

InterRent REIT

Investor Presentation

September 2021





Forward Looking Statements



Le Neuville | 1101 Rachel St, Montreal

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.



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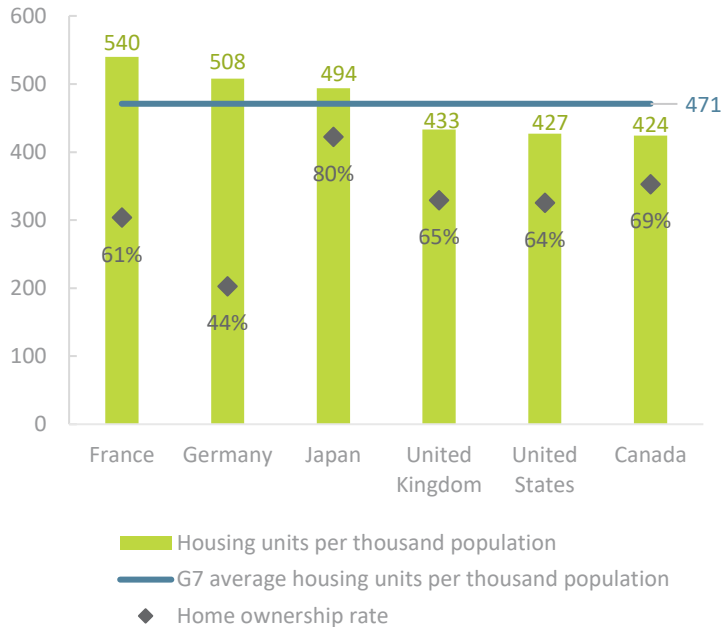
Lakeview | Hamilton

On Investors' Minds



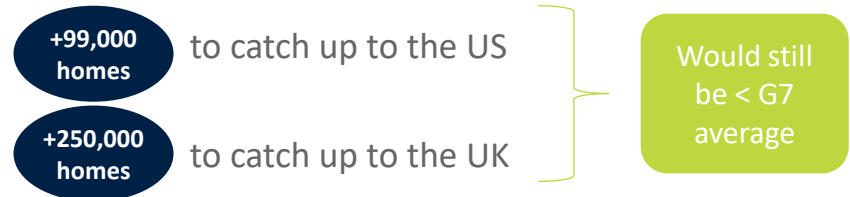
Chronic Insufficiency of Home Supply Set to Continue

HOUSING UNITS PER 1,000 POPULATION & HOME OWNERSHIP RATES



Canada has the lowest number of housing units per capita of any G7 country

We would need to build



Canada has averaged 188,000 home completions in the last ten years, suggesting a quick-fix is unlikely

Canada's immigration plan aims to welcome 1.2 million new permanent residents by 2023, making it the **most ambitious plan in Canada's history**

Clocking in at nearly 40,000, July's immigration activity was among the highest monthly totals in Canadian history

Until there is a complementary supply solution for the increased demand pressure from immigration, Canada's chronic housing undersupply will continue

IMMIGRATION AS % OF POPULATION (2019)

France	Germany	Japan	United Kingdom	United States	Canada
0.4%	0.7%	0.1%	0.5%	0.3%	0.9%

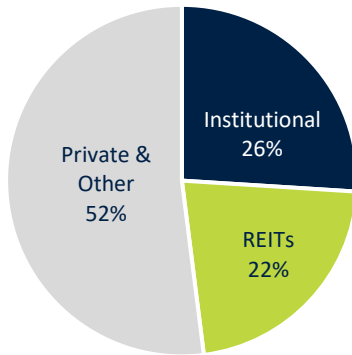
Sources: Scotiabank Global Economics Housing Note, May 12, 2021, CIC News, August 17, 2021, OECD Housing Tenure Distribution and OECD International Migration.



ON INVESTORS' MINDS

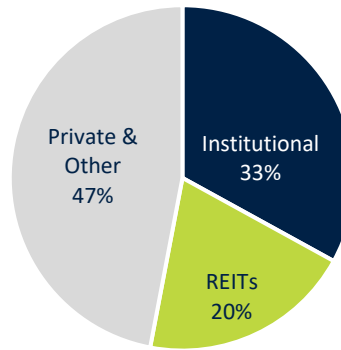
Institutionalization of Canada's Multi-family Assets

2010-2014 AVERAGE



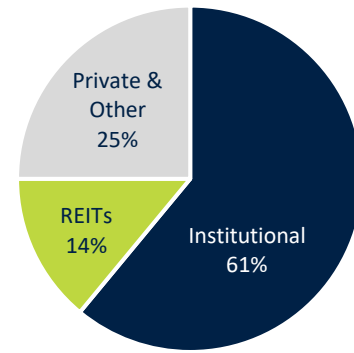
Average Transaction Volume ~5.0bn

2015-2019 AVERAGE



Average Transaction Volume ~8.3bn

2020



Average Transaction Volume ~11.1bn

Why are privates selling?

- Operator fatigue
- Potential capital gains tax policy changes
- Recent CMHC policy change on equity take out

Why are institutions buying?

