

# INTERRENT REIT

INVESTOR PRESENTATION

Q3 2024 Conference Call

November 5, 2024



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# Forward-Looking Statements

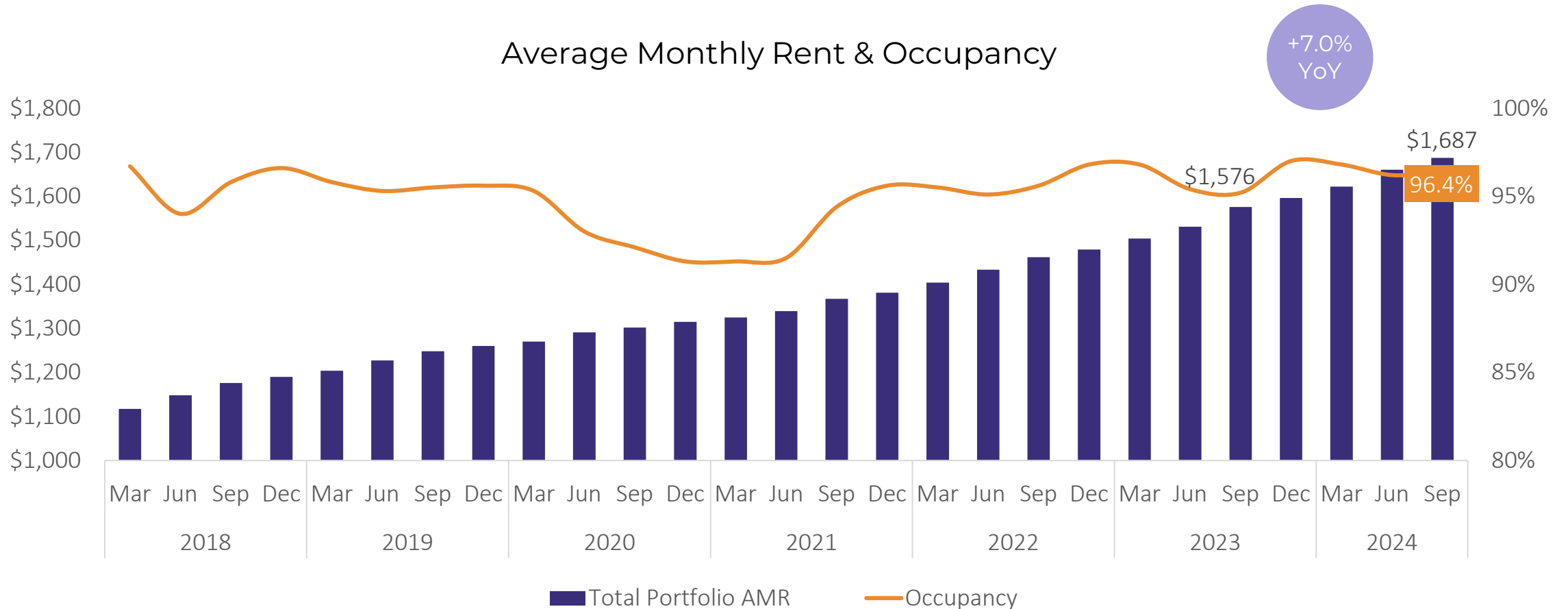
This presentation contains “forward-looking statements” within the meaning of applicable Canadian securities legislation. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “anticipated”, “expects” or “does not expect”, “is expected”, “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.sedarplus.ca](http://www.sedarplus.ca). 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.

