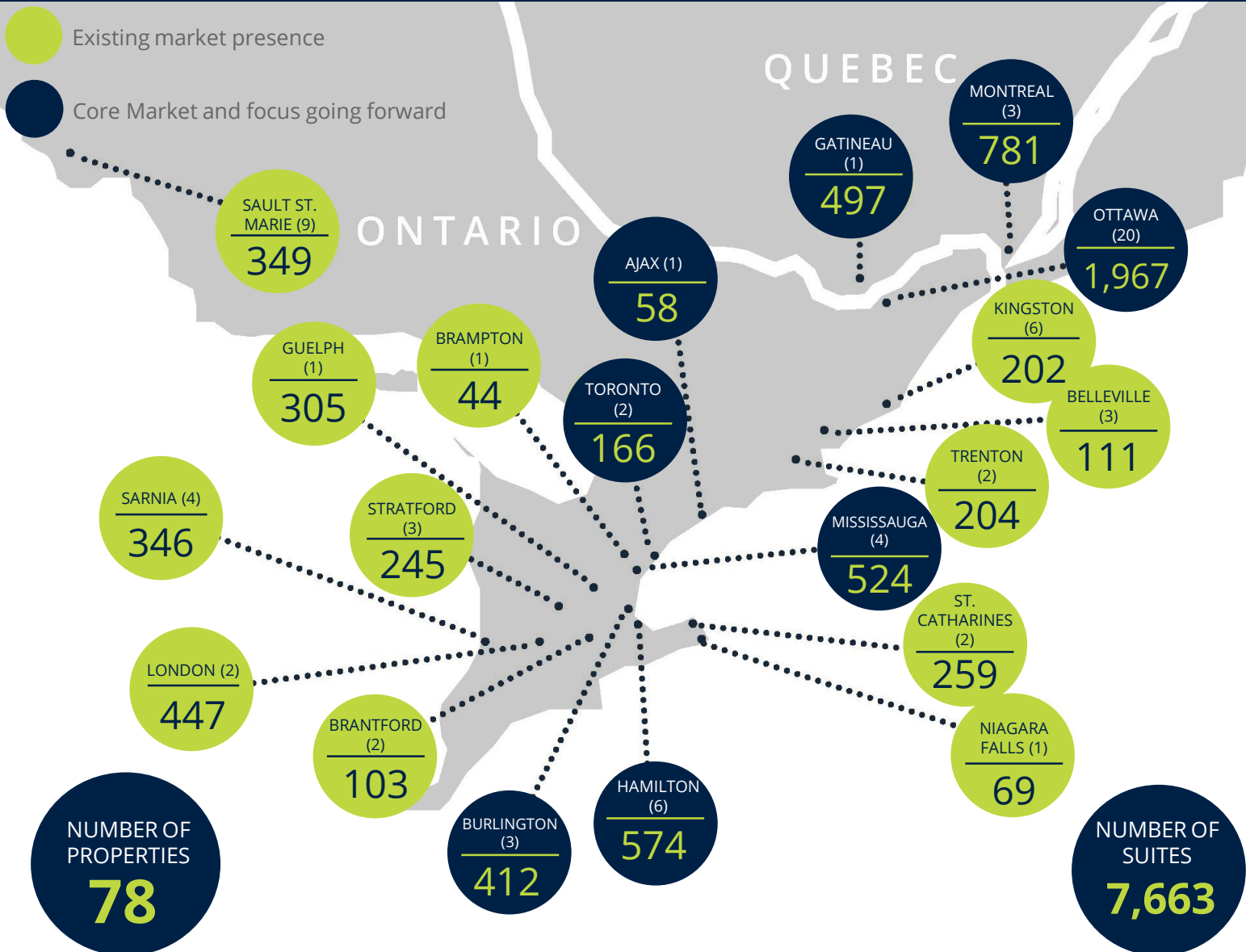
- Continue to focus on repositioning Acquisitions and organic growth
- Purchased 645 suites in 2014 and 959 suites to date in 2015
- Vacated all suites in the Bell Street property in order to complete redevelopment and capture upside from new market rents
- Change model/staffing of rental operations to focus on customer service and overall performance
- Refinancing of repositioned properties with CMHC insured mortgages a focus in 2015
- Increased distribution by 10% in 2014



PORTFOLIO AT A GLANCE

AS AT JULY 31, 2015

INTERRENT
REIT



GTA

1,204

NATIONAL
CAPITAL REGION

2,464

HAMILTON/
NIAGARA

1,005

WESTERN
ONTARIO

1,343

EASTERN
ONTARIO

517

NORTHERN
ONTARIO

349

MONTREAL

781



GROWTH POTENTIAL

ACHIEVING CRITICAL MASS IN KEY MARKETS WITH AMPLE ROOM TO GROW

MARKET PENETRATION: IIP SUITES VS. TARGET MARKET

As at July 31, 2015



Montreal



Eastern Ontario



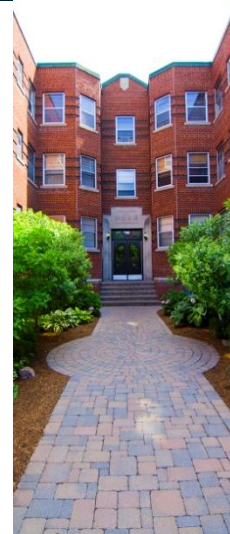
GTA



Hamilton/
Niagara



Northern Ontario



NCR (Ottawa/
Gatineau)