- Reallocation within real estate portfolio sectors
- Recognize need for operating platforms at scale
- Positive view on rental fundamentals

A modern apartment lobby featuring a prominent grey reception desk with a wood-grain texture. The background wall is composed of dark blue horizontal slats. The ceiling is white with recessed lighting and a single pendant light. The floor is a mix of grey and light-colored tiles. In the foreground, there are several decorative vases. To the right, a dark console table holds a framed abstract painting and a small plant.

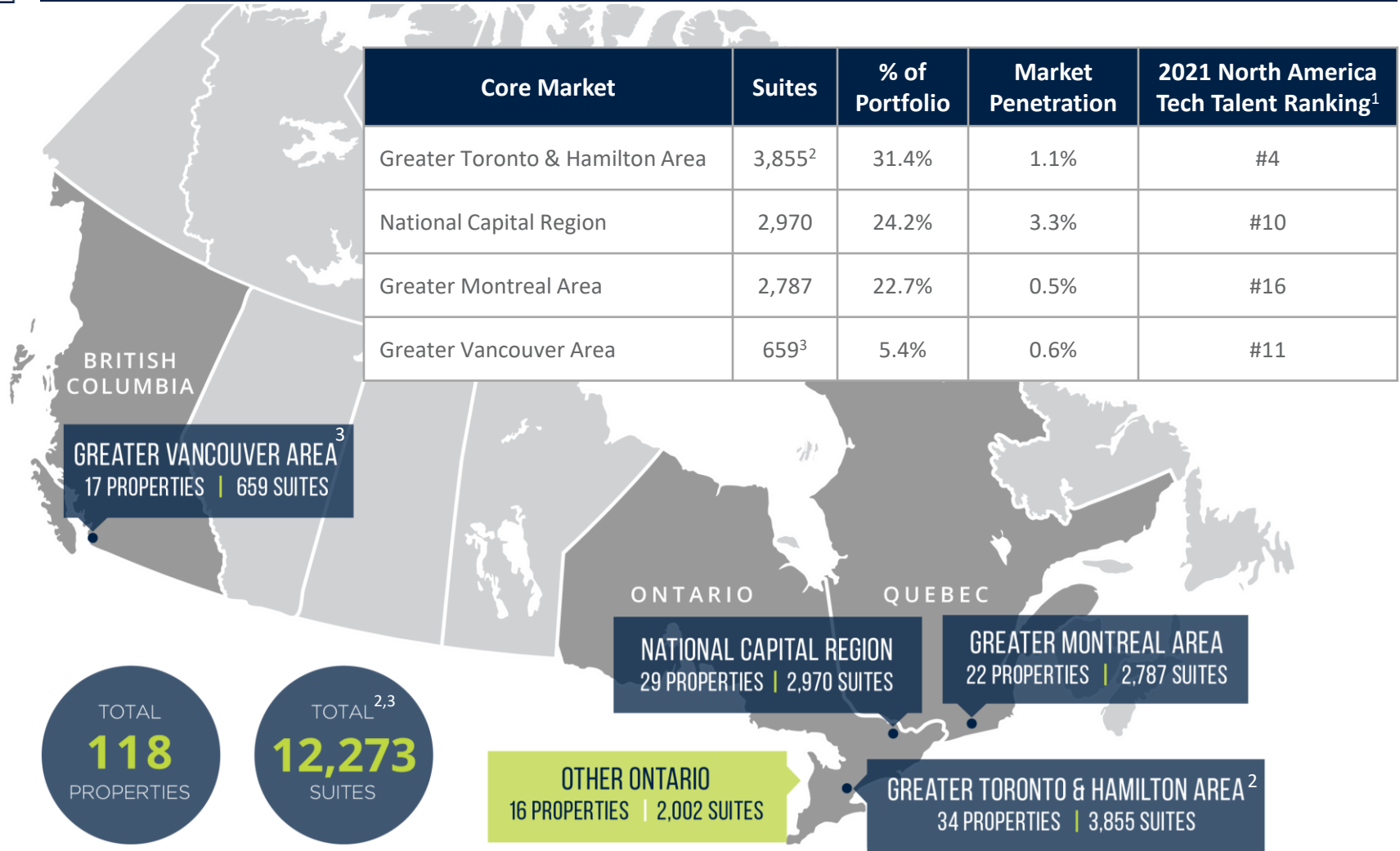
Portfolio Characteristics

Appartements VIE | 2121 Saint-Mathieu St, Montreal



PORTFOLIO CHARACTERISTICS

A Provider of Homes in Urban, High-growth Markets



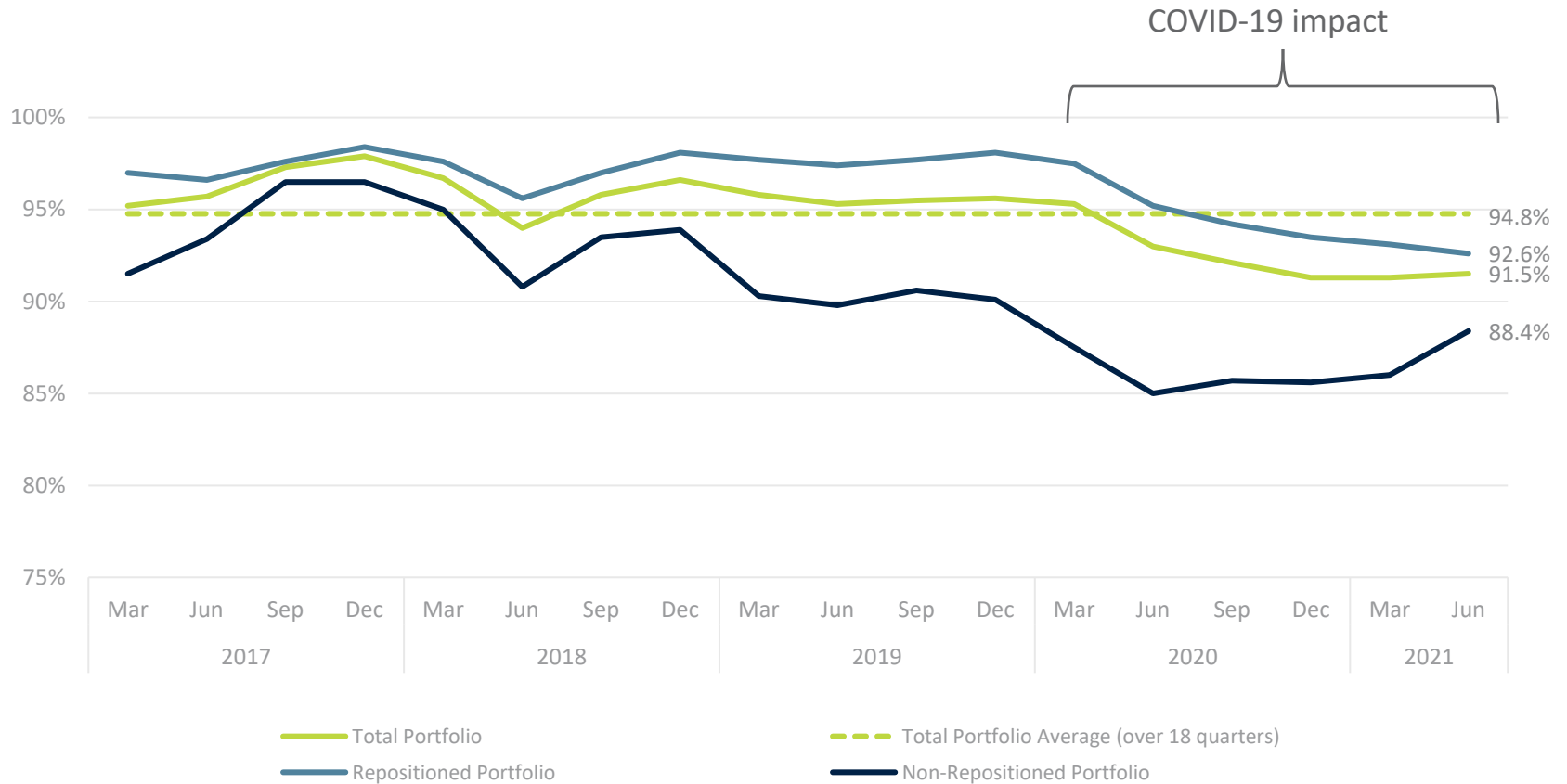
¹ Based on CBRE's analysis of the top 50 tech talent markets in the U.S. and Canada. Represents four of the top five markets in Canada.

² Includes 100% of 94-suite community in Mississauga of which InterRent's ownership interest is 50%.

³ Includes 100% of Vancouver portfolio of which InterRent's ownership interest is 50%.



