NEWS RELEASE

INTERRENT REIT BUILDS ON MOMENTUM WITH STRONG Q2 FINANCIAL RESULTS

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Ottawa, Ontario (August 6, 2024) – InterRent Real Estate Investment Trust (TSX-IIP.UN) ("**InterRent**" or the "**REIT**") today reported financial results for the second quarter ended June 30, 2024.

Q2 2024 Highlights:

- Same-property and total portfolio occupancy rates of 96.2% in June 2024, a year-over-year ("YoY") increase of 70 basis points and 80 basis points, respectively, from June 2023.
- Executed 640 new leases during the quarter, an increase of 9.6% from Q2 2023. Average gain-on-lease of 16.1% compared to expiring rents, achieving annualized proportionate revenue growth of approximately $2.0 million, or 0.8% of annualized Q2 proportionate revenue.
- Driven by rental increases on new leases and renewals, achieved an Average Monthly Rent ("AMR") growth of 6.8% for the same property portfolio for June 2024, as compared to the same period in 2023.
- Same-property proportionate Net Operating Income ("NOI") of $40.6 million, an increase of $3.6 million, or 9.7% YoY. Total-portfolio proportionate NOI of $41.7 million, an increase of 6.8% YoY.
- Same-property NOI margin increased by 130 basis points compared to Q2 2023, to reach 67.7%. Total-portfolio NOI margin increased by 120 basis points to 67.5%.
- Funds from Operations ("FFO") of $23.1 million, an increase of 17.9% YoY. FFO per unit (diluted) of $0.157, an increase of 17.2% from the same period last year.
- Adjusted Funds from Operations ("AFFO") of $20.4 million, reflecting an improvement of 20.9%. AFFO per unit (diluted) of $0.138, up 19.0% YoY.
- Generated total net proceeds of $95.3 million from two dispositions completed during the quarter, including one community with four properties totaling 497 suites in Aylmer, Quebec for $92.0 million, and one community in Ottawa with 27 suites for $5.5 million. Both transactions achieved prices above their IFRS values.
- Subsequent to the quarter, purchased 405,300 units under the Normal Course Issuer Bid ("NCIB") for $5.0 million, for an average price of $12.33 per unit. All units were purchased for cancellation.

Brad Cutsey, President & CEO of InterRent, commented on the results:

"We are pleased to build on our momentum and deliver another quarter of solid results. Rental market fundamentals remain strong, as the persistent housing supply deficit continues to drive demand. Combined with the quality of our communities and our customer-centric approach, this supports rental growth that is sustainable well into the foreseeable future. During the quarter, we successfully executed two strategic dispositions and allocated some of the proceeds to our NCIB. With further proceeds available, well-managed debt exposure, healthy debt-to-GBV levels, and other available liquidity, we are well-positioned to fund potential external growth opportunities that will augment our robust organic growth profile."

Financial Highlights:

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data		**3 Months Ended June 30, 2024**		**3 Months Ended June 30, 2023**	**Change**
Total suites		**12,024**[(1)]		12,709[(1)]	**-5.4%**
Average rent per suite (June)	**$**	**1,660**	$	1,531	**+8.4%**
Occupancy rate (June)		**96.2%**		95.4%	**+80 bps**
Proportionate operating revenues	**$**	**61,787**	$	58,963	**+4.8%**
Proportionate net operating income (NOI)	**$**	**41,733**	$	39,068	**+6.8%**
NOI %		**67.5%**		66.3%	**+120 bps**
Same Property average rent per suite (June)	**$**	**1,658**	$	1,553	**+6.8%**
Same Property occupancy rate (June)		**96.2%**		95.5%	**+70 bps**
Same Property proportionate operating revenues	**$**	**59,981**	$	55,765	**+7.6%**
Same Property proportionate NOI	**$**	**40,605**	$	37,017	**+9.7%**
Same Property NOI %		**67.7%**		66.4%	**+130 bps**
Net Income (Loss)	**$**	**(1,072)**	$	36,786	**-102.9%**
Funds from Operations (FFO)	**$**	**23,096**	$	19,584	**+17.9%**
FFO per weighted average unit - diluted	**$**	**0.157**	$	0.134	**+17.2%**
Adjusted Funds from Operations (AFFO)	**$**	**20,405**	$	16,877	**+20.9%**
AFFO per weighted average unit - diluted	**$**	**0.138**	$	0.116	**+19.0%**
Distributions per unit	**$**	**0.0945**	$	0.0900	**+5.0%**
Adjusted Cash Flow from Operations (ACFO)	**$**	**17,804**	$	20,627	**-13.7%**
Debt-to-GBV		**37.8%**		37.7%	**+10 bps**
Interest coverage (rolling 12 months)		**2.39x**		2.37x	**+0.02x**
Debt service coverage (rolling 12 months)		**1.59x**		1.54x	**+0.05x**

(1) Represents 11,356 (2023 - 12,041) suites fully owned by the REIT, 1,214 (2023 - 1,214) suites owned 50% by the REIT, and 605 (2023 - 605) suites owned 10% by the REIT.

