Q4 2014

INVESTOR PRESENTATION



INTERRENT REIT

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.

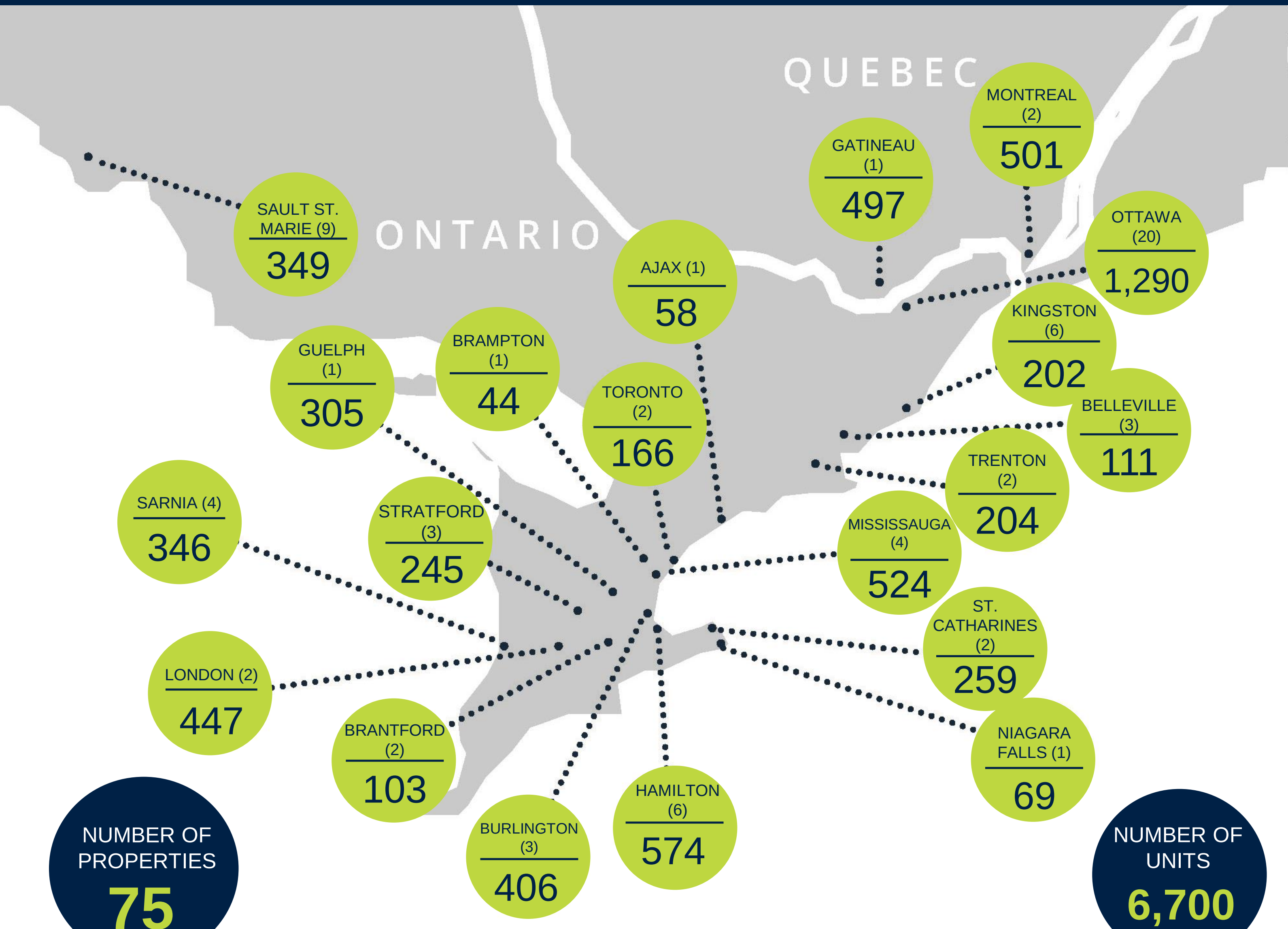
FORWARD LOOKING STATEMENT

This presentation contains "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995 and 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. In particular, there is no assurance that the specified equity issue will be completed on schedule or at all as the completion will be conditional upon prevailing market conditions.

New Street | Burlington

PORTFOLIO AT A GLANCE

As At December 31st, 2014



NUMBER OF PROPERTIES
75

NUMBER OF UNITS
6,700

GTA
1,198

NATIONAL CAPITAL REGION
1,787

HAMILTON/ NIAGARA
1,005

WESTERN ONTARIO
1,343

EASTERN ONTARIO
517

NORTHERN ONTARIO
349

MONTREAL
501

OVERVIEW
FINANCIAL HIGHLIGHTS

AS AT,	31-DEC-13	31-DEC-14	Y/Y CHANGE
TOTAL SUITES	6,048	6,700	10.8%
AVERAGE RENT - ALL	$931	$965	3.7%
AVERAGE RENT - STABILIZED	$923	$953	3.3%
NOI MARGIN - ALL	59.6%	57.9%	-170bps
NOI MARGIN - STABILIZED	60.1%	58.8%	-130bps
DEBT/GBV	47.4%	52.7%	+530bps
WEIGHTED AVERAGE INTEREST RATE %	3.31%	3.13%	-18bps
WEIGHTED AVERAGE TERM TO MATURITY	4.7 Years	3.9 Years	-0.8 Years
INTEREST COVERAGE RATIO	2.71x	2.38x	-0.33x

10 Reid | Mississauga

860 Blackthorne | Ottawa

OVERVIEW
MANAGEMENT & BOARD


235 Charlotte | Ottawa

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 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.
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.

OVERVIEW
OBJECTIVES & OPERATING PRINCIPLE

OBJECTIVE:

Generate sustainable & growing **Cash Distributions** and Increase **Unitholder Value** over time

OPERATING PRINCIPLE:

Leverage Proven Industry Experience to:

Maximize revenue streams

Improve operational efficiencies

Apply disciplined approach to growth

614 Lake | St. Catharines

Sir Walter Scott | Montreal

OVERVIEW
TIMELINE

2010 - 2012

- Rebuilding & repositioning
- Changing culture & priorities
- Restore focus on property operations
- Complete disposition of non-core properties
- Internal growth via rent increases, new suites
- Building Acquisitions Team
- Began creating pipeline for accretive acquisitions with focus on value-added properties
- Continue to grow NOI organically through top line growth and operating cost reductions
- Refinancing of mortgage debt
- First purchase in Quebec

2013

- Continued to focus on pipeline growth and accretive acquisitions
- Continued to grow NOI organically through top line growth and operating cost reductions
- Purchased 1,341 suites in 2013
- Expanded into Montreal
- Focused on best in class within our target markets
- Increased distribution by 25%

2014

- Purchased 645 suites in 2014
- Continue to focus on repositioning acquisitions
- Refinancing of mortgage debt
- Vacating all suites in the Bell Street property in order to capture the upside once suites are brought back to market rents
- Change model/staffing of rental operations to focus on customer service and overall performance
- Increased distribution by 10%

OVERVIEW

INVESTMENT CRITERIA

Focused on growing within Ontario and Quebec's medium to large population markets with properties characterized by:

- Owner neglect
- Deferred maintenance
- Higher than average vacancy rates
- Ownership with limited access to capital
- Lack of professional management
- Under market rents
- Utility inefficiencies

OVERVIEW

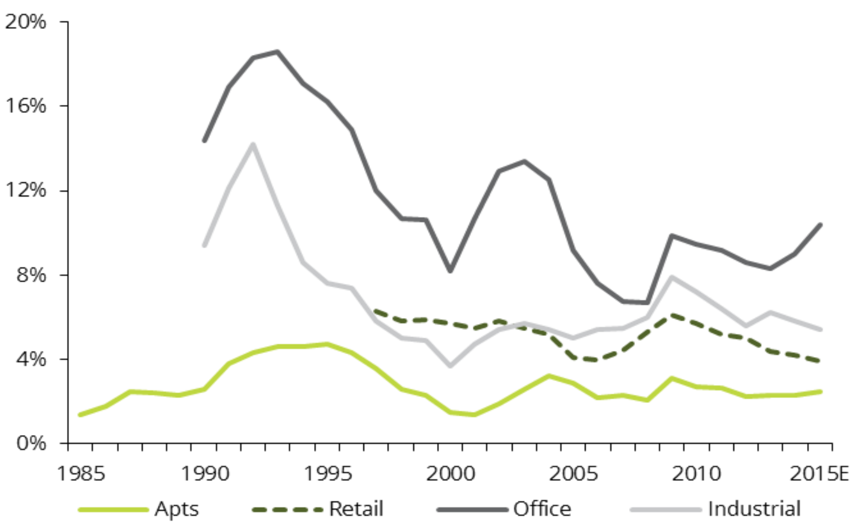
LOW RISK PROFILE

- 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

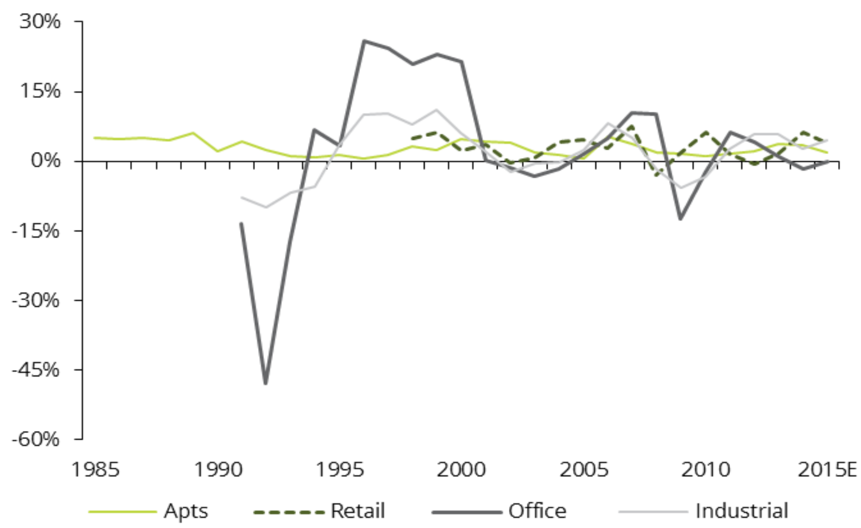
Stable Multi-Family Fundamentals

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



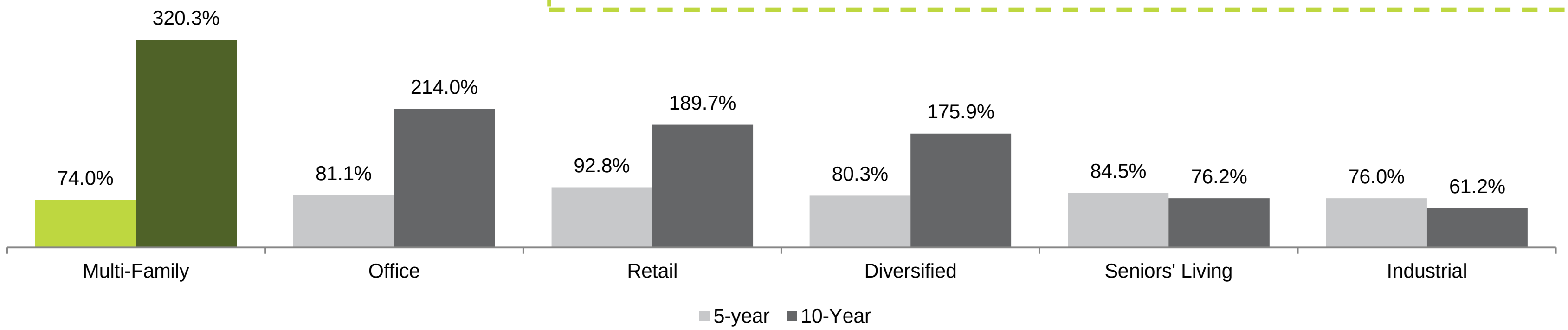
Source: CBRE.

OVERVIEW

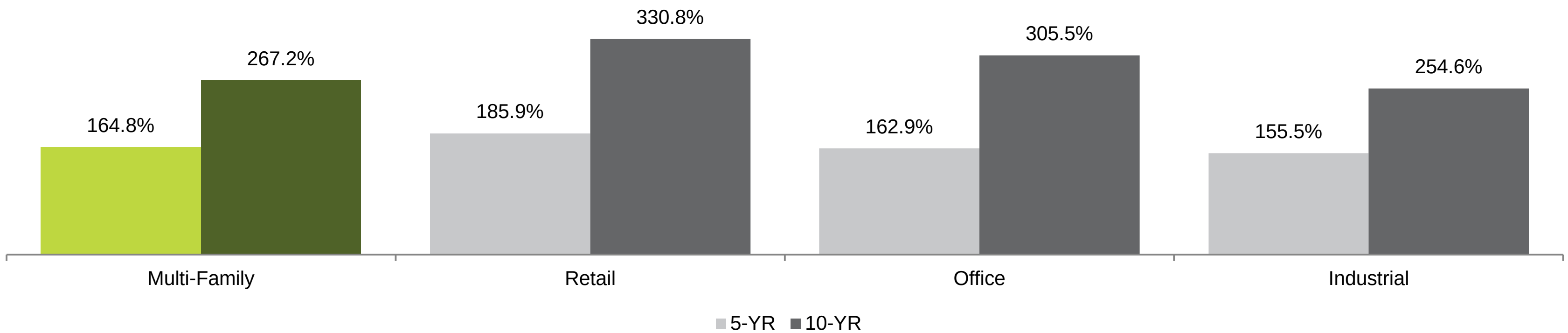
SECTOR VALUATION: PUBLIC VS. PRIVATE

Sector Performance – Publicly Listed
Total Return (As at April 16, 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



