

NEWS RELEASE

OPERATING IMPROVEMENTS ACROSS THE BOARD IN Q4 2021 CAP OFF A YEAR OF PROGRESS FOR INTERRENT REIT

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Ottawa, Ontario (March 8, 2022) – InterRent Real Estate Investment Trust (TSX-IIP.UN) (“**InterRent**” or the “**REIT**”) today reported financial results for the fourth quarter and year ended December 31, 2021.

InterRent REIT reports another quarter of sequential occupancy gains in Q4 2021 and continues to grow average monthly rent per suite across all regions

- Total portfolio occupancy for December 2021 reached 95.6% and is now back in line with the REIT’s long-term run-rate.
- Same property occupancy for December 2021 was 96.2%, an increase of 130bps compared to September 2021 and 440bps compared to December 2020.
- As of December 2021, year-over-year growth in average rent per suite of 5.0% for total portfolio and 4.4% for same property portfolio.
- Same property NOI of \$27.0 million for the quarter and \$102.8 million for the year, an increase of 9.5% compared to Q4 2020 and 3.1% compared to full year 2020.
- Same property NOI margin in Q4 2021 of 64.7%, an improvement of 100bps relative to Q4 2020. On a full year basis, same property NOI margin of 64.3%, up 20bps compared to 2020.
- FFO increased to \$19.6 million (\$0.137 per Unit – diluted) in Q4 2021; growth of 22.7% overall and 22.3% on a per Unit basis compared to Q4 2020. For the full year 2021, FFO grew to \$72.8 million (\$0.510 per Unit – diluted), an increase of 15.8% overall and 9.4% on a per Unit basis compared to full year 2020.
- Record acquisition performance in 2021 and continued external growth in Vancouver in first months of 2022.
- The REIT continues to harness the spirit of innovation and collaboration to drive our communities forward.

Positive NOI trajectory accelerates in the fourth quarter, leading to robust FFO performance in 2021

At 95.6% in December 2021, the occupancy rate in InterRent’s portfolio improved 120bps relative to September 2021 (94.4%) and 430bps compared to December 2020 (91.3%). The REIT’s same property portfolio saw consistent improvements, posting a quarter-over-quarter increase of 130bps and a year-over-year gain of 440bps as of December 2021. On a regional level, strong leasing activity in the Greater Montréal and Greater Toronto & Hamilton Areas drove to a sequential occupancy improvement of 170 bps in the REIT’s repositioned portfolio in the quarter.

As of December 31, 2021, InterRent had 100% ownership in 12,426 suites. Including properties that the REIT owns in its joint operations, InterRent owned or managed 12,877 suites as of December 31, 2021, up 16.6% from 11,047 at year-end 2020. Operating revenues grew 20.1% in Q4 2021 to \$50.3 million, finishing the year at \$185.1 million. The 15.8% improvement over full year 2020 was driven by occupancy gains, improvements in average rent per suite (+5.0%), and successful acquisition activity across the REITs core regions throughout 2021.

Narrowing to the same property portfolio, strong performance in the final quarter of 2021 led to full year NOI of \$102.8 million (+3.1% over 2020) and NOI margin of 64.3% (+20bps compared to 2020), despite elevated promotional

activity in select properties and higher costs in certain operating expense categories. Management expects the higher level of rebates granted during the pandemic to gradually normalize in the REIT's financials over the next 12 months and remains confident that top line growth in 2022 should outpace inflationary pressure in operating costs.

Net income for 2021 was \$369.7 million, an increase of \$219.0 million compared to 2020. This difference was due primarily to the \$327.2 million fair value gain on investment properties (\$70.1 million in 2020) and increase in net operating income to \$117.7 million (\$102.1 million in 2020). These increases were offset by a net change in fair value on financial liabilities of \$48.0 million (loss of \$29.2 million in 2021 compared to a gain of \$18.7 million in 2020).

The REIT posted another strong FFO result in the quarter. At \$19.6 million (\$0.137 per Unit – diluted), FFO increased by 22.7% compared to Q4 2020 (\$16.0 million or \$0.112 per Unit - diluted), resulting in 22.3% growth on a per Unit basis. AFFO likewise grew from \$14.2 million (\$0.100 per Unit – diluted) in Q4 2020 to \$17.5 million (\$0.122 per Unit – diluted) in Q4 2021, representing 23.2% and 22.0% growth on an absolute and per Unit basis, respectively. InterRent's full year FFO of \$72.8 million (\$0.510 per Unit – diluted) translates to 15.8% growth compared to 2020 overall and +9.4% on a per Unit basis, capping off a solid set of financial results for the 2021.