# QUARTERLY RESULTS



# Operational Highlights: Robust AMR Growth

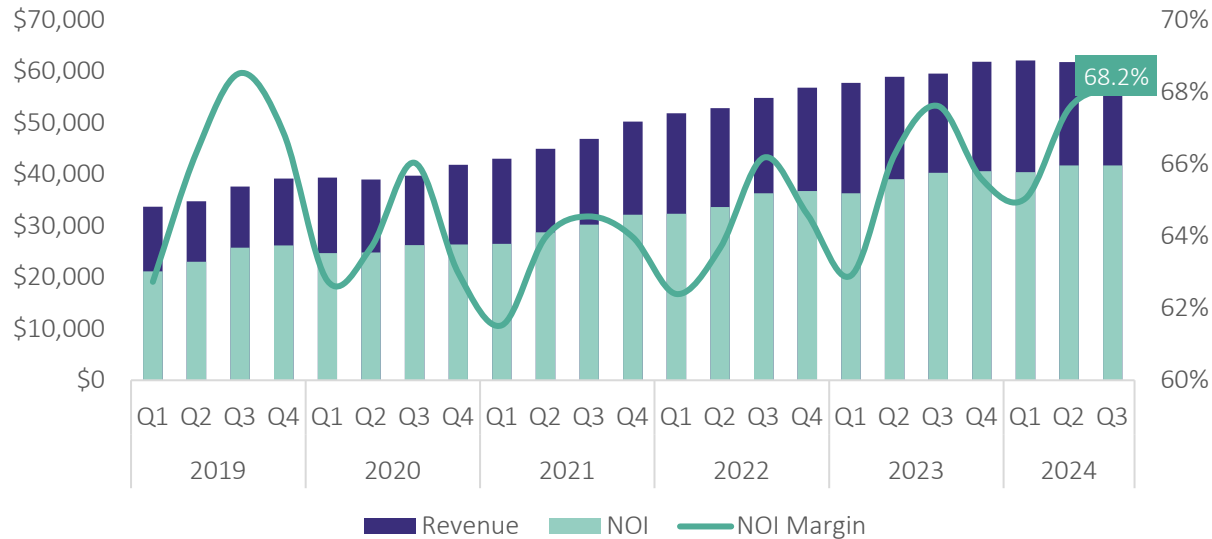
### Average Monthly Rent & Occupancy





# Financial Highlights: Sustained Profitability

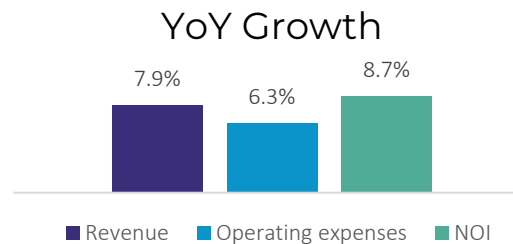
Steady Expansion of Revenue & NOI<sup>1</sup>  
Quarterly



Growth in Per-Unit Performance Measures  
Non-IFRS/GAAP

	Q3 2024	YoY Chg.
FFO (\$000)	23,410	+9.7%
FFO/Unit	\$0.159	+8.9%
AFFO (\$000)	20,910	+10.3%
AFFO/Unit	\$0.142	+9.2%