Occupancy Trend

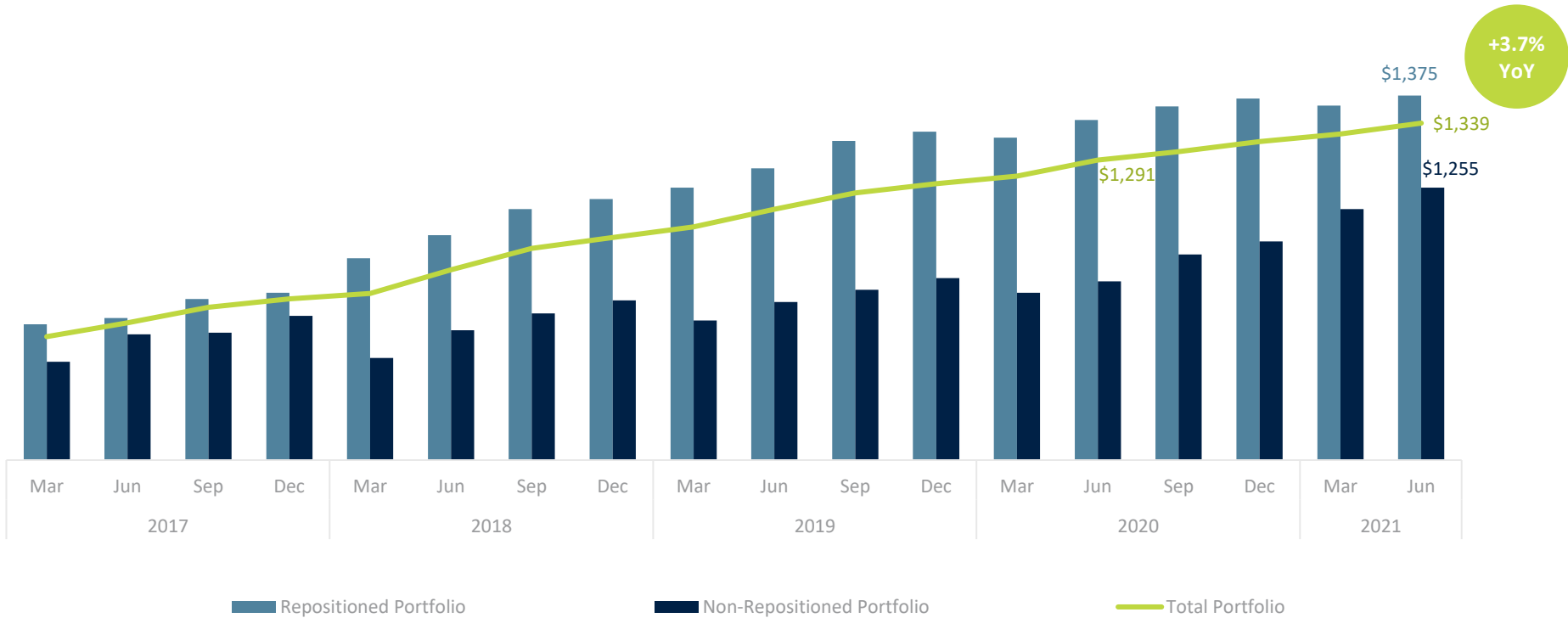


- COVID-19 has disrupted typical seasonality; 2021 leasing season expected to continue through Oct
- All acquisitions since January 1, 2018 are captured in Non-Repositioned Portfolio
- Elevated vacancy in Non-Repositioned Portfolio presents future NOI growth opportunity



Proven Track Record of Rental Growth

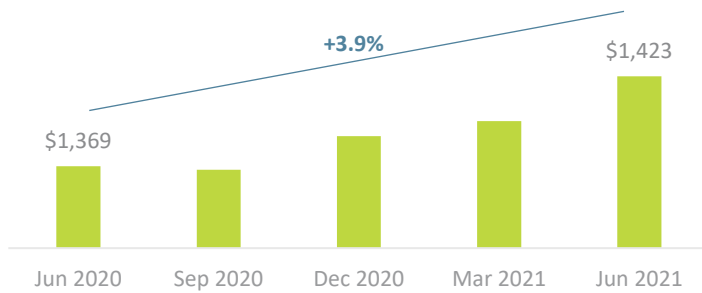
AVERAGE MONTHLY RENT



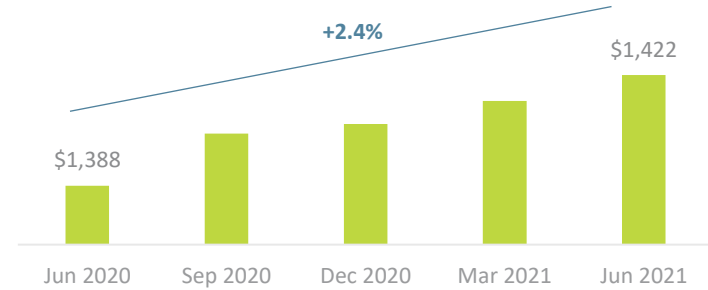


Growing Average Monthly Rent Across the Portfolio

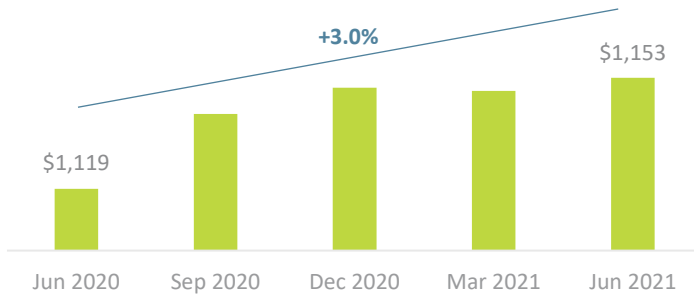
GREATER TORONTO & HAMILTON AREA



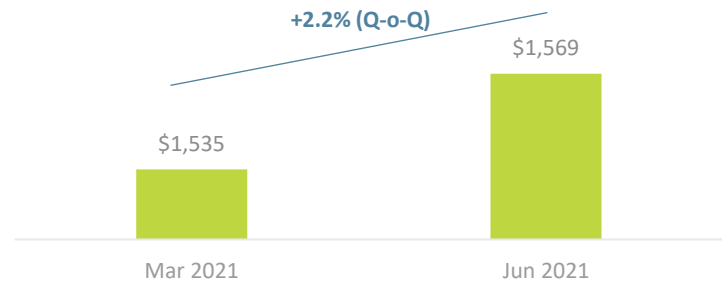
NATIONAL CAPITAL REGION



GREATER MONTREAL AREA



GREATER VANCOUVER AREA



A modern dining area with a wooden slat wall on the left, round tables with teal chairs, and a bar with black stools on the right. The ceiling has several pendant lights. A large blue semi-transparent banner is overlaid across the middle of the image.

