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News Release

InterRent REIT Results for the Second Quarter of 2015

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Ottawa, Ontario (July 29, 2015) – InterRent Real Estate Investment Trust (TSX-IIP.UN) ("**InterRent**" or the "**REIT**") today reported financial results for the second quarter ended June 30, 2015.

Highlights

- The stabilized portfolio increased to $978 (June 2015) from $942 (June 2014), an increase of 3.8%. Average monthly rent per suite for the entire portfolio increased 3.3% from $947 (June 2014) to $978 (June 2015).
- Gross rental revenue for the quarter increased by $4.7 million, or 29.6%, over Q2 2014 while operating revenue increased by $4.9 million, or 31.5% compared to Q2 2014.
- Gross rental revenue from the stabilized portfolio was $15.0 million for the quarter, an increase of 3.8%, over Q2 2014 while operating revenues were also $15.0 million, an increase of 6.0% over Q2 2014.
- Economic vacancy for June was 4.9%, a decrease from the 5.8% recorded in June of 2014. On a stabilized portfolio basis June's vacancy was 4.5%, a decrease from the 6.0% recorded in June of 2014.
- NOI for the quarter increased from $9.2 million for Q2 2014 to $12.3 million for Q2 2015, an increase of $3.1 million, or 33.2%. NOI margin also increased in the quarter over quarter comparison going from 58.6% to 59.3%.
- For the stabilized portfolio, NOI for the quarter increased from $8.3 million for Q2 2014 to $9.1 million for Q2 2015, an increase of $0.8 million, or 9.2%. Stabilized NOI margin increased by 180 basis points in the quarter-over-quarter comparison, going from 58.8% to 60.6%.
- The weighted average interest rate on mortgage debt at the end of the quarter was 2.90% with an average life to maturity of 3.5 years.
- Funds from operations (FFO) for the quarter increased by 16.7% on a per unit basis, going from $4.5 million (or $0.078 per unit) for Q2 2014 to $6.4 million (or $0.091 per unit) for Q2 2015.
- Adjusted funds from operations (AFFO) for the quarter increased by 17.9% on a per unit basis, going from $3.9 million (or $0.067 per unit) for Q2 2014 to $5.6 million (or $0.079 per unit) for Q2 2015.
- The REIT acquired two properties in Ottawa, both repositioning opportunities, for a combined total of 679 suites.

Financial Highlights

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data	**3 Months Ended June 30, 2015**	**3 Months Ended June 30, 2014**	**Change**
Total suites	**7,663**	6,128	**+25.0%**
Occupancy rate (June)	**95.1%**	94.2%	**+1.0%**
Average rent per suite (June)	**$978**	$947	**+3.3%**
Operating revenues	**$20,648**	$15,704	**+31.5%**
Net operating income (NOI)	**$12,254**	$9,201	**+33.2%**
NOI %	**59.3%**	58.6%	**+1.2%**
Stabilized average rent per suite	**$978**	$942	**+3.8%**
Stabilized NOI	**$9,117**	$8,352	**+9.2%**
Stabilized NOI %	**60.6%**	58.8%	**+3.1%**
Funds from operations (FFO)	**$6,399**	$4,496	**+42.3%**
FFO per weighted average unit - basic	**$0.091**	$0.078	**+16.7%**
FFO per weighted average unit - diluted	**$0.090**	$0.078	**+15.4%**
Adjusted funds from operations (AFFO)	**$5,589**	$3,861	**+44.8%**
AFFO per weighted average unit - basic	**$0.079**	$0.067	**+17.9%**
AFFO per weighted average unit - diluted	**$0.079**	$0.067	**+17.9%**
Cash distributions per unit	**$0.055**	$0.050	**+10.0%**
AFFO payout ratio	**69%**	75%	**-8.0%**
Debt to GBV	**51.5%**	49.2%	**+4.7%**
Interest coverage (rolling 12 months)	**2.46x**	2.50x	**-1.6%**
Debt service coverage (rolling 12 months)	**1.41x**	1.46x	**-3.4%**

Gross rental revenue for the quarter was $20.7 million, an increase of $4.7 million, or 29.6%, compared to Q2 2014. Operating revenue for the quarter was up $4.9 million to $20.6 million, or 31.5% compared to Q2 2014. The average monthly rent across the entire portfolio for June 2015 increased to $978 per suite from $947 (June 2014), an increase of 3.3%.

On a stabilized portfolio basis (stabilized properties are those owned by the REIT continuously for 24 months), the average monthly rent per suite increased from $942 to $978 over the same period, an increase of 3.8%. Management expects to continue to grow revenues organically through moving to market rent on suite turnovers, guideline increases, continued roll-out of AGIs, as well as continuing to drive other ancillary revenue streams.

The June 2015 vacancy rate across the entire portfolio was 4.9%, a decrease from 5.8% recorded in June of 2014. "Our customer centric rental operations model continues to make positive strides with regards to improving occupancy and driving rents on suite turnover," said Mike McGahan, CEO.

NOI for the quarter was $12.3 million, or 59.3% of operating revenue, compared to $9.2 million, or 58.6% of operating revenue, for the three months ended June 30, 2014. NOI from the stabilized portfolio increased from $8.3 million for Q2 2014 to $9.1 million for Q2 2015, an increase of $0.8 million, or 9.2%. Stabilized NOI margin increased by 180 basis points in the quarter-over-quarter comparison going from 58.8% to 60.6% primarily as a result of increasing operating revenues by 6%.

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 objective is to use the proven industry experience of the Trustees, Management and Operational Team to: (i) provide Unitholders with stable and growing cash distributions from investments in a diversified portfolio of multi-residential properties; (ii) enhance the value of the assets and maximize long-term Unit value through the active management of such assets; and (iii) expand the asset base and increase Distributable Income through accretive acquisitions.

*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 NOI, FFO, AFFO and EBITDA. These non-GAAP measures are further defined and discussed in the MD&A dated July 29, 2015, which should be read in conjunction with this press release. Since NOI, FFO, AFFO 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.

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