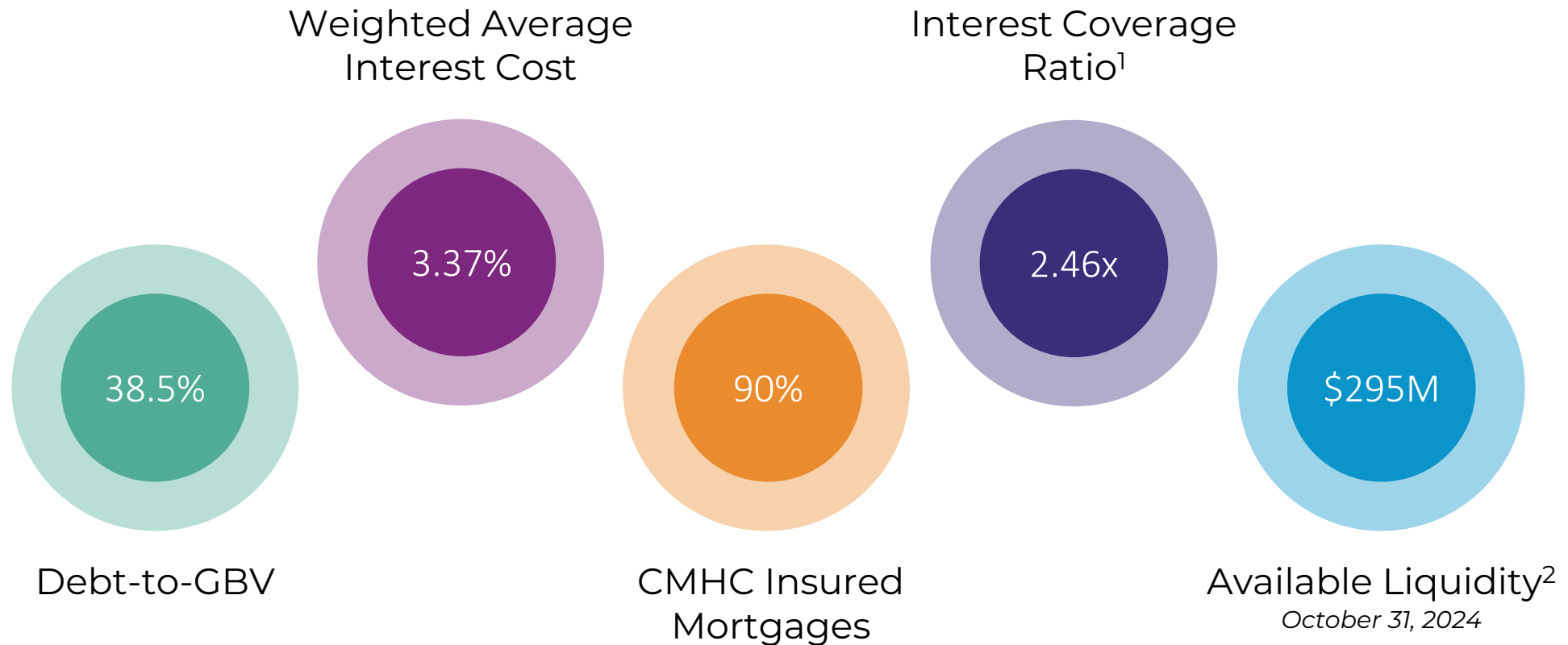
Strength in Same Property Portfolio



68.2%

SP NOI Margin  
+ 40 bps over Q3 2023

# Financial Highlights: Strengthening Financial Position

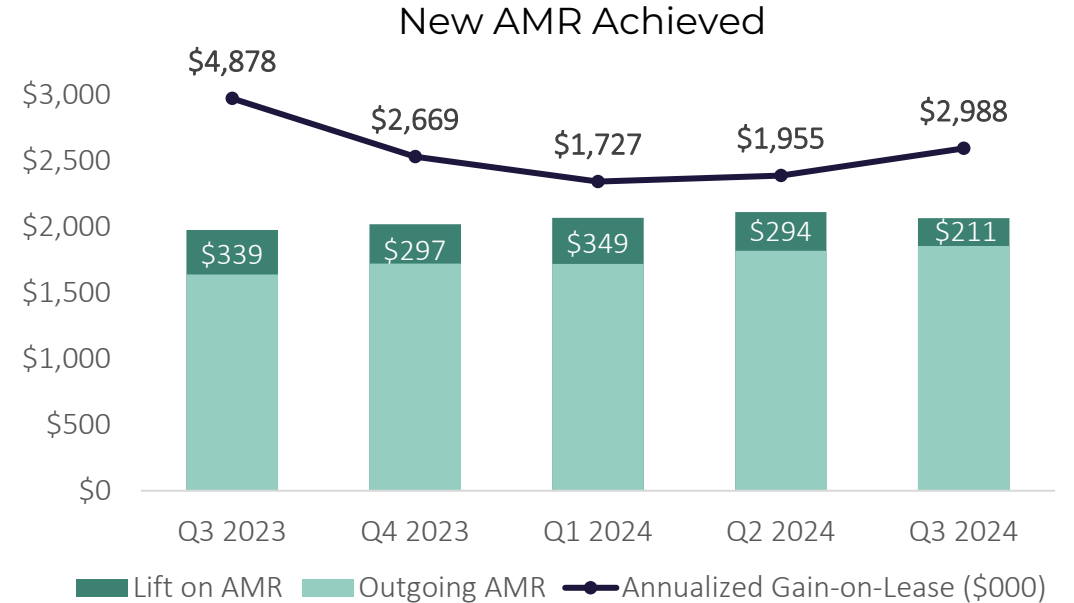