QUARTERLY RESULTS AT A GLANCE

Appartements VIE | 2121 Saint-Mathieu St, Montreal

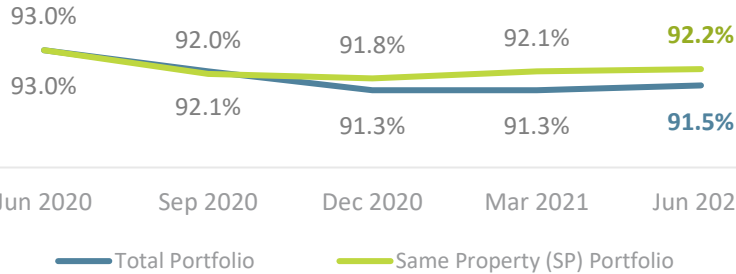


QUARTERLY RESULTS AT A GLANCE

Q2 2021

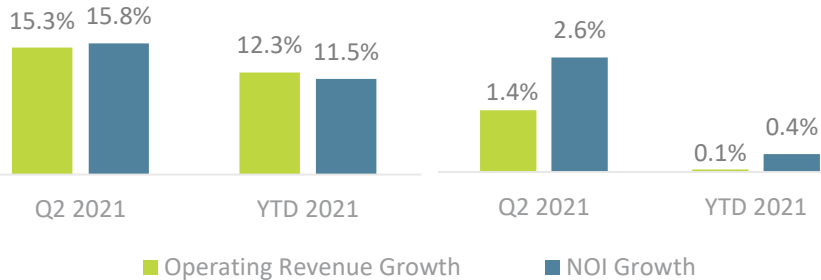
OPERATIONAL HIGHLIGHTS

Occupancy



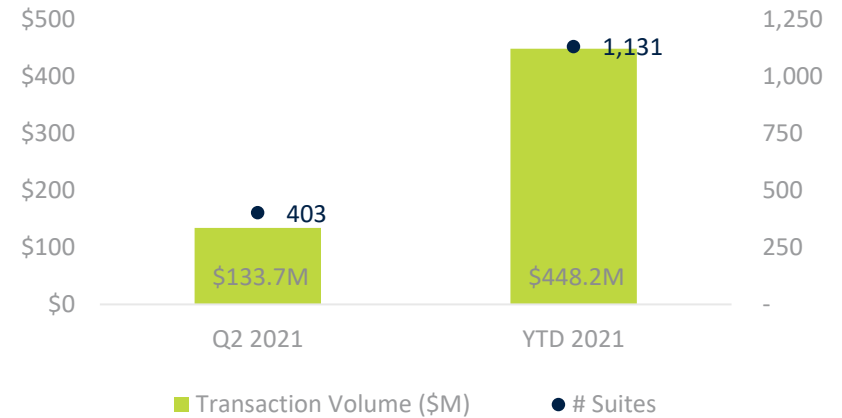
Total Portfolio

SP Portfolio



	Q2 2021	YoY Chg.	YTD 2021	YoY Chg.
FFO (\$M)	17,766	+16.5%	33,958	+14.2%
FFO/Unit	\$0.124	+6.0%	\$0.238	+2.6%
AFFO (\$M)	15,672	+14.0%	30,198	+14.8%
AFFO/Unit	\$0.110	+4.8%	\$0.212	+2.9%

EXTERNAL GROWTH¹



FINANCIAL HEALTH

Debt/GBV 34.4%

Weighted Average Interest Cost 2.41%

CHMC Insured Mortgages 67%

Interest Coverage² 3.53x

Available Liquidity - June 30, 2021³ ~\$260M

¹ Includes 100% of Vancouver portfolio of which InterRent's ownership interest is 50%.

² Rolling 12 months

³ Assuming 50% leverage applied to unencumbered properties

Capital Deployment

Forest Ridge | 2380 Baseline Rd, Ottawa



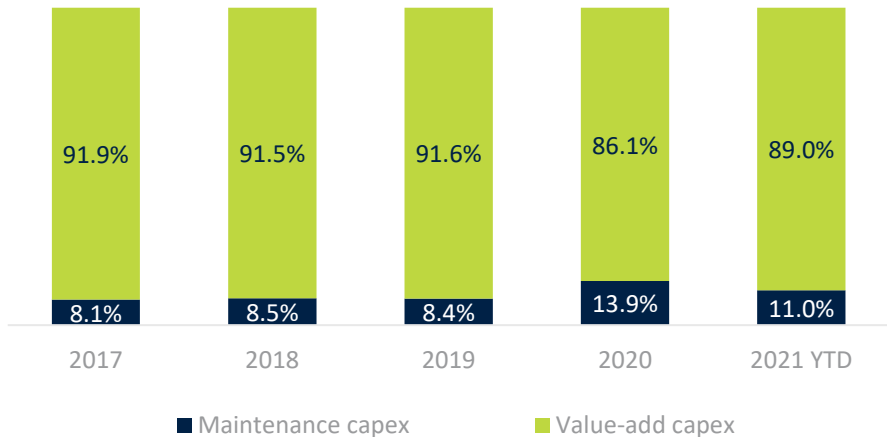
Strategic CAPEX

WELL-MAINTAINED PORTFOLIO

	Maintenance Capex	Per Repositioned Suite
2017	\$4.1M	\$866
2018	\$5.6M	\$966
2019	\$6.4M	\$975
2020	\$7.3M	\$946
2021 YTD	\$3.8M	\$904 ¹

