NEWS RELEASE

INTERRENT REIT DELIVERS STRONG Q3 RESULTS AND OPERATIONAL EFFICIENCY

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Ottawa, Ontario (November 4, 2024) – InterRent Real Estate Investment Trust (TSX-IIP.UN) ("**InterRent**" or the "**REIT**") today reported financial results for the third quarter ended September 30, 2024.

Q3 2024 Highlights:

- Same property and total portfolio occupancy rates of 96.4% in September 2024, a year-over-year ("YoY") increase of 120 basis points and a sequential increase of 20 basis points from Q2 2024.
- Achieved Average Monthly Rent ("AMR") of $1,687 for the total portfolio and $1,686 for the same property portfolio in September, representing YoY growth of 7.0% and 5.6% respectively.
- Executed 1,279 new leases during Q3, representing 9.7% of the REIT's total portfolio, with an average gain-on-lease of 11.4% compared to expiring rents. Suite turnover excluding disposed properties was 23.8% for the trailing 12 months.
- Same property proportionate Net Operating Income ("NOI") of $41.5 million, an increase of $3.3 million, or 8.7% YoY, with same property NOI margin improving by 40 basis points YoY to reach 68.2%.
- Funds from Operations ("FFO") reached $23.4 million, an increase of 9.7% YoY. FFO per unit (diluted) of $0.159, an increase of 8.9% from the same period last year.
- Adjusted Funds from Operations ("AFFO") of $20.9 million, reflecting an improvement of 10.3%. AFFO per unit (diluted) of $0.142, up 9.2% YoY.
- Maintained strong financial position with a debt-to-GBV ratio of 38.5% and variable rate exposure below 1% as of end of Q3.
- Subsequent to the quarter, closed the acquisition of a newly-constructed community in downtown Montréal with 248 residential suites in a 50% joint venture for a total price of $107 million.
- Board of Trustees has approved a 5% increase to the distribution, from $0.3780 per unit to $0.3969 per unit, marking the 13th consecutive year that the REIT has grown its distribution by 5% or more.
- Achieved a 21% improvement in score and ranked first among Canadian public multi-family REITs in the 2024 GRESB Real Estate Assessment.

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

"We're pleased with our strong Q3 results following a busy summer leasing season. Although growth in market rent has moderated from last year's peak, we have seen good leasing activity and increased occupancy across all regions. Our focus remains on enhancing operating efficiency and further growing our industry-leading margins. We're particularly excited about our recent acquisition in a highly central location in downtown Montréal, strategically positioned near a major hospital and a prominent French university. This addition, secured at a discount to replacement cost, bolsters our already strong and well-located Montréal portfolio. We're confident that this acquisition, once stabilized, will further supplement our solid organic growth as we continue to leverage our operational strengths and position InterRent for long-term growth."

Financial Highlights:

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data	**3 Months Ended September 30, 2024**	**3 Months Ended September 30, 2023**	**Change**
Total suites	**12,031**[1]	12,728[1]	**-5.5%**
Average rent per suite (September)	**$ 1,687**	$ 1,576	**+7.0%**
Occupancy rate (September)	**96.4%**	95.2%	**+120 bps**
Proportionate operating revenues	**$ 61,213**	$ 59,596	**+2.7%**
Proportionate net operating income (NOI)	**$ 41,730**	$ 40,291	**+3.6%**
NOI %	**68.2%**	67.6%	**+60 bps**
Same Property average rent per suite (September)	**$ 1,686**	$ 1,596	**+5.6%**
Same Property occupancy rate (September)	**96.4%**	95.2%	**+120 bps**
Same Property proportionate operating revenues	**$ 60,836**	$ 56,380	**+7.9%**
Same Property proportionate NOI	**$ 41,499**	$ 38,190	**+8.7%**
Same Property proportionate NOI %	**68.2%**	67.8%	**+40 bps**
Net Income (Loss)	**$ (74,153)**	$ (54,560)	**+35.9%**
Funds from Operations (FFO)	**$ 23,410**	$ 21,335	**+9.7%**
FFO per weighted average unit - diluted	**$ 0.159**	$ 0.146	**+8.9%**
Adjusted Funds from Operations (AFFO)	**$ 20,910**	$ 18,957	**+10.3%**
AFFO per weighted average unit - diluted	**$ 0.142**	$ 0.130	**+9.2%**
Distributions per unit	**$ 0.0945**	$ 0.0900	**+5.0%**
Adjusted Cash Flow from Operations (ACFO)	**$ 22,394**	$ 17,415	**+28.6%**
Debt-to-GBV	**38.5%**	38.6%	**-10 bps**
Interest coverage (rolling 12 months)	**2.46x**	2.30x	**+0.16x**
Debt service coverage (rolling 12 months)	**1.63x**	1.52x	**+0.11x**

(1) Represents 11,363 (2023 - 12,060) 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.

Strong Operational Results in Q3

As of September 30, 2024, InterRent had proportionate ownership in 12,031 suites, a decrease of 5.5% from September 2023. This change reflects the disposition of 4 communities during the year, which did not contribute to Q3 results and impacted the total portfolio performance comparisons.