Operating Strength Continues in Q2

InterRent achieved sustained momentum in rent growth, with total portfolio AMR for June reaching $1,660 per suite, an increase of 8.4% from the same period last year. Same property AMR for June was $1,658, an increase of 6.8% year-over-year. Rent growth was robust across all regional markets.

Occupancy rates remained steady and in line with the REIT's strategic target for optimal levels. Total-portfolio and same-property occupancy rates for the month of June 2024 of 96.2% reflect year-over-year improvements of 80 basis points and 70 basis points, respectively, from the same period last year. Occupancy improved in all regional markets except the Greater Vancouver Area, where a minimal uptick of 60 basis points in vacancy was observed. The region's 97.5% occupancy remains within expected ranges.

The REIT achieved an average gain-on-lease of 16.1% for the 640 new leases signed during the quarter. InterRent continues to observe favourable rental market conditions and estimates the average market rental gap on the total portfolio to be just shy of 30%.

Solid Revenue Growth with Healthy NOI Margin

Driven by strong AMR growth and leasing demand, InterRent achieved same-property proportionate operating revenues of $60.0 million, an increase of 7.6% year over year. Operating expenses increased in Q2 from the same quarter last year. However, property operating costs, property taxes and utility costs as a percentage of revenue decreased year-over-year, resulting in margin expansion of 130 basis points for the same property portfolio reaching 67.7% during the quarter. Proportionate NOI for the same-property portfolio was $40.6 million, a 9.7% increase and total-portfolio NOI increased 6.8% to reach $41.7 million.

Disciplined Capital Recycling Strategies in Action

During the quarter, InterRent successfully completed the previously announced strategic disposition of a non-core community located in Aylmer, Quebec for a total sale price of $92.0 million, or $185,000 per suite. Additionally, the REIT has sold one community comprising 27 suites in Ottawa, Ontario for $5.5 million, or $204,000 per suite. Both dispositions achieved prices above the properties' IFRS values.

Including properties that the REIT owns in its joint ventures, InterRent owned or managed 13,175 suites at June 30, 2024. On a proportionate basis, InterRent had ownership in 12,024 suites, a decrease of 4.1% from 12,544 suites as of March 31, 2024.

Proceeds from the dispositions were partially used to repurchase units under the NCIB. Subsequent to the quarter, the Trust purchased 405,300 units under the NCIB for $5.0 million, for an average price of $12.33 per unit. All units were purchased for cancellation. Additional proceeds may be allocated to pay down debt, fund external growth opportunities, or support capital needs for organic growth.

Delivered Outsized FFO and AFFO Growth

InterRent achieved a 17.9% increase in FFO and a 17.2% increase in FFO per unit. AFFO growth was 20.9% and 19.0% on a per unit basis. This growth in FFO and AFFO was driven by increased NOI and reduced financing costs, and partially offset by dispositions which negatively impacted FFO per unit by $0.003 in Q2. Financing costs amounted to $14.2 million on a proportionate basis, or 23.0% of operating revenue, compared to $15.0 million, or 25.5% of operating revenue for the same period last year. This decrease was driven by a reduction in the weighted average interest to 3.37% from 3.43% in 2023, and partially offset by an increase in outstanding mortgage balances as a result of refinancing activities.

Strong and Flexible Financial Position

InterRent has kept its variable rate exposure, including credit facilities, at below 1%, compared to 8.4% as of June 2023. At June 30, 2024, approximately 90% of InterRent's mortgage debt was backed by CMHC insurance, unchanged from March 2024. Average term to maturity of the mortgage debt was approximately 4.8 years, compared to 5.1 years at the end of March.

InterRent's current credit facilities totaling $225.0 million were undrawn as of June 30, 2024. The REIT has approximately $142.1 million in unencumbered properties and approximately $320 million in available liquidity as of July 31, 2024. With a debt-to-GBV ratio at a healthy level of 37.8%, InterRent remains in a flexible financial position to fund both external and internal growth opportunities.

Sustainability Progress

InterRent remains committed to advancing sustainability initiatives to enhance efficiency, reduce carbon footprints, and build resilience against climate change impacts. During the quarter, the REIT invested $0.7 million in energy projects such as high-efficiency boilers, make-up air units, and building automation systems.

In June, InterRent successfully completed its fourth submission to GRESB and published its fourth sustainability report, detailing its efforts and progress towards achieving its commitment to fostering sustainable communities. The report can be accessed on its website at www.irent.com/en/about-us/sustainability.

Conference Call & Webcast

Management will host a webcast and conference call to discuss these results and current business initiatives on Wednesday, August 7, 2024, at 10:00 am EST. The webcast will be accessible at: https://www.irent.com/2024-q2-results. A replay will be available for 7 days after the webcast at the same link. The telephone numbers for the conference call are 1-800-717-1738 (toll free) and (+1) 289-514-5100 (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) to grow both funds from operations per Unit and net asset value per Unit through investments in a diversified portfolio of multi-residential properties; (ii) to provide Unitholders with sustainable and growing cash distributions, payable monthly; and (iii) to 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 August 6, 2024, 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.sedarplus.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.

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