Western Ontario

InterRent Suites	781	517	1,204	1,005	349	2,464	1,343
% of Portfolio	10.2%	6.7%	15.7%	13.1%	4.6%	32.2%	17.5%
Total Suites in Market*	404,607	48,259	308,212	62,817	28,082	80,217	114,365
Penetration	0.19%	1.07%	0.39%	1.60%	1.24%	3.07%	1.17%

*Based on CMHC Fall 2014 Report



ACQUISITIONS

THE WORST BUILDING IN THE BEST LOCATION

INTERRENT
REIT

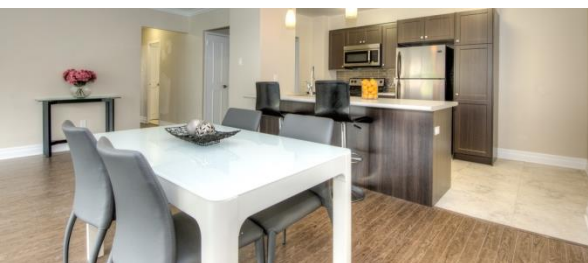
New Street | Burlington



Hamilton Landing



Riviera



5220 Lakeshore



Crystal Beach East

2012 ACQUISITIONS

	NUMBER OF SUITES
Riviera, Gatineau (QC)	490
2386 & 2400 New Street, Burlington (ON)	230
2757 Battleford Road, Mississauga (ON)	184
2304 Weston Road, Toronto (ON)	96
	1,000

2013 ACQUISITIONS

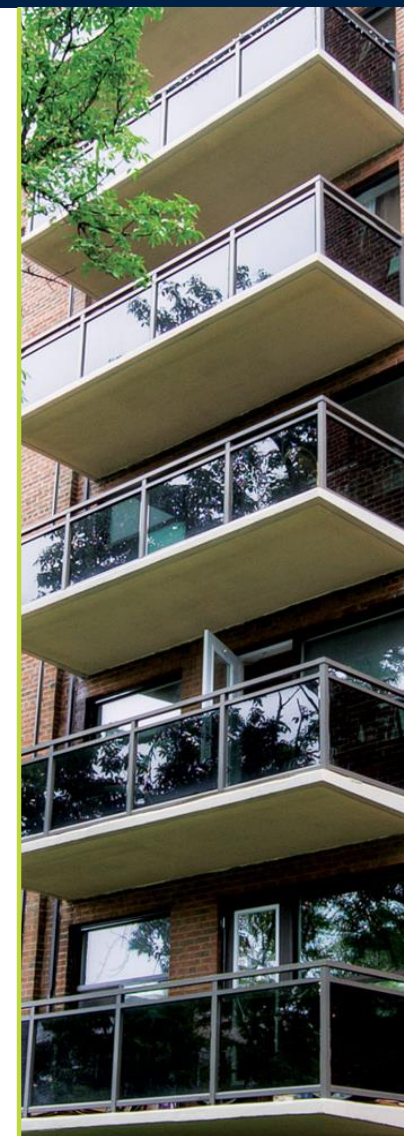
Sir Walter Scott, Montreal (QC)	174
Crystal Beach West, Ottawa (ON)	87
70 Roehampton Avenue, St. Catharines (ON)	64
Elmridge, Ottawa (ON)	118
5220 Lakeshore Road, Burlington (ON)	127
Place Kingsley Apartments, Montreal (QC)	327
Bell Street (LIV), Ottawa (ON)	442
	1,339

2014 ACQUISITIONS

Crystal Beach East, Ottawa (ON)	54
15 Kappele Circle, Stratford (ON)	23
Tindale Court & Quigley Road, Hamilton (ON)	334
6599 Glen Erin, Mississauga (ON)	232
15 Louisa, Ottawa (ON)	2
	645

2015 YEAR-TO-DATE ACQUISITIONS

5501 Aldabert, Montreal (QC)	280
Forest Ridge, Ottawa (ON)	393
Britannia Portfolio, Ottawa (ON)	286
	959



EXTERIOR UPGRADES

- Complete, attractive first impression package
- Designer-influenced exterior finishes
- Low-maintenance landscaping

Before



After



COMMON AREA UPGRADES

- Energy-efficient lighting
- Designer finishes
- Added functionality
- Enhanced security