Record acquisitions of 1,829 owned or managed suites in 2021 fuel repositioning opportunity

During 2021, InterRent acquired a total of 1,829 owned or managed rental suites at a total purchase price of \$727.3 million⁽¹⁾. In the fourth quarter, the REIT closed on previously announced transactions in Vancouver and Montréal, and after the quarter end, InterRent acquired two properties in Vancouver with its partner for a combined purchase price of \$25.6 million (of which InterRent's interest is 50%). Comprising 57 suites, these two properties boast a weighted-average walk score of 92 and offer operational synergies with the REIT's existing Vancouver portfolio.

Date	Property	City	Region	Ownership Interest	Suites	Price (\$m)
Jan 21, 2021	388 Vine St	St. Catharines	Other Ontario	100%	114	22.0
Jan 28, 2021	Various	Vancouver	GVA	50%	614	292.5
Apr 13, 2021	2054 Comox St/8735 Selkirk St	Vancouver	GVA	50%	45	18.9
Apr 29, 2021	165 Ontario St	St. Catharines	Other Ontario	100%	158	31.4
May 13, 2021	150 Allan St	Oakville	GTHA	100%	55	26.4
May 13, 2021	265 Reynolds St	Oakville	GTHA	100%	45	20.3
Jun 1, 2021	920 Inverhouse Dr	Mississauga	GTHA	100%	95	32.7
Jun 9, 2021	774-778 Gladstone Ave, 174 Bell St N & Land	Ottawa	NCR	100%	5	4.0
Jul 26, 2021	2150 Roche Ct	Mississauga	GTHA	50%	94	30.1
Oct 18, 2021	30 Edith Dr/919 Dufferin St	Toronto	GTHA	100%	285	125.0
Oct 22, 2021	The Link (3583 Kingsway)	Vancouver	GVA	50%	104	52.0
Nov 8, 2021	418 Claremont Ave	Westmount	GMA	100%	48	18.5
Nov 26, 2021	2244 West 6 th Ave	Vancouver	GVA	50%	46	19.5
Dec 2, 2021	3655 Papineau Ave	Montréal	GMA	100%	121	34.0
2021 Acquisitions					1,829	727.3⁽¹⁾

On the back of a record acquisition year, the REIT closed 2021 with 4,112 suites in its non-repositioned property portfolio. These properties will undergo repositioning in the coming years, with individual suite upgrades following the cadence of natural resident turnover. InterRent's approach of applying repositioning expertise to create beautiful, safe, and quality communities for residents to call home simultaneously extends the useful life of existing housing supply and creates value for Unitholders. The REIT believes this strategy is also a climate-conscious option, as the program extends the benefit of the embodied carbon in existing structures, while also loading up on energy-saving measures and fixtures.

⁽¹⁾ At 100% share; \$520.8 million based on InterRent's ownership interest.

Interactive 2021 annual report brings innovation to life for InterRent's stakeholders

InterRent is publishing its 2021 annual report today alongside its Q4 2021 results in a new, media-rich HTML format. With this innovative approach, the REIT aims to bring its stakeholders into the conversation by sharing the personal stories and experiences that move us forward, together.

Commenting on the results published today, Mike McGahan, CEO of InterRent, said: *"Innovation is not about technology. It's about a collective desire on the part of our incredible Team to constantly strive to find new ways to improve the way we serve our residents and engage with our various stakeholders. Our strong financial results, both for the fourth quarter and the full year 2021, demonstrate just how powerful the combination of being back together and being bold can be as we move our communities forward. We thank all our stakeholders for their continued support of the REIT, and we are excited for what's to come."*