During the quarter, the REIT achieved strong operational results by increasing occupancy rates while maintaining steady rent growth. Same property AMR for September reached $1,686, representing an increase of 5.6%. AMR growth was robust across all regional markets, with increases in the 5-7% range for the same property portfolio.

Occupancy rates improved steadily and are within the current target range of 96%-97%. The same property occupancy rate for September was 96.4%, reflecting a year-over-year improvement of 120 basis points and a quarter-over-quarter increase of 20 basis points. The same property occupancy rate in the National Capital Region remained steady at 97.2%, with all other regions showing improvements, including a 300 basis point occupancy increase in the Greater Montreal Area to reach 96.3%.

The REIT executed 1,279 new leases during the quarter and realized an average gain-on-lease of 11.4%. New leases resulted in an annualized incremental revenue gain of approximately $3.0 million. The recently announced immigration levels plan is anticipated to moderate the pace of rental growth in certain markets in the near term. Average market rental gap on the total portfolio has decreased slightly and now stands at approximately 27%. InterRent is closely monitoring market conditions in each region and remains flexible in its strategy. While timing for realizing this gap is affected by the industry-wide trend of reduced turnover, this embedded value continues to support stable, long-term rental income growth.

Focus on Cost Control Drove Up NOI Margin

Driven by strong AMR growth and a 120 basis point reduction in vacancy rates, InterRent achieved a 7.9% increase in same property proportionate operating revenues during the quarter. Same property operating expenses in Q3 increased by 6.3% year-over-year, primarily due to the timing of certain cost allocations. For the first nine months of 2024, operating expenses increased 3.6% compared to the same period last year. The REIT achieved a same property proportionate NOI margin of 68.2% during the quarter, reflecting a 40 basis point improvement year-over-year and 50 basis point increase sequentially.

Proportionate NOI for the same property portfolio increased by 8.7% to reach $41.5 million during the quarter.

Achieved Significant Growth in FFO and AFFO

In Q3 2024, InterRent achieved a 9.7% increase in FFO and an 8.9% increase in FFO per unit, compared to Q3 2023. Year-over-year growth in AFFO was 10.3% and 9.2% on a per unit basis during the quarter. This was driven by increased NOI and a 6.4% year-over-year reduction in financing costs.

During the third quarter, financing costs were $13.9 million on a proportionate basis, or 22.7% of operating revenue, compared to $14.8 million, or 24.8% of operating revenue for the same period last year. The decrease was driven by a reduction in the weighted average interest rate to 3.37% from 3.48% in September 2023, along with a $28.0 million reduction in outstanding mortgage balances. The REIT also benefited from lower debt levels on its credit facilities, reducing credit facility costs by $0.7 million. This improvement was achieved through the strategic use of proceeds from financing activities and capital recycling efforts earlier in the year.

Strong Balance Sheet for Financial Flexibility

Year-over-year, the REIT's debt-to-GBV ratio decreased 10 basis points to 38.5% at September 30, 2024. InterRent's current credit facilities totaling $225.0 million remained undrawn as of the end of Q3, with $193.4 million in unencumbered properties and approximately $295 million in available liquidity as of October 31, 2024.

Management remains focused on disciplined capital allocation to maintain the strength of the balance sheet and ensure financial flexibility.

Strategic Acquisition of a Montréal New-Build Community

Subsequent to the quarter, InterRent successfully closed the acquisition of a newly constructed apartment community located in downtown Montréal for $107 million through a 50% joint venture with a trusted partner.

The community is a 20-storey concrete high-rise located at 170 René-Lévesque Boulevard East. The building was newly constructed in 2023, featuring 248 residential suites and approximately 7,000 sq. ft. of commercial space on the ground floor. The commercial space is in the process of being leased to a financial institution and an established national retail brand.

The REIT's portion of the acquisition will be funded in the near-term through a combination of proceeds from the REIT's capital recycling program and its operating line of credit. Long-term financing has been submitted in early October through CMHC's MLI Select Program by meeting energy efficiency and accessibility thresholds.

Sustainability Progress

InterRent remains committed to advancing sustainability initiatives to enhance efficiency, reduce carbon footprints, and build resilience against climate change impacts. In October, InterRent received a 3 Green Star designation for its 2024 GRESB Real Estate Assessment, achieving a score of 81, representing an improvement of 21% from last year and ranking 1st among all public Canadian multi-family REITs that submitted to GRESB this year.

Additionally, the REIT announced in October that its entire Montréal portfolio has achieved certification under the BOMA BEST Sustainable Buildings certification program. This achievement builds on the successful certification of the REIT's portfolios in Ontario and British Columbia under the Canadian Certified Rental Buildings Program in 2023 and earlier 2024. Under these two programs, 100% of InterRent's multi-family communities have achieved building certification coverage.

Conference Call & Webcast

Management will host a webcast and conference call to discuss these results and current business initiatives on Tuesday, November 5, 2024, at 10:00 am EST. The webcast will be accessible at: https://www.irent.com/2024-q3-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 November 4, 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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