UNIT UPGRADES

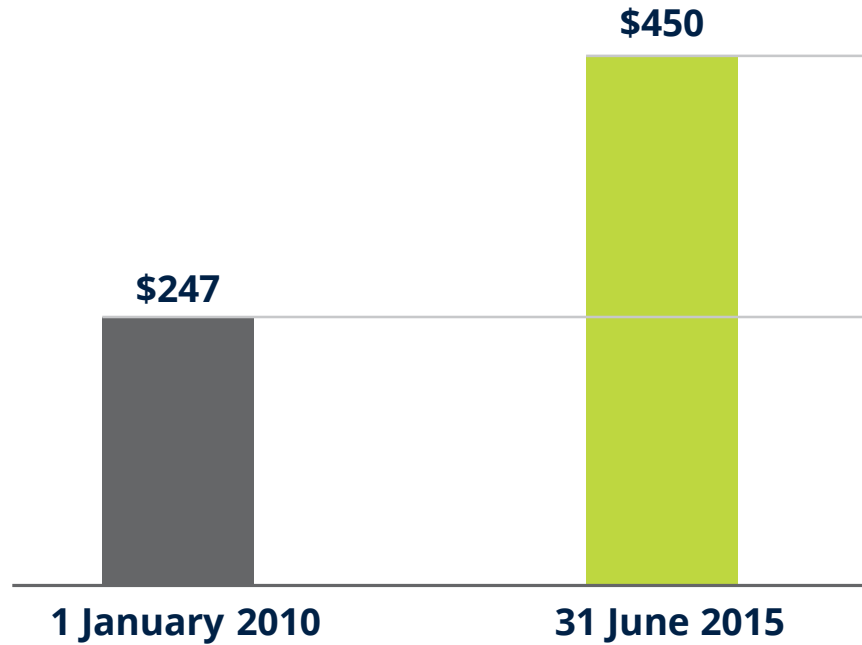
- Improving suite layout
- Energy-efficient lighting
- Upgraded bathrooms and kitchens
- Upgraded flooring



PORTFOLIO MANAGEMENT

REAPING THE BENEFITS OF REPOSITIONING

(\$ M)



Investment of **\$80.5M**
to Properties Yielded

↑ Increase of **\$203M**
in Market Value
and growing...