¹ Annualized

WITH FOCUS ON VALUE-ADD INVESTMENTS



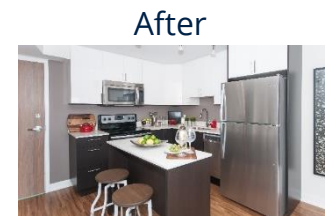
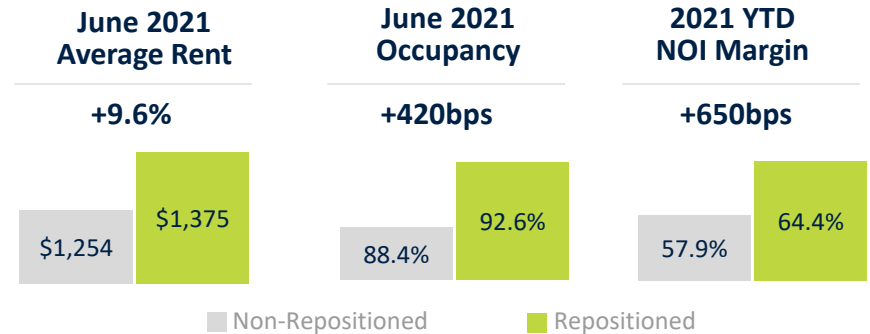
REPOSITIONING PROGRAM

Acquired properties undergo repositioning work spanning 3-4 years to increase efficiency and enhance revenue.

Repositioning investment can include:

- Common area upgrades
- Exterior upgrades
- Full or partial suite renovations (\$15-\$40K/suite)

As of Jun 30, 2021, the REIT has 3,536 suites at various stages in its repositioning program and has invested \$16.0M YTD.





2021 YTD Acquisitions Reinforce Strategic Locations



1924 Barclay, Vancouver

265 Reynolds, Oakville

Alexander Tower, Vancouver

378 Vine, St. Catharines

Region	GVA	GTHA	Other Ontario
City	Vancouver	Oakville, Mississauga	St. Catharines
# Suites	659 ¹	289 ²	272
# Communities	17	4	2
Purchase volume	\$311.4M ¹	\$109.5M ²	\$53.4M

- Continue to expect high single-digit IRRs for acquisitions in strategic locations
- In addition to value-add, may look to opportunistically add core and core+ communities

¹ At 100%; InterRent's ownership interest is 50%.

² Includes 100% of a 94-suite community in Mississauga; InterRent's ownership interest is 50%.

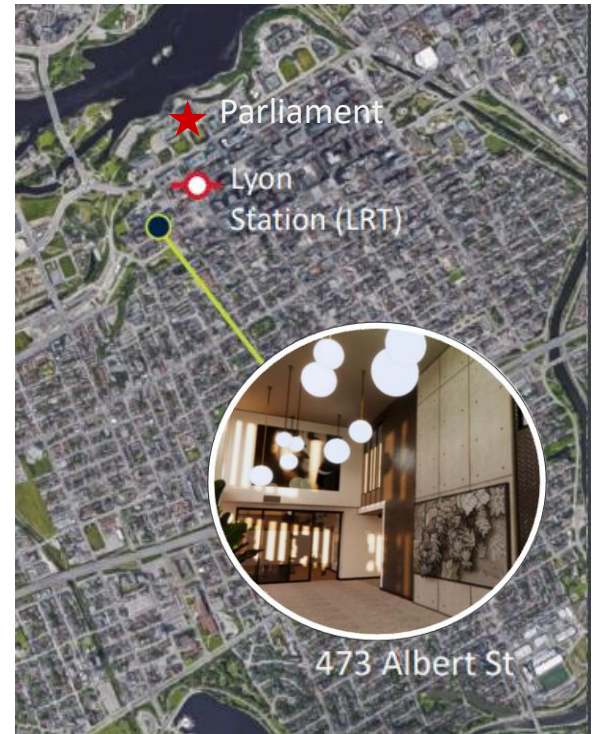


Active Developments

473 Albert Street, Ottawa (NCR)

- Adaptive reuse of obsolete office stock
- Core downtown location, steps from two LRT nodes, Parliament and business core
- Building permit obtained in Aug 2021
- Construction underway

# Suites	158
Expected completion	Q4 2022
Expected yield	4.4%
Expected IRR ¹	>15%



¹ Levered



Development Pipeline

Project	Location	Ownership	Use	Status
900 Albert Street	Ottawa (NCR)	47.5%	1,241 residential suites + ~540,000 sq ft commercial	In planning Zoning amendment approved
Richmond & Churchill	Ottawa (NCR)	100%	184 residential suites + ~19,000 sq ft commercial	In planning Zoning amendment approved
Burlington GO Lands	Burlington (GTHA)	25%	2,494 residential suites + ~43,000 sq ft commercial	In planning Site plan application in progress