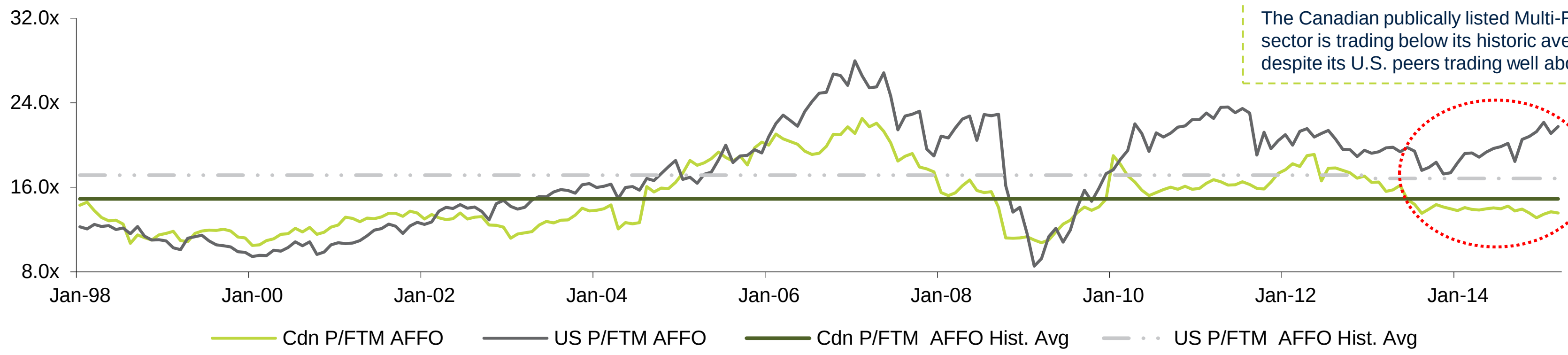
Sector Performance – Private
Total Return (As at Q3, 2014)



Source: SNL Financial, Bloomberg, IPD Index.

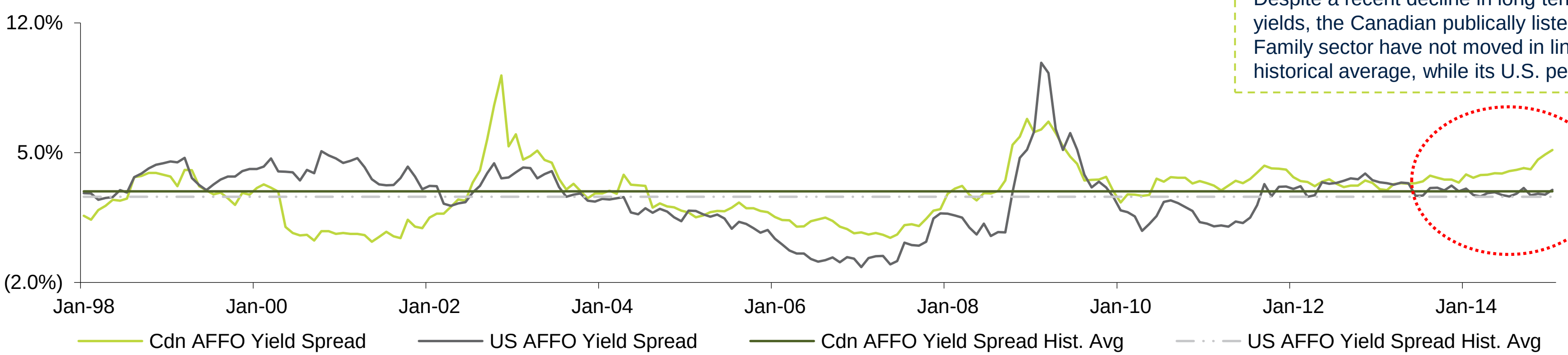
SECTOR VALUATION: CANADA VS. U.S.

Historical Price / Consensus AFFO



The Canadian publically listed Multi-Family sector is trading below its historic average, despite its U.S. peers trading well above

Historical AFFO Yield Spread



Despite a recent decline in long term bond yields, the Canadian publically listed Multi-Family sector have not moved in line with its historical average, while its U.S. peers have.

Source: SNL Financial, Bloomberg, ThomsonOne.

GROWTH POTENTIAL

MARKET SIZE / PENETRATION

TOTAL SUITES IN TARGET MARKET VS. IIP SUITES

As at December 31, 2014



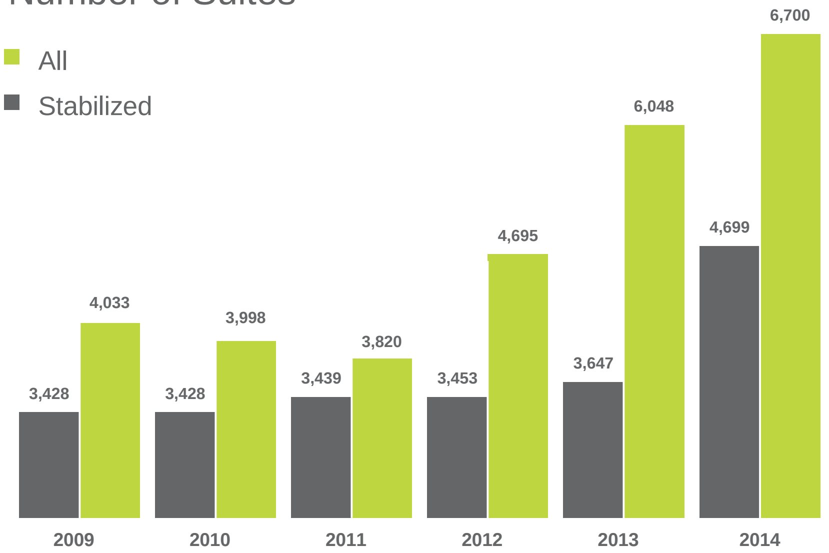



	Montreal	Eastern Ontario	GTA	Hamilton/ Niagara	Northern Ontario	NCR (Ottawa/ Gatineau)	Western Ontario
InterRent Suites	501	517	1,198	1,005	349	1,787	1,343
% of Portfolio	7.5%	7.7%	17.9%	15.0%	5.2%	26.6%	20.0%
Total Suites in Market*	404,607	48,259	308,212	62,817	28,082	80,217	114,365
Penetration	0.12%	1.07%	0.39%	1.60%	1.24%	2.23%	1.17%

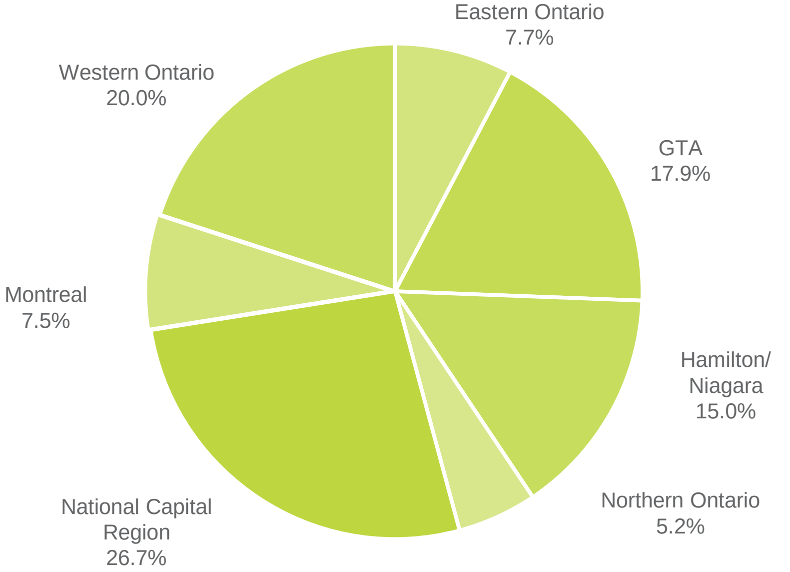
*Based on CMHC Fall 2014 Report

GROWTH POTENTIAL
SUITES

Number of Suites



Region



Wonderland | London

GROWTH POTENTIAL

STRATEGY

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:

1 HEALTHY ECONOMIC REGIONAL CENTRES & NEIGHBOURHOODS

Regions that have stable employment profile derived from strong & sustainable industries

2 ECONOMIC RECORD ACCOMMODATING RENTAL RATE GROWTH

InterRent looks for communities with an economic track record of rising rental rates, preferably where we have experience & success in driving rates and where we can leverage our existing infrastructure

3 STABLE DEMAND FOR RENTAL SUITES

Cities that typically have a vacancy rate in line or better than Canada Mortgage & Housing Corporation (CMHC) vacancy statistics for the region, which allows for consistent cash flow

4 LOCATIONS THAT OFFER STABLE CAPITALIZATION RATES

Within InterRent's target markets, capitalization rates are higher because there is less competition from major institutional players to acquire the properties that InterRent targets

939 Western| London

GROWTH POTENTIAL
ACQUISITIONS


Hamilton Landing

Riviera


5220 Lakeshore


Crystal Beach East

2012 ACQUISITIONS

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 North, Ottawa (ON)	444
	1,341

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 ACQUISITIONS

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

New Street | Burlington

PORTFOLIO MANAGEMENT

REPOSITIONING

Before | After

5220 Lakeshore | Burlington

Riviera | Gatineau

939 Western| London

1 UNIT UPGRADES

- Energy efficient lighting
- Designer finishes
- Updated kitchens & bathrooms
- Upgraded flooring
- Setup of model suites

PORTFOLIO MANAGEMENT

REPOSITIONING

2 | COMMON AREA UPGRADES

- Energy efficient lighting
- Designer finishes
- Added functionality
- Upgraded security
- Inviting first impressions
- Enhanced security

Before

After

Riviera | Gatineau

New Street | Burlington

2757 Battleford | Mississauga

PORTFOLIO MANAGEMENT
REPOSITIONING

Before | After

Wonderland | London


700 Ross | Burlington


2757 Battleford | Mississauga


10 Reid | Mississauga

3 | EXTERIOR UPGRADES

- Creating a complete, attractive first impression package
- Installation of professional looking & well branded property signage
- Enhanced secured entrances
- Designer influenced exterior finishes
- Low maintenance landscaping
- Energy saving light fixtures

PORTFOLIO MANAGEMENT
REPOSITIONING

As part of the redevelopment process, an analysis of all utility items is conducted to determine ways to reduce consumption and overall utility costs. InterRent has also sub-metered several buildings to shift the utility risk and burden to the tenant, where possible. Additionally, new and improved amenities have been added to improve building access and better utilize existing space.

These expense reductions and improvements include:

GREEN INIATIVES

- Energy efficient lighting
- Water saving fixtures
- Energy-efficient boilers and domestic hot water tanks

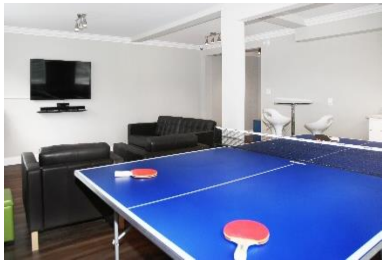
ADDED AMENITIES

- New fitness and media rooms
- Resident lounges
- Elevator lift
- Modernized laundry facilities










PORTFOLIO MANAGEMENT
VALUE CREATION

939 WESTERN LONDON	AS AT, 31-DEC-09	AS AT, 31-DEC-14	IMPROVEMENT
IFRS VALUATION	$ 6,900,000	-	
CAPITAL INVESTED	-	$ 3,152,993	
VALUATION PLUS CAPITAL INVESTED	-	$ 10,052,993	
NET REVENUE	$ 973,741	$ 1,262,748	
OPERATING COSTS	$ 494,544	$ 462,381	
NOI	**$ 479,197**	**$ 800,367**	**67%**
CAP RATE	6.94%	7.96%	
TOTAL SUITES	110	114	
CURRENT CAP RATE	-	5.40%	
VALUE CREATION	-	$ 5,947,593	
VALUE PER SUITE	**$ 62,727**	**$ 130,014**	**107%**
CAGR	-	15.69%	

Before

After

700 ROSS BURLINGTON	AS AT, 31-DEC-09	AS AT, 31-DEC-14	IMPROVEMENT
IFRS VALUATION	$ 4,400,000	-	
CAPITAL INVESTED	-	$ 1,312,389	
VALUATION PLUS CAPITAL INVESTED	-	$ 5,752,389	
NET REVENUE	$ 531,233	$ 678,255	
OPERATING COSTS	$ 236,766	$ 225,288	
NOI	**$ 294,467**	**$ 452,967**	**54%**
CAP RATE	6.63%	7.87%	
TOTAL SUITES	47	47	
CURRENT CAP RATE	-	4.62%	
VALUE CREATION	-	$ 3,430,736	
VALUE PER SUITE	**$ 93,617.02**	**$ 208,606**	**123%**
CAGR	-	17.38%	

Before

After

PORTFOLIO MANAGEMENT
VALUE CREATION

HAMILTON LANDING TRENTON	AS AT, 05-AUG-11	AS AT, 31-DEC-14	IMPROVEMENT
IFRS VALUATION	$ 6,036,839	-	
CAPITAL INVESTED	-	$ 2,119,291	
VALUATION PLUS CAPITAL INVESTED	-	$ 8,156,130	
NET REVENUE	$ 979,166	$ 1,261,269	
OPERATING COSTS	$ 585,773	$ 564,456	
NOI	**$ 393,393**	**$ 696,813**	**77%**
CAP RATE	6.52%	8.54%	
TOTAL SUITES	120	120	
CURRENT CAP RATE	-	6.00%	
VALUE CREATION	-	$ 5,057,000	
VALUE PER SUITE	**$ 50,307**	**$ 96,780**	**92%**
CAGR	-	21.11%	

2304 WESTON TORONTO	AS AT, 08-AUG-12	AS AT, 31-DEC-14	IMPROVEMENT
	$ 9,712,754	-	
CAPITAL INVESTED	-	$ 1,549,050	
VALUATION PLUS CAPITAL INVESTED	-	$11,261,805	
NET REVENUE	$ 1,165,980	$ 1,321,668	
OPERATING COSTS	$ 591,018	$ 507,460	
NOI	**$ 574,962**	**$ 814,208**	**42%**
CAP RATE	5.92%	7.23%	
TOTAL SUITES	96	97	
CURRENT CAP RATE	-	4.50%	
VALUE CREATION	-	$ 5,316,578	**84%**
VALUE PER SUITE	**$ 101,175**	**$ 186,531**	
CAGR	-	28.81%	

Before

After

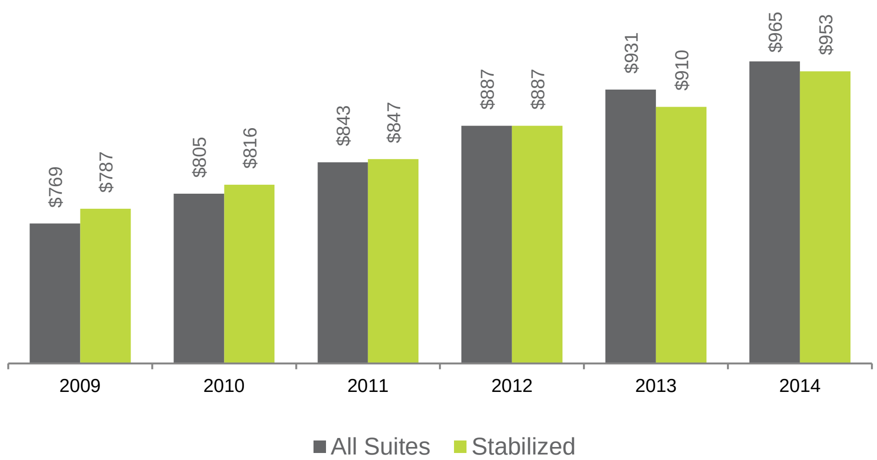
Before

After

INVESTMENT BENEFITS

RENT AND VACANCY RATE - YEARLY

Average Monthly Rent

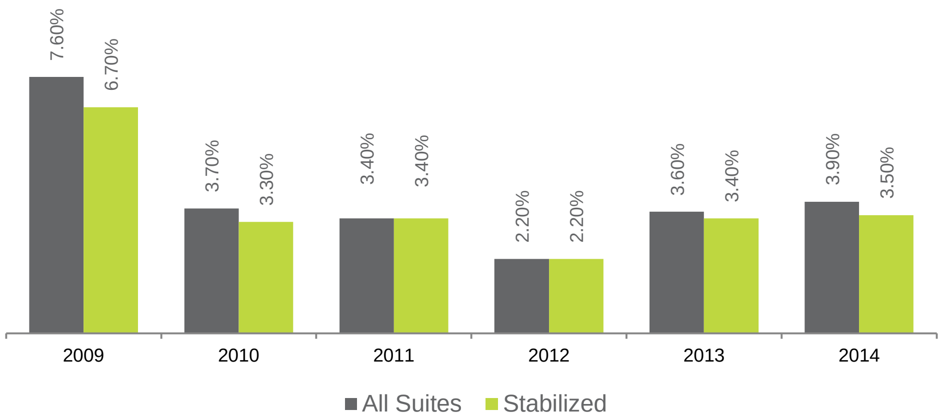


There are many factors that go into creating a growing and sustainable distribution. Two of these factors are:

a) growing top line revenue by increasing rents and occupancy levels; and,

b) repositioning new and existing properties in order to achieve market rents and occupancy levels.

Average Monthly Vacancy



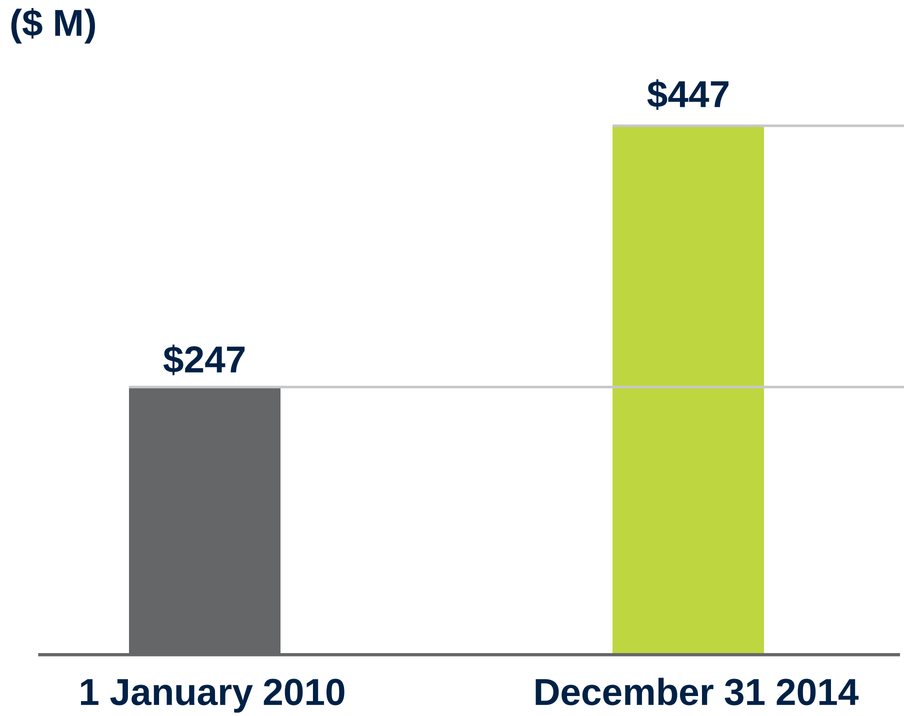
Part of the repositioning process often results in occupancy levels suffering in the short term.

Management believes that as the repositioned properties take hold we will return to long term vacancy rate in the 3-4% range.

(1) Average for Ontario Census Metropolitan Areas; includes Montreal for 2013 and 2014.
Source: CMHC Rental Market Statistics.

INVESTMENT BENEFITS

SAME STORE COMPARISON



Investment of **$75M** to Properties Yielded

Increase of **$200M** in Market Value and growing...

157 Pearl| Hamilton

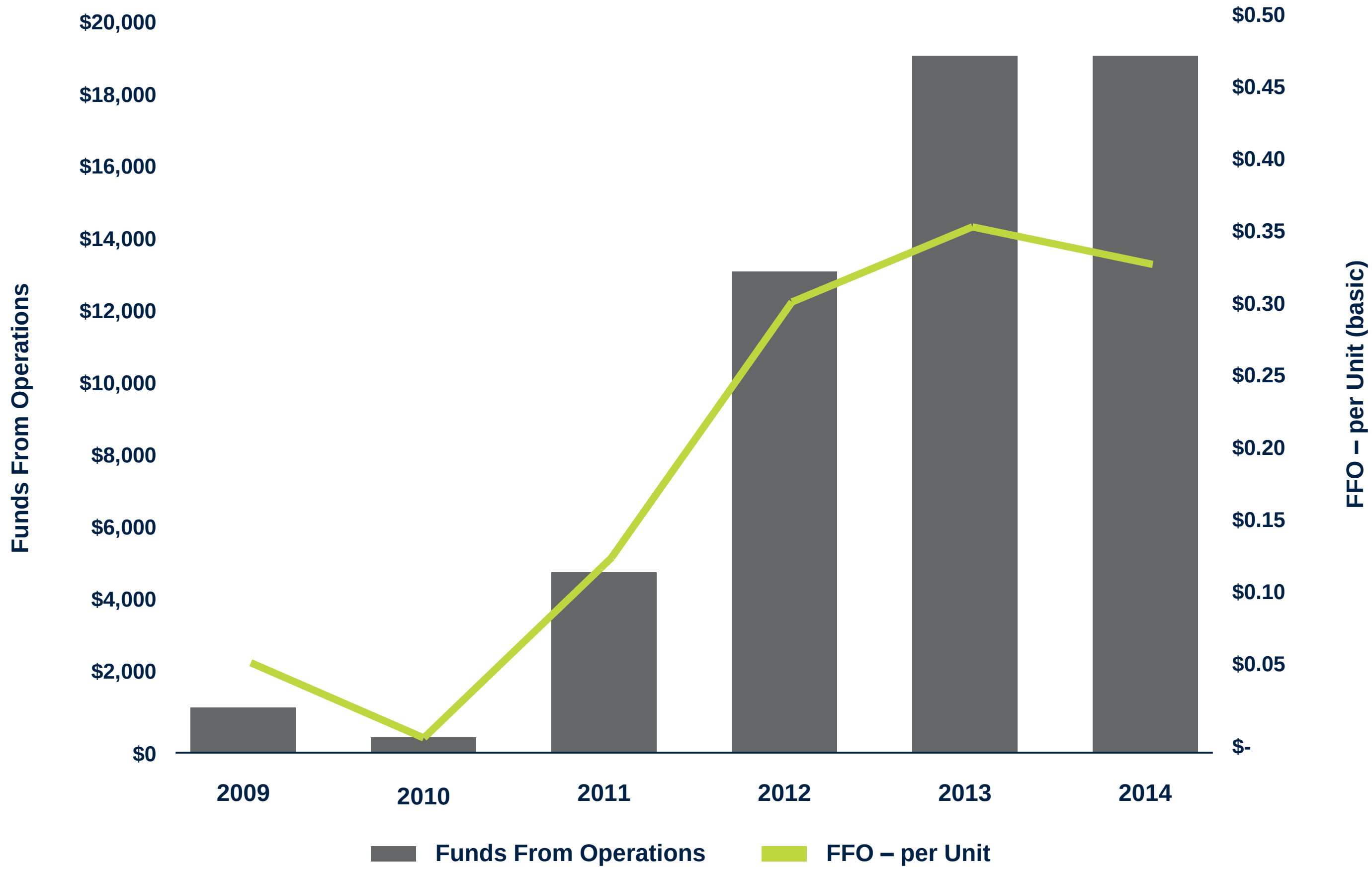
KEY FINANCIAL METRICS
TRENDS

In $000's, except as noted	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**
Suites	4,033	3,998	3,820	4,695	6,048	6,700
Occupancy Rate	92.5%	96.3%	96.6%	97.8%	96.1%	96.4%
Average Rent per suite	$769	$805	$843	$887	$931	$965
Operating Revenues	$35,419	$35,352	$38,471	$47,530	$60,506	$65,404
Net Operating Income (NOI)	$14,949	$15,913	$20,506	$27,946	$36,041	$37,884
NOI %	42.2%	45.0%	53.3%	58.8%	59.6%	57.9%
Funds from Operations (FFO)	$1,211	$232	$4,300	$13,489	$18,883	$18,836
FFO per unit (basic)	$0.06	$0.01	$0.13	$0.31	$0.35	$0.33
Adjusted Funds from Operations (AFFO)	$2,519	$1,135	$4,343	$11,748	$16,278	$16,189
AFFO per unit (basic)	$0.12	$0.04	$0.13	$0.27	$0.30	$0.28
Debt to GBV	65.0%	58.3%	48.5%	46.8%	47.4%	52.7%

Elmridge | Ottawa

KEY FINANCIAL METRICS
FUNDS FROM OPERATIONS

125 College | Sarnia



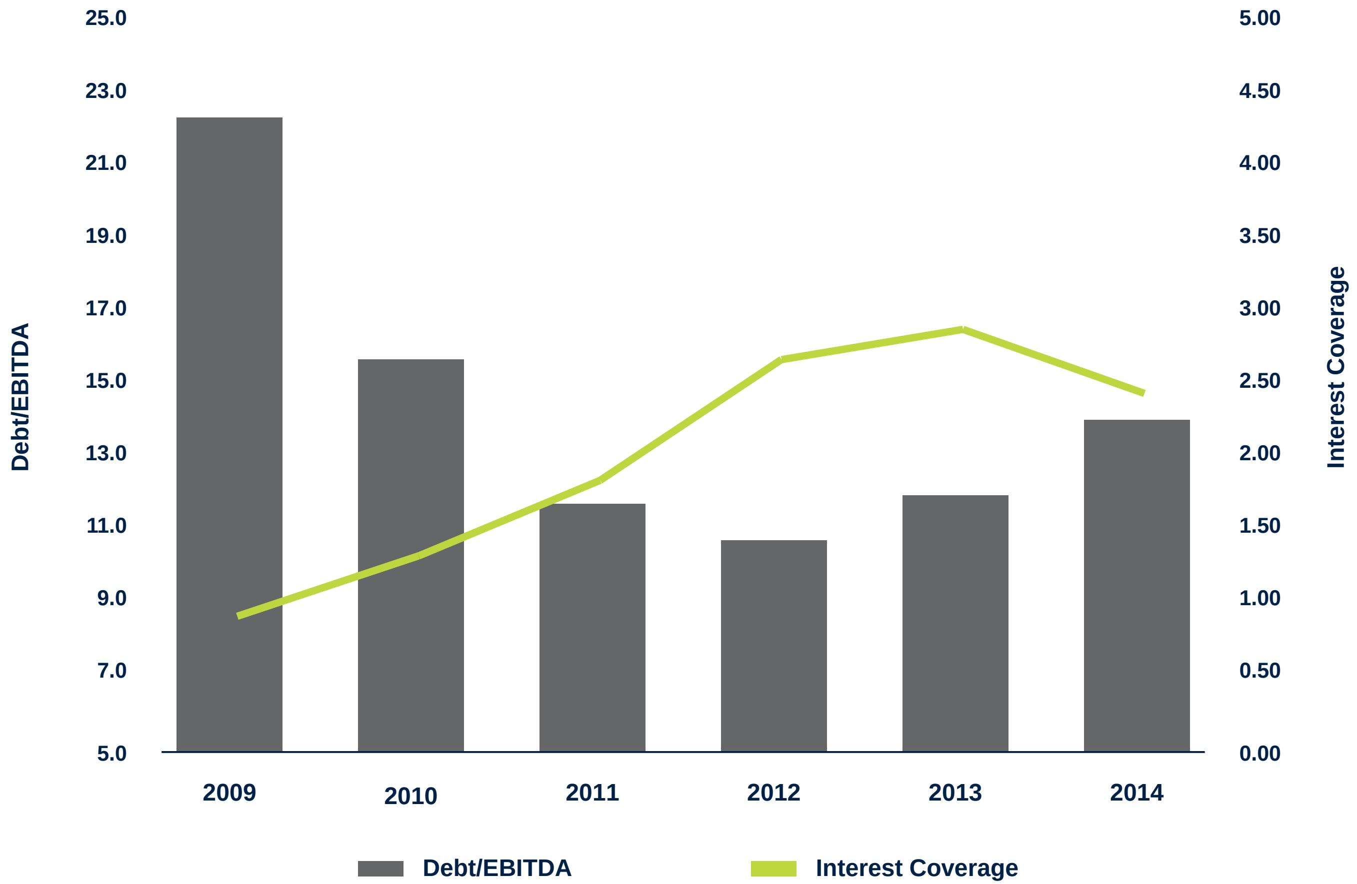
KEY FINANCIAL METRICS
BALANCE SHEET

In $000's, except as noted	01-JAN-10	31-DEC-10	31-DEC-11	31-DEC-12	31-DEC-13	31-DEC-14
Total Assets	$280,714	$336,294	$406,349	$559,206	$777,062	$920,648
Liabilities	$236,040	$206,719	$210,155	$283,282	$400,556	$526,948
Unitholders' Equity	$44,674	$129,575	$196,194	$275,924	$376,506	$393,700
Units Outstanding	28,032,206	32,247,518	43,464,465	44,204,020	57,204,747	58,114,625
Asset Leverage	66.2%	58.3%	48.5%	46.8%	47.4%	52.7%

860 Blackthorne | Ottawa

KEY FINANCIAL METRICS
DEBT/EBITDA

2336 Weston | Toronto



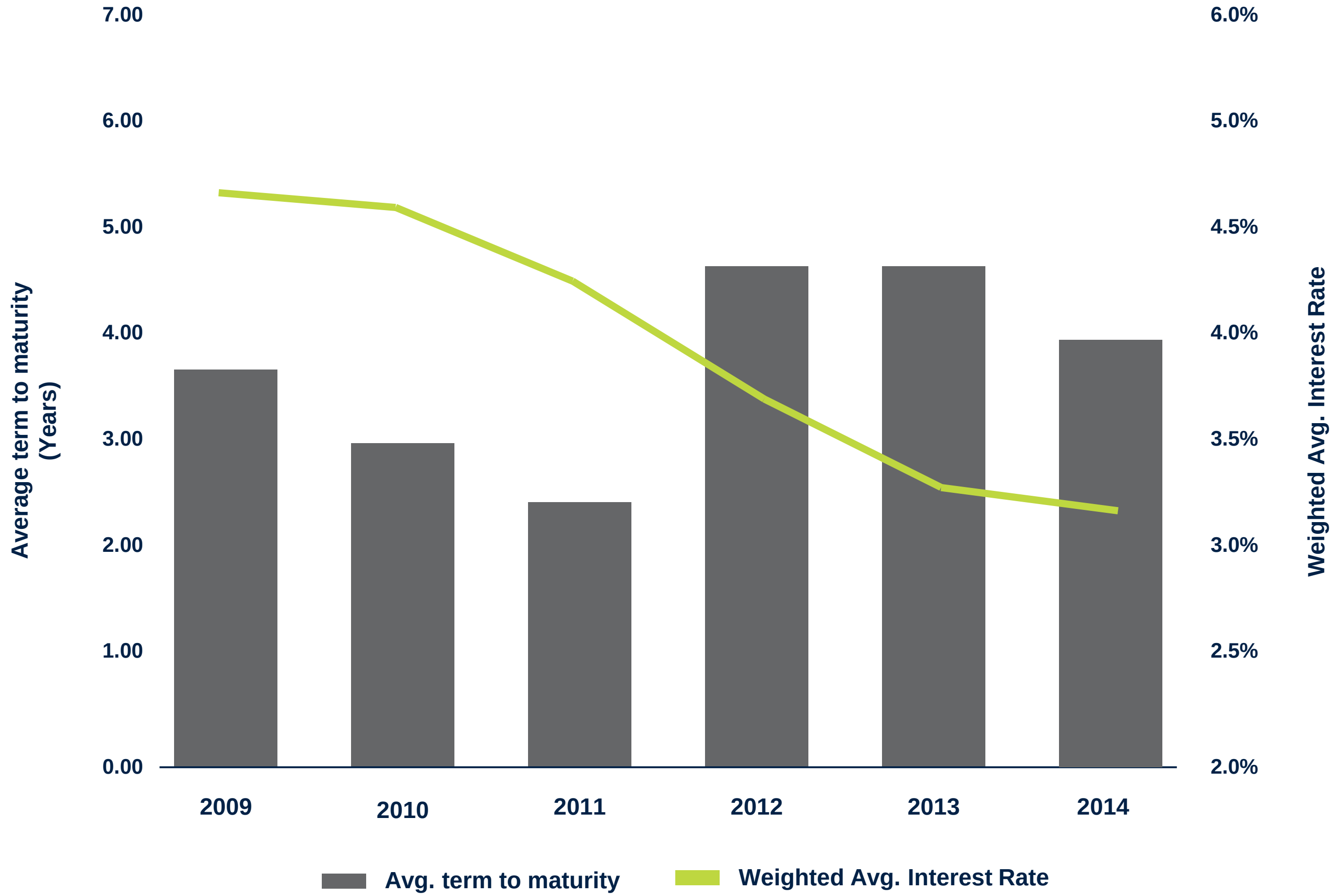
KEY FINANCIAL METRICS
MORTGAGE SCHEDULE

YEAR MATURING	MORTGAGE & DEBT BALANCE (31-DEC-14)	WEIGHTED AVERAGE BY MATURITY	WEIGHTED AVERAGE INTEREST RATE
2015	$237,093	53.9%	2.75%
2016	$12,960	2.9%	5.33%
2017	$30,524	6.9%	4.75%
2018	$5,671	1.3%	2.63%
2019	$12,649	2.9%	2.66%
Thereafter	$141,122	32.1%	3.38%
TOTAL	**$440,019**	**100%**	**3.13%**

5755 Sir Walter Scott| Montreal

KEY FINANCIAL METRICS
MORTGAGE RATE & TERM

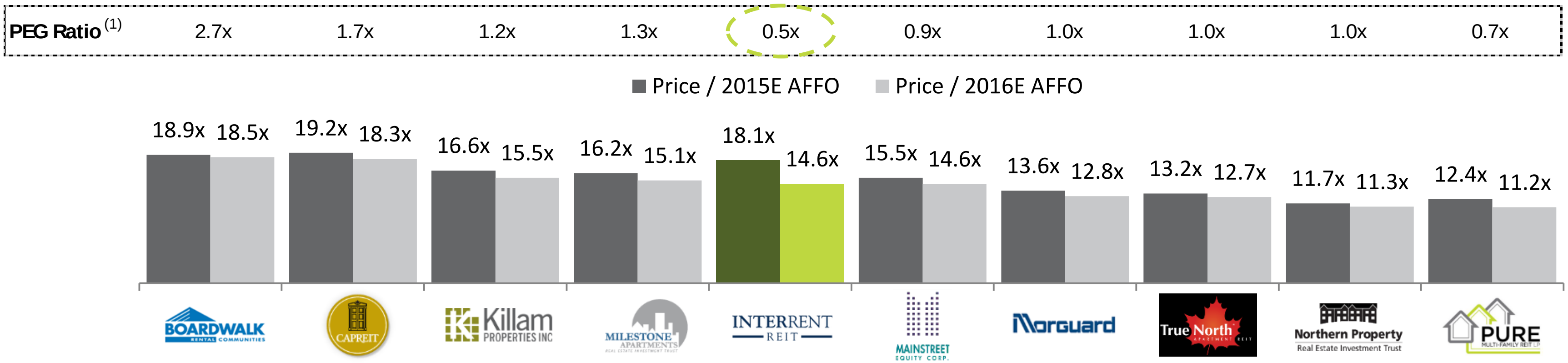
Wonderland | London



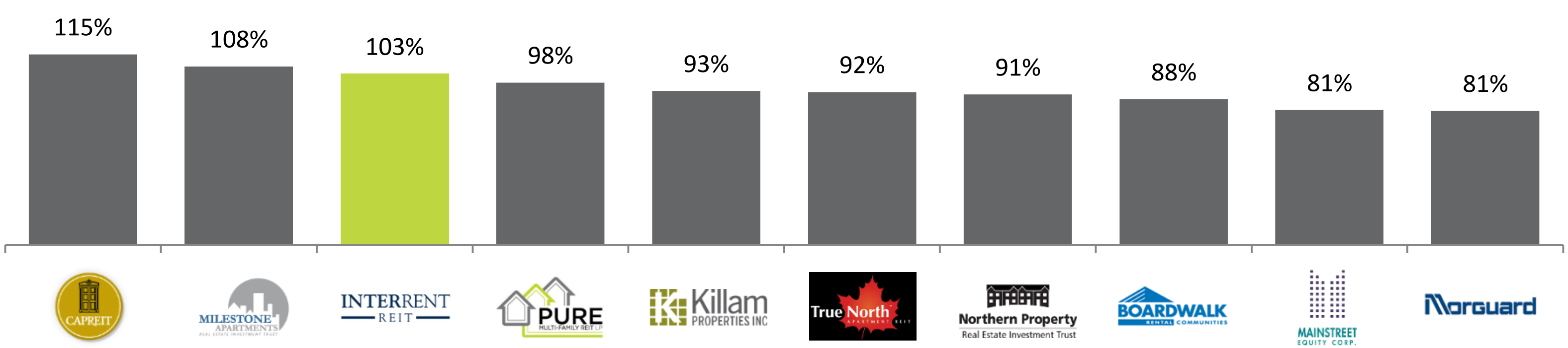
Valuation

MULTI-FAMILY PEER COMPARISON

Price / Consensus AFFO



Price / Consensus NAV

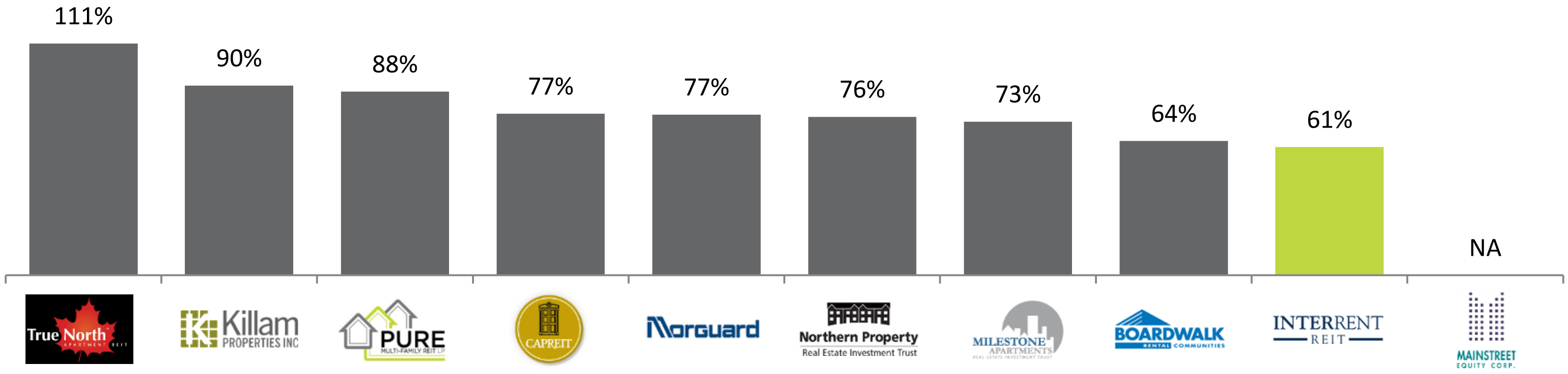


Figures based on consensus estimates as at April 16th, 2015.
Source: Bloomberg.
(1) PEG Ratio = P/AFFO ('16E) / CAGR of AFFO ('14-'16E) + Current Yield

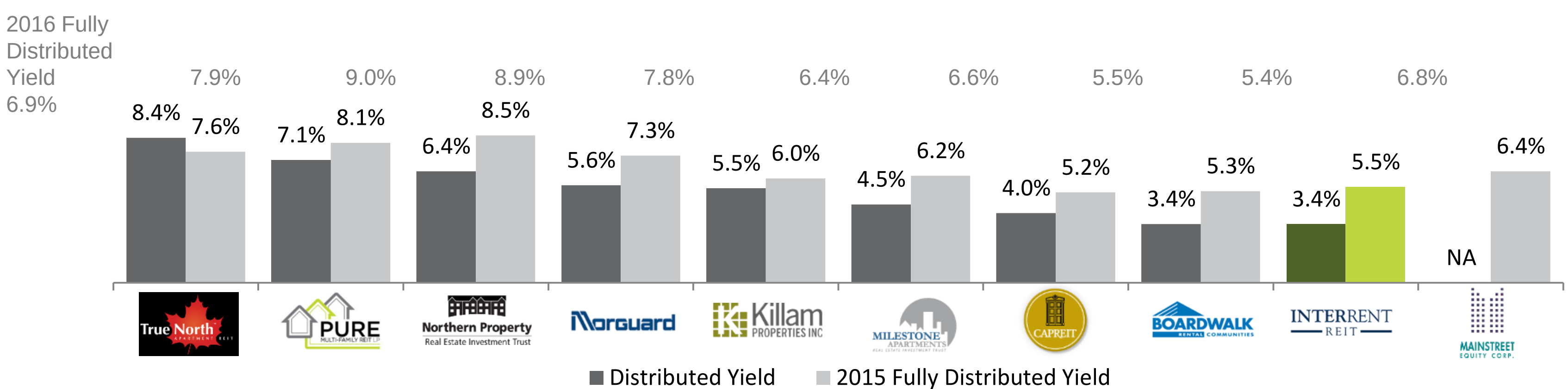
Valuation

MULTI-FAMILY PEER COMPARISON

2015E AFFO Payout Ratio



Distribution Yields



Figures based on consensus estimates as at April 16th, 2015.
Source: Bloomberg.

INVESTMENT HIGHLIGHTS

- Team and Strategy - proven at Repositioning Properties and Creating Value
- Strong Portfolio – Capital Invested 2010 through 2014 = minimal deferred maintenance
- Upside remaining in both stabilized and non-stabilized portfolio
- Successful Platform – able to grow existing markets and expand to new ones
- Size – large enough to attract people/deals yet small enough to “move the needle”
- Payout Ratio and Leverage are both very conservative

New Street | Burlington

Q4 2014
INVESTOR PRESENTATION



INTERRENT REIT