VALUE CREATION

CASE STUDIES



VALUE CREATION

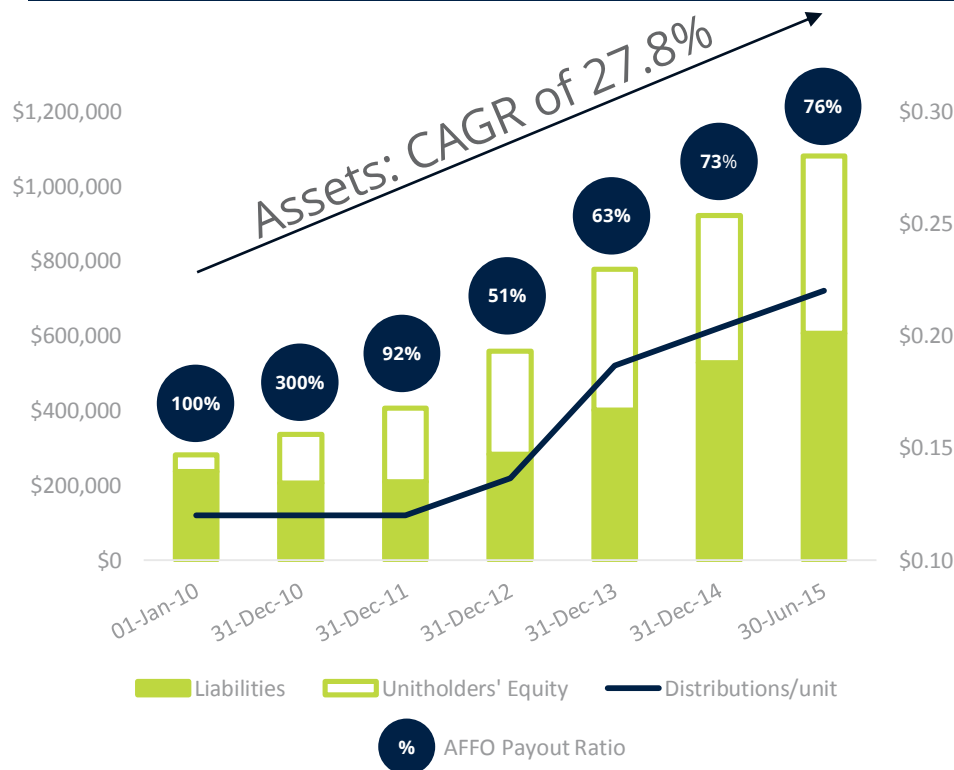
CASE STUDIES

PROVEN TRACK RECORD OF SUCCESS

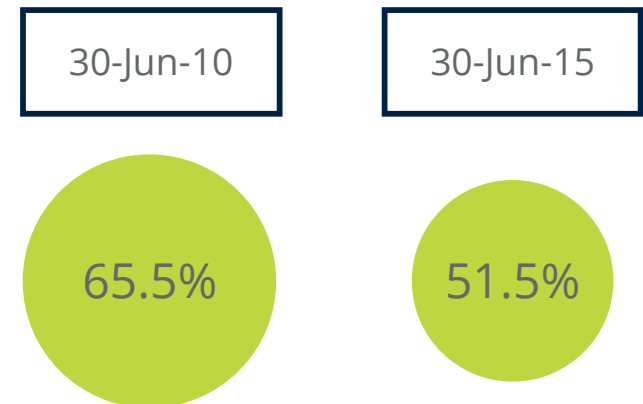
MAKING EVERY DOLLAR COUNT

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



FIVE-YEAR DEBT-GBV CHANGE





KEY FINANCIAL METRICS

GROWTH IN ALL THE RIGHT PLACES

In \$000s, except as noted	2010	2011	2012	2013	2014	TTM at 30-Jun-15
Total Suites	3,998	3,820	4,695	6,048	6,700	7,663
Occupancy Rate	96.3%	96.6%	97.8%	96.4%	96.1%	95.1%
Average Rent Per Suite	\$805	\$843	\$887	\$931	\$965	\$978
Operating Revenues	\$35,352	\$38,471	\$47,530	\$60,506	\$65,404	\$72,777
Net Operating Income (NOI)	\$15,913	\$20,506	\$27,946	\$36,041	\$37,884	\$42,303
NOI %	45.0%	53.3%	58.8%	59.6%	57.9%	58.1%
Funds from Operations (FFO)	\$232	\$3,400	\$13,489	\$18,883	\$18,836	\$21,304
FFO Per Unit (basic)	\$0.01	\$0.13	\$0.31	\$0.35	\$0.33	\$0.34
Adjusted Funds from Operations (AFFO)	\$1,135	\$4,343	\$11,748	\$16,278	\$16,189	\$18,382
AFFO Per Unit (basic)	\$0.04	\$0.13	\$0.27	\$0.30	\$0.28	\$0.29
Debt to GBV	58.3%	48.5%	46.8%	47.4%	52.7%	51.5%

Elmridge | Ottawa





KEY FINANCIAL METRICS

A PROACTIVE AND CONSERVATIVE APPROACH TO MANAGING THE BALANCE SHEET

MORTGAGE SCHEDULE

Year Maturing	Mortgage & Debt Balance (000s)	Weighted Average by Maturity	Weighted Average Interest Rate
	30-JUN-15		
2015	\$211,514	39.1%	2.61%
2016	\$117,998	21.8%	2.44%
2017	\$45,252	8.4%	4.03%
2018	\$5,845	1.1%	2.63%
2019	\$12,827	2.4%	2.66%
Thereafter	\$147,302	27.2%	3.34%
Total	\$540,738	100%	2.90%

INTEREST COVERAGE

2.46x

DEBT SERVICE COVERAGE

1.41x

DEBT TO GBV
30-JUN-10

65.5%

DEBT TO GBV
30-JUN-15

51.5%

Hamilton Landing | Trenton



700 Ross | Burlington



939 Western | London





OUR PEOPLE

SUCCESS STARTS WITH STRONG LEADERSHIP



Wonderland | London

MIKE MCGAHAN
Chief Executive Officer &
Trustee

Mr. McGahan has over 25 years experience in the real estate business focusing on the multi-residential apartment and commercial properties sectors and has successfully bought, sold, financed and managed over 250 properties valued in excess of \$1.5 Billion.

BRAD CUTSEY
President

Mr. Cutsey has over 18 years experience in the real estate and capital markets industry, including roles as Group Head of real estate and also as an Equity Research Analyst. Mr. Cutsey was recognized as the #1 stock picker in Canada in the 2012 StarMine Analyst Awards.

CURT MILLAR
Chief Financial Officer

Over his 20+ year career, Mr. Millar has held positions of increasing responsibility in accounting, financial management and operations with a number of businesses including CEO (2009-10) and CFO (2004-09) of Zip.ca.

OZ DREWNIAK
Vice President

Originally starting his career with CLV Group over 15 years ago, Mr. Drewniak has a wealth of experience and intelligence in acquisitions, development, dispositions, marketing and leading teams.

BRIAN AWREY
Vice President

With over 20 years of experience in finance and accounting, Mr. Awrey has been a key player of finance departments for various types of technology companies operating in services and manufacturing.



OUR PEOPLE

SUCCESS STARTS WITH STRONG LEADERSHIP



5220 Lakeshore | Burlington

JACIE LEVINSON
Chairman of the Board of
Trustees

Since 1960, Mr. Levinson has been involved with real estate sales, construction and renovations of multi-residential properties. From 1969 to retirement, Mr. Levinson grew his own firm to manage in excess of 5,000 residential units in addition to developing two downtown Ottawa suite hotels, three malls and industrial condominiums.

PAUL AMIRAULT
Trustee

Mr. Amirault is a partner of Norton Rose Fulbright and a member of their Business Law Group. Mr. Amirault also practices corporate and securities law, with an emphasis on equity financing and mergers and acquisitions.

PAUL BOUZANIS
Trustee

Mr. Bouzanis is the President of PBC Group (1985). Mr. Bouzanis' comprehensive understanding of real estate acquisitions, development, and redevelopment, combined with his extensive experience in the construction industry has been the driving force behind PBC's growth and success.