900 Albert Street



Richmond & Churchill



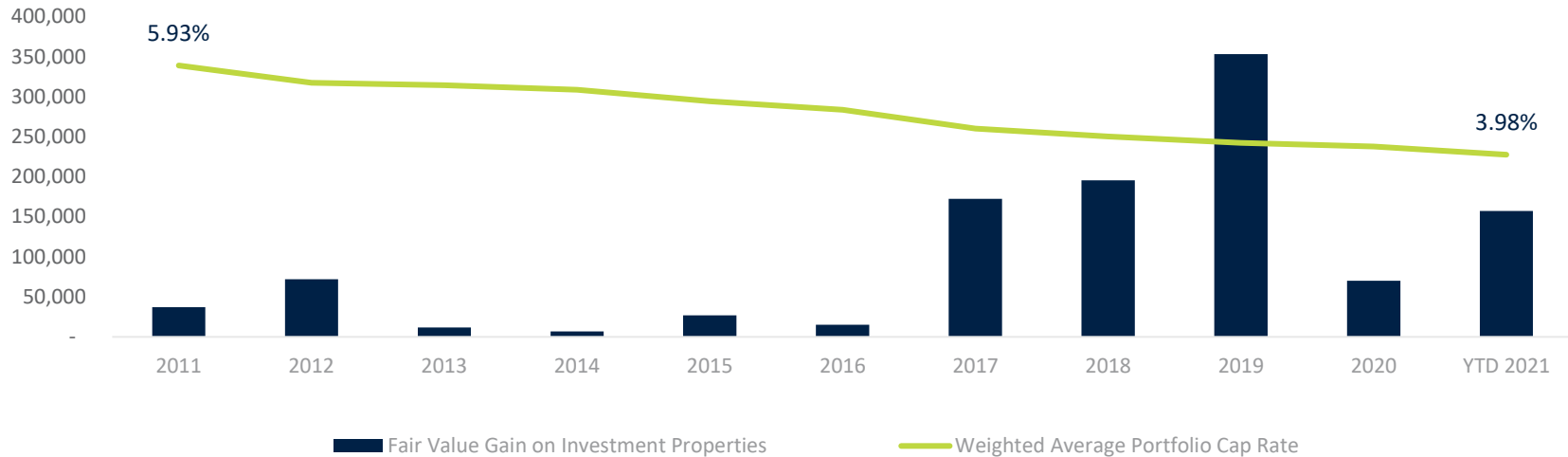
Burlington GO Lands

Balance Sheet

PAVILLON
HUTCHISON



Active Management Track Record of Value Creation



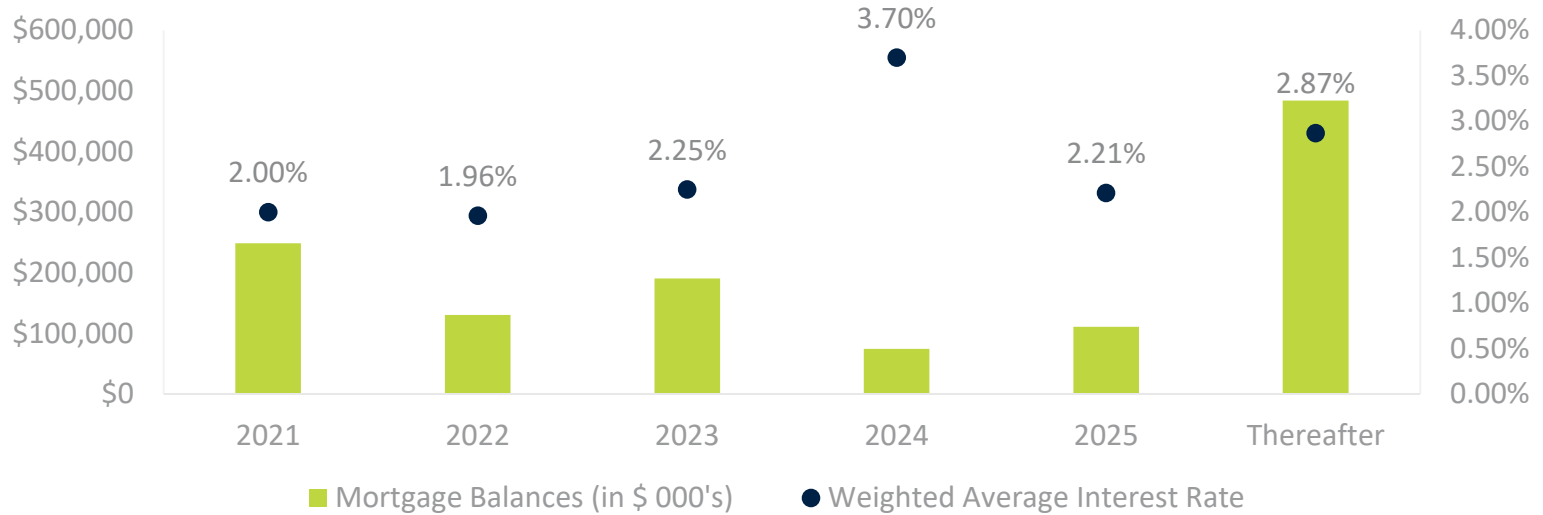
Region	Q2 2021 Cap Rate
Greater Toronto & Hamilton Area	3.86%
National Capital Region	4.34%
Greater Montreal Area	3.66%
Greater Vancouver Area	2.95%
Other Ontario	4.50%
Total Investment Properties	3.98%

- Active management strategy has driven fair value gains over the last decade
- \$157.2M fair value gain in 1H 2021 driven by both cap rate compression and NOI improvement
- Private market transactions supportive of further cap rate compression



Financing Structure (as of June 30, 2021)