Financial Highlights

Selected Consolidated Information In \$000's, except per Unit amounts and other non-financial data	3 Months Ended December 31, 2021	3 Months Ended December 31, 2020	Change	12 Months Ended December 31, 2021	12 Months Ended December 31, 2020	Change
Total suites	-	-	-	12,426	11,047	+12.5%
Average rent per suite (December)	-	-	-	\$1,381	\$1,315	+5.0%
Occupancy rate (December)	-	-	-	95.6%	91.3%	+430bps
Operating revenues	\$50,265	\$41,864	+20.1%	\$185,148	\$159,955	+15.8%
Net operating income (NOI)	\$32,155	\$26,365	+22.0%	\$117,658	\$102,139	+15.2%
NOI %	64.0%	63.0%	+100bps	63.5%	63.9%	-40bps
Same Property average rent per suite (December)	-	-	-	\$1,380	\$1,322	+4.4%
Same Property occupancy rate (December)	-	-	-	96.2%	91.8%	+440bps
Same Property NOI	\$26,968	\$24,639	+9.5%	\$102,834	\$99,699	+3.1%
Same Property NOI %	64.7%	63.7%	+100bps	64.3%	64.1%	+20bps
Net Income	\$99,399	\$57,517	+72.8%	\$369,686	\$150,648	+145.4%
Funds from Operations (FFO)	\$19,583	\$15,964	+22.7%	\$72,826	\$62,868	+15.8%
FFO per weighted average unit - diluted	\$0.137	\$0.112	+22.3%	\$0.510	\$0.466	+9.4%
Adjusted Funds from Operations (AFFO)	\$17,489	\$14,193	+23.2%	\$64,925	\$55,577	+16.8%
AFFO per weighted average unit - diluted	\$0.122	\$0.100	+22.0%	\$0.455	\$0.412	+10.4%
Distributions per unit	\$0.08413	\$0.08008	+5.1%	\$0.32825	\$0.31258	+5.0%
Adjusted Cash Flow from Operations (ACFO)	\$28,403	\$20,177	+40.8%	\$78,094	\$62,780	+24.4%
Debt-to-GBV	-	-	-	36.7%	31.1%	+560bps
Interest coverage (rolling 12 months)	-	-	-	3.39x	3.45x	-0.06x
Debt service coverage (rolling 12 months)	-	-	-	1.84x	1.95x	-0.11x

Conference Call

Management will host a webcast and conference call to discuss these results and current business initiatives on Tuesday, March 8, 2022 at 10:00 AM EST. The webcast will be accessible at: <https://www.interrentreit.com/2021-q4-results>. A replay will be available for 7 days after the webcast at the same link. The telephone numbers for the conference call are 1-888-440-6928 (toll free) and 646-960-0328 (international). No access code required.

About InterRent

InterRent REIT is a growth-oriented real estate investment trust engaged in increasing Unitholder value and creating a growing and sustainable distribution through the acquisition and ownership of multi-residential properties.

InterRent's strategy is to expand its portfolio primarily within markets that have exhibited stable market vacancies, sufficient suites available to attain the critical mass necessary to implement an efficient portfolio management structure, and offer opportunities for accretive acquisitions.

InterRent's primary objectives are to use the proven industry experience of the Trustees, Management and Operational Team to: (i) grow both funds from operations per Unit and net asset value per Unit through investments in a diversified portfolio of multi-residential properties; (ii) provide Unitholders with sustainable and growing cash distributions, payable monthly; and (iii) maintain a conservative payout ratio and balance sheet.

***Non-GAAP Measures**

InterRent prepares and releases unaudited quarterly and audited consolidated annual financial statements prepared in accordance with IFRS (GAAP). In this and other earnings releases, as a complement to results provided in accordance with GAAP, InterRent also discloses and discusses certain non-GAAP financial measures, including Gross Rental Revenue, NOI, Same Property results, Repositioned Property results, FFO, AFFO, ACFO and EBITDA. These non-GAAP measures are further defined and discussed in the MD&A dated March 8, 2022, which should be read in conjunction with this press release. Since Gross Rental Revenue, NOI, Same Property results, Repositioned Property results, FFO, AFFO, ACFO and EBITDA are not determined by GAAP, they may not be comparable to similar measures reported by other issuers. InterRent has presented such non-GAAP measures as Management believes these measures are relevant measures of the ability of InterRent to earn and distribute cash returns to Unitholders and to evaluate InterRent's performance. These non-GAAP measures should not be construed as alternatives to net income (loss) or cash flow from operating activities determined in accordance with GAAP as an indicator of InterRent's performance.

Cautionary Statements

The comments and highlights herein should be read in conjunction with the most recently filed annual information form as well as our consolidated financial statements and management's discussion and analysis for the same period. InterRent's publicly filed information is located at www.sedar.com.

This news release contains "forward-looking statements" within the meaning applicable to 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 most recently publicly filed information 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 release to reflect actual events or new circumstances.

The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information, please contact:

Sandy Rose, CFA
Director - Investor Relations & Sustainability
(514) 704-2459
sandy.rose@interrentreit.com
www.interrentreit.com