RONALD LESLIE
Trustee

Mr. Leslie is a Chartered Accountant and is the Office Managing Partner at Leslie & MacLeod Chartered Accountants. Mr. Leslie has over 20 years of experience as a public accountant and currently sits on the board of C-COM Satellite Systems Inc.

VICTOR STONE
Trustee

Mr. Stone has been a Senior Manager, Real Estate Lending at a Canadian chartered bank since 2003. From 1980 to 2002, Mr. Stone was involved in multi-residential and commercial real estate financing with a number of major financial institutions.



APPENDIX

WHY MULTI-FAMILY?

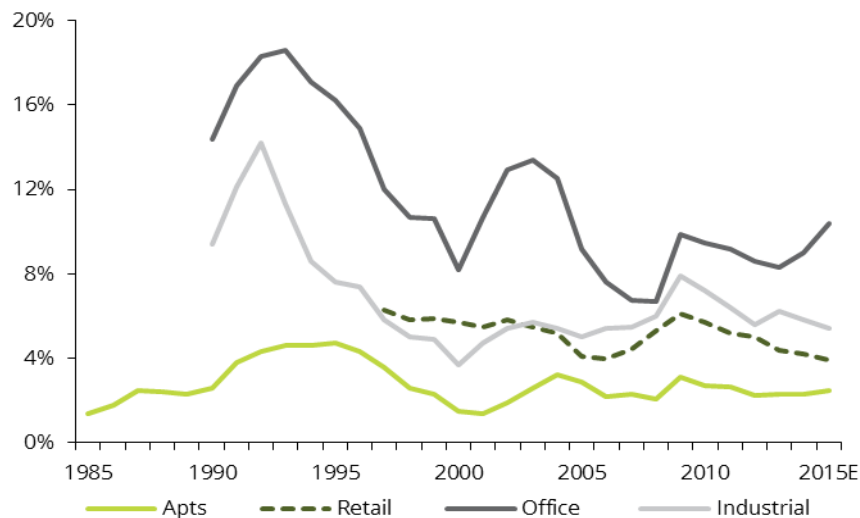
VERY DEFENSIVE ASSET CLASS

- 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 discount to replacement cost

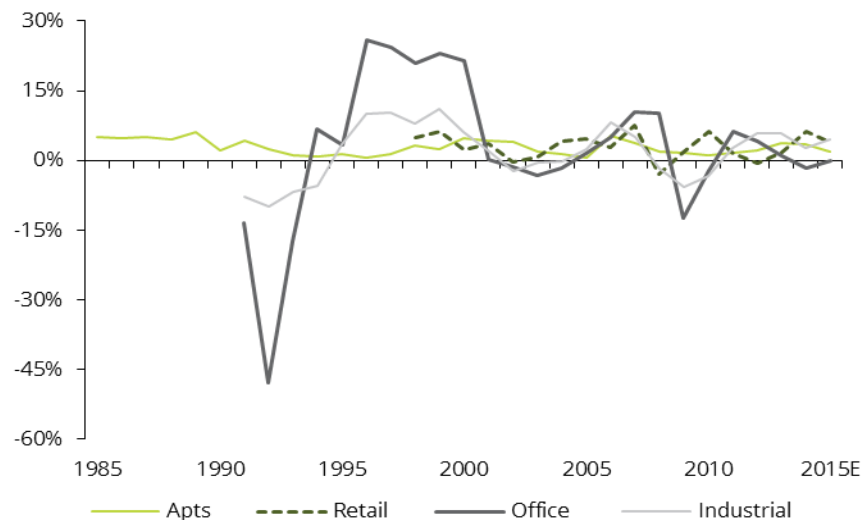
Stable Multi-Family Fundamentals

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



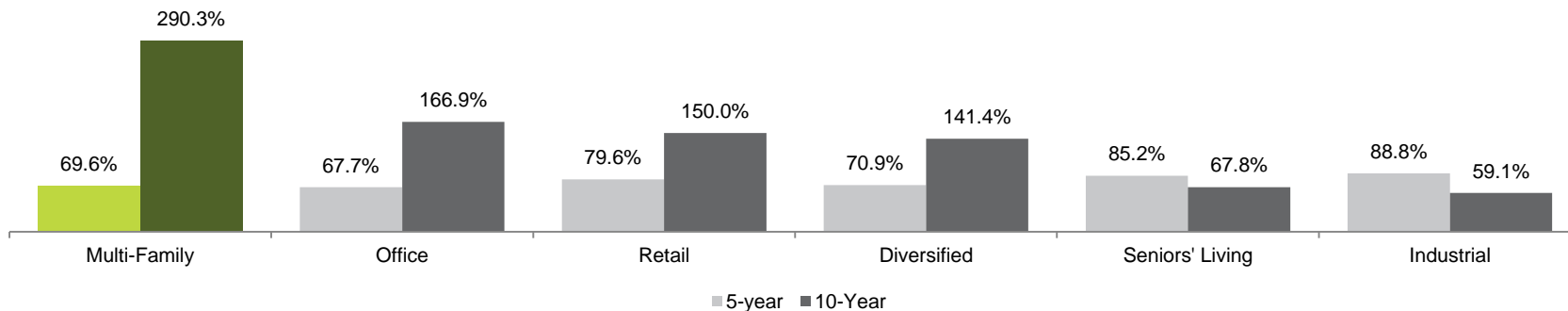
WHY MULTI-FAMILY?

BEST RISK-ADJUSTED RETURNS

Sector Performance – Publicly Listed

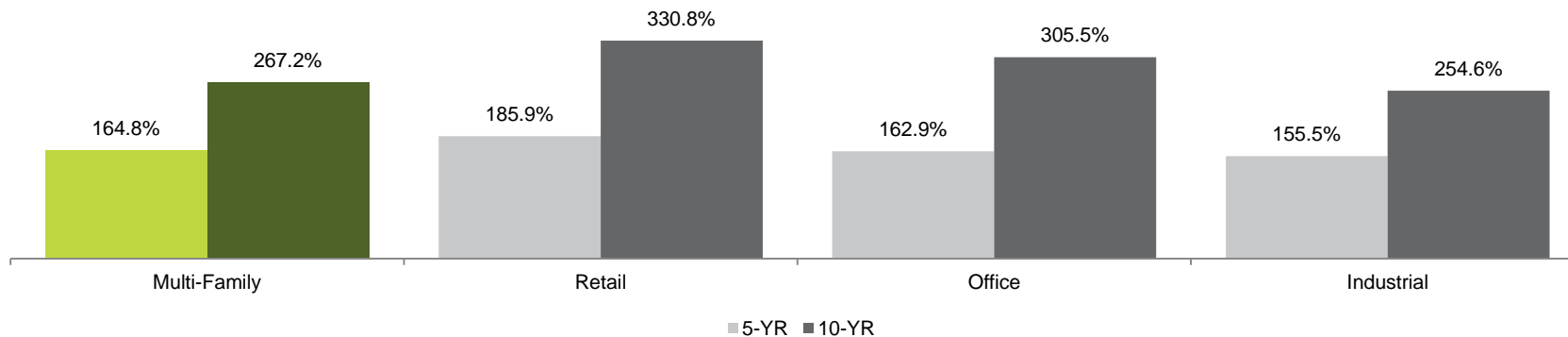
Total Return (As at June 22, 2015)

The Canadian listed Multi-Family sector has outperformed its peers over the past 10-years, despite the direct property returns lagging the office and retail sectors



Sector Performance – Private

Total Return (As at Q3, 2014)

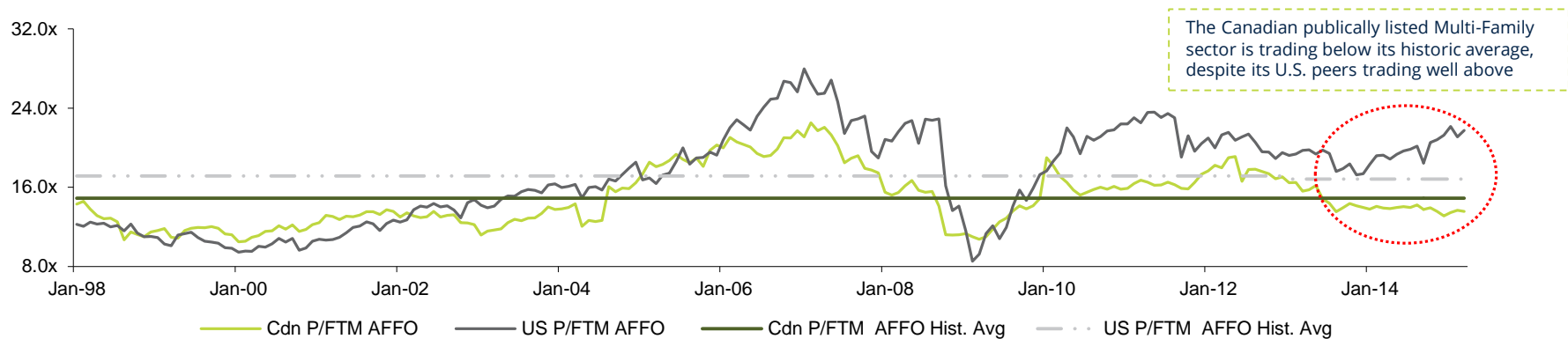




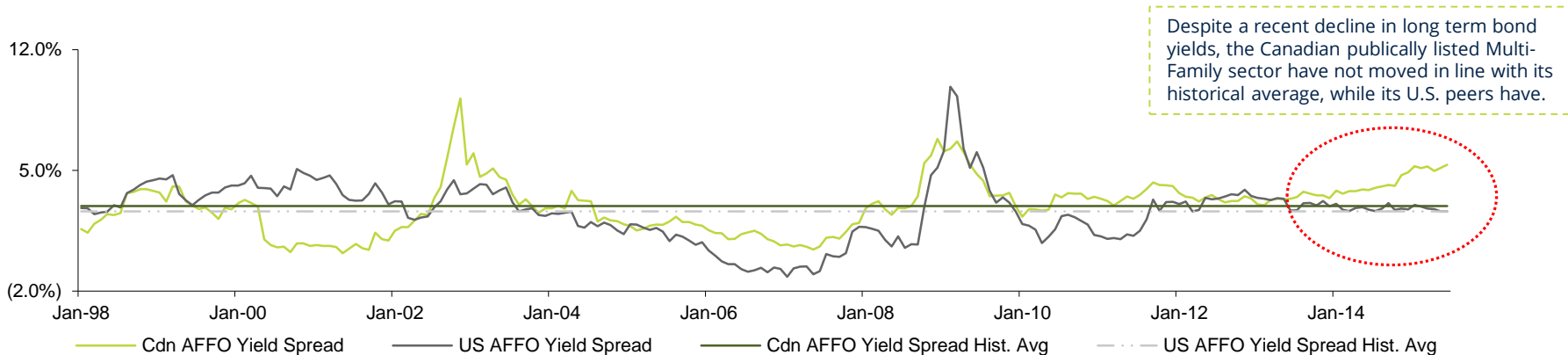
CANADIAN APARTMENT REITS

ON SALE RELATIVE TO U.S.

Historical Price / Consensus AFFO



Historical AFFO Yield Spread

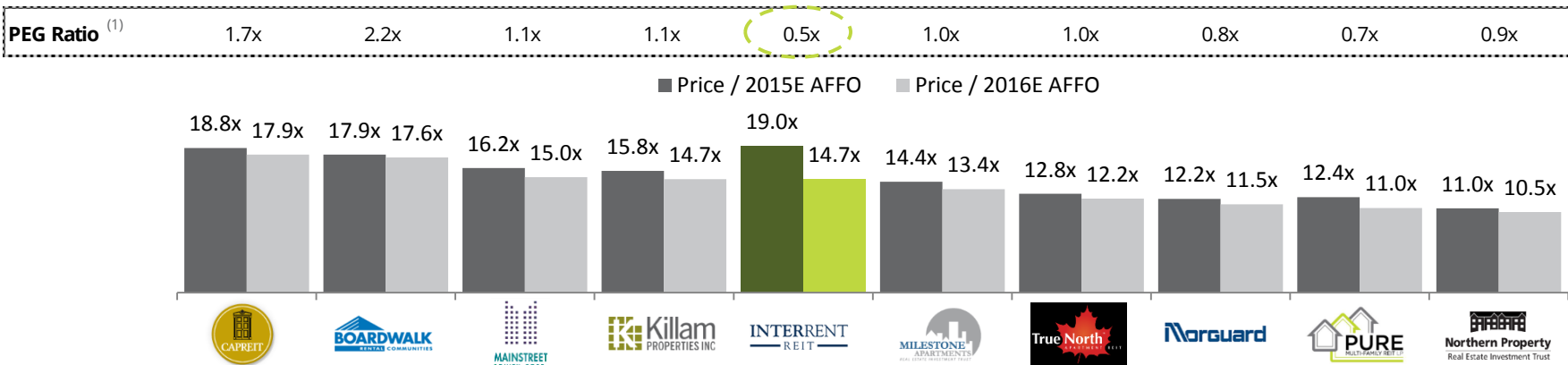


Source: SNL Financial, Bloomberg, ThomsonOne.

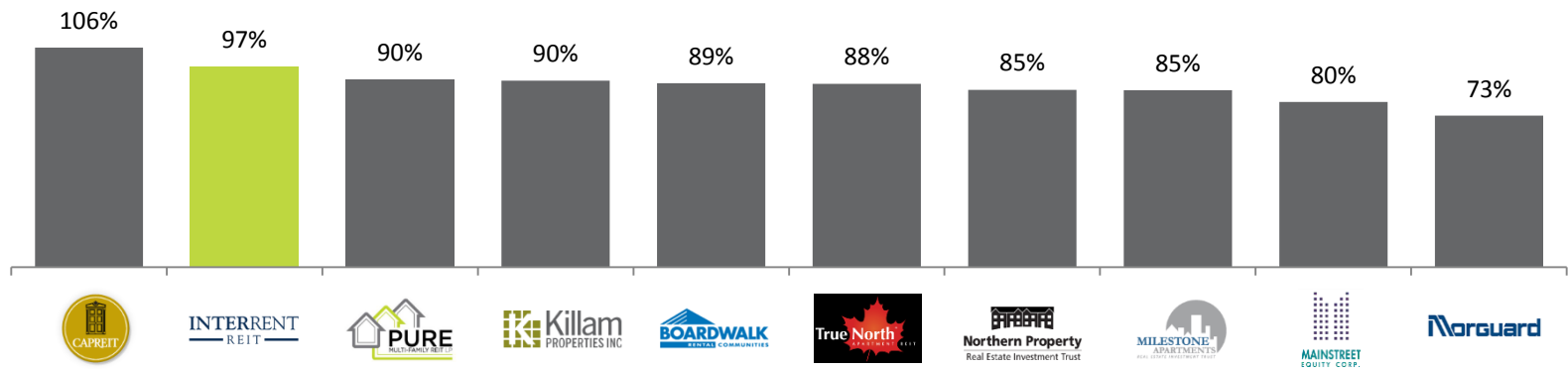


INTERRENT REIT'S PEG RATIO AT A DISCOUNT RELATIVE TO ITS PEER GROUP

Price / Consensus AFFO



Price / Consensus NAV



Figures based on consensus estimates as at June 19, 2015.

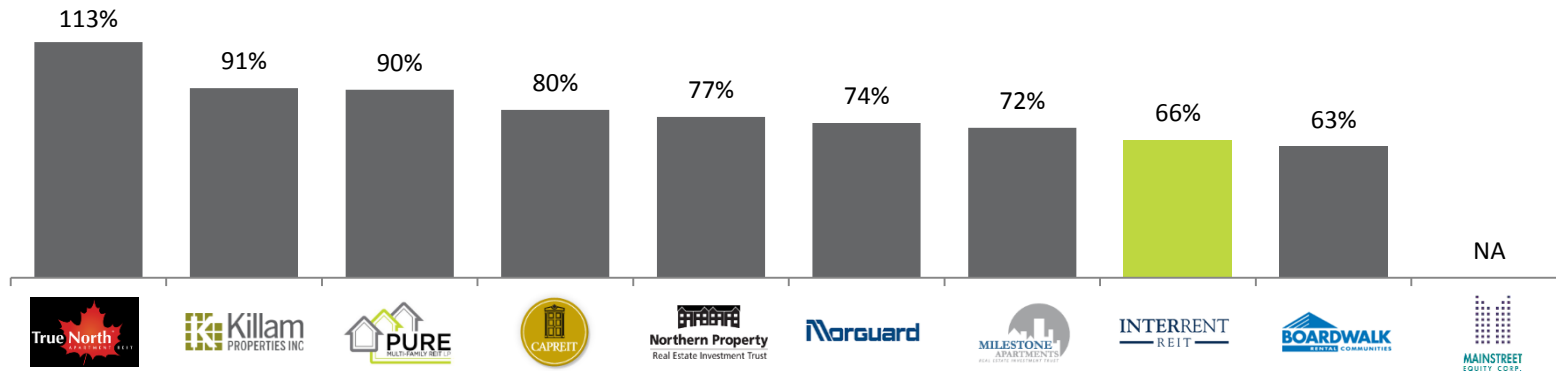
Source: Bloomberg.

(1) PEG Ratio = P/AFFO ('16E) / CAGR of AFFO ('14-'16E) + Current Yield



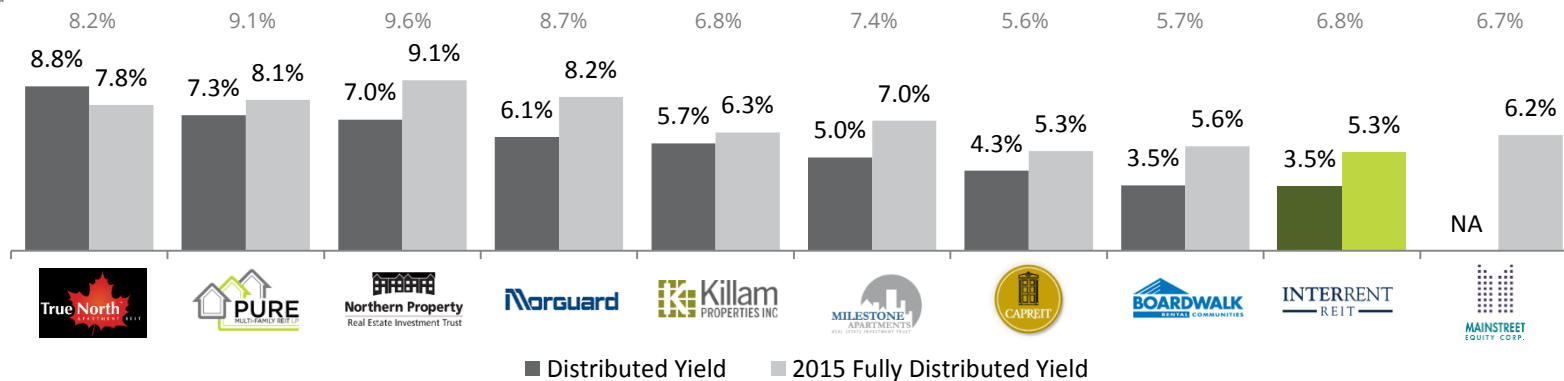
INTERRENT REIT'S PAYOUT RATIO REMAINS ONE OF THE MOST CONSERVATIVE

2015E AFFO Payout Ratio



Distribution Yields

2016 Fully Distributed Yield



Figures based on consensus estimates as June 19, 2015.
Source: Bloomberg.