MORTGAGE MATURITY SCHEDULE



AVERAGE TERM TO MATURITY	WEIGHTED AVERAGE INTEREST COST	CHMC INSURED MORTGAGES	DEBT/GBV	INTEREST COVERAGE¹

¹ Rolling 12 months

Sustainability





Taking a Long-term View




RECENT STRUCTURING WORK

- I. Formalizing sustainability governance
 - ESG committee
 - Diversity & inclusion committee
- II. Understanding our starting point
 - Employee & resident surveys
 - GRESB assessment
 - Stakeholder engagement
- III. Enhanced sustainability disclosure
 - Redesigned annual report
 - Dedicated sustainability report (Nov 2021)

WHAT WE'RE EXPLORING

emissions reduction target
TCFD
 automated meter readings
 storm water irrigation
 climate change
SASB materiality map
D&I roadmap
 supplier code of conduct
 building certifications

2021 HIGHLIGHTS

- ✓ Completed 2nd GRESB assessment 
- ✓ Launched D&I corporate objectives
- ✓ Participated in 1st anniversary survey of the [BlackNorth Initiative](#) 
- ✓ Enhanced whistleblower policy to enable confidential or anonymous web and phone tips
- ✓ Invited all employees to join [Pride at Work Canada's](#) educational *Virtual ProPride* series 
- ✓ Partnered with [MicroHabitat](#) to transform unused rooftop into an urban farm at [Appartements VIE](#) in Montreal



Key Takeaways



Key Takeaways

- Sector tailwinds, with all signs pointing to a robust rental environment in 2022
- Wall of capital and institutionalization of asset class translating into incredible deal flow
- Balance sheet strength continues to provide flexibility and fuel for future growth



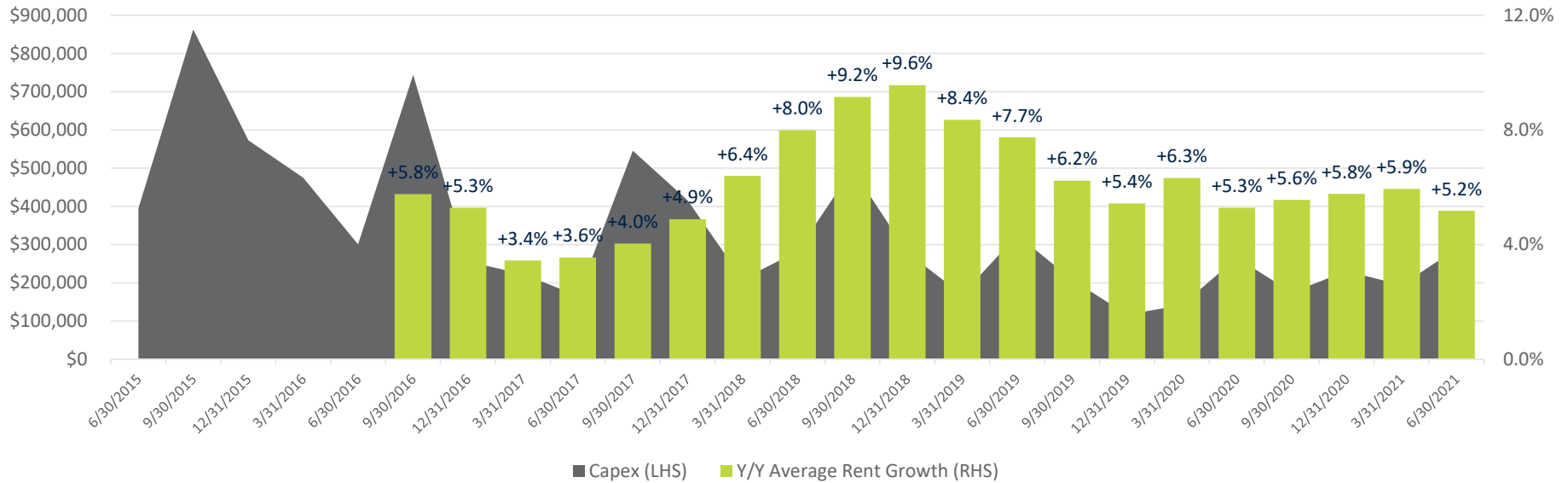
An aerial photograph of a residential development. In the foreground, a dark body of water is bordered by a wide, curved stone beachfront. Behind the beach is a large, well-maintained green lawn. A row of modern, two-story houses with dark grey roofs and brick accents is situated on the lawn. The houses have large windows and balconies. In the background, there is a dense line of green trees, and beyond that, a city skyline with several high-rise buildings under a clear blue sky with a few wispy clouds.

Appendix



Repositioning Case Study – Britannia Portfolio

Capital Invested in Repositioning Drives Long-Term Performance



Investment Summary as at June 30, 2021

Region	National Capital Region	Acquisition Cost	\$28.1MM	Going-In Yield	5.7%
Suites	286	Capital Invested	\$8.3MM	Yield on Cost	9.1%
Avg Rent - Acquisition	\$880	Total Cost	\$36.4MM	Yield improvement	+340bps
Avg Rent - Current	\$1,258	IFRS Value	\$77.6MM	IFRS Cap Rate	4.3%
Average Rent Growth	+43.0%	Value Created	\$41.2MM	Unlevered IRR	19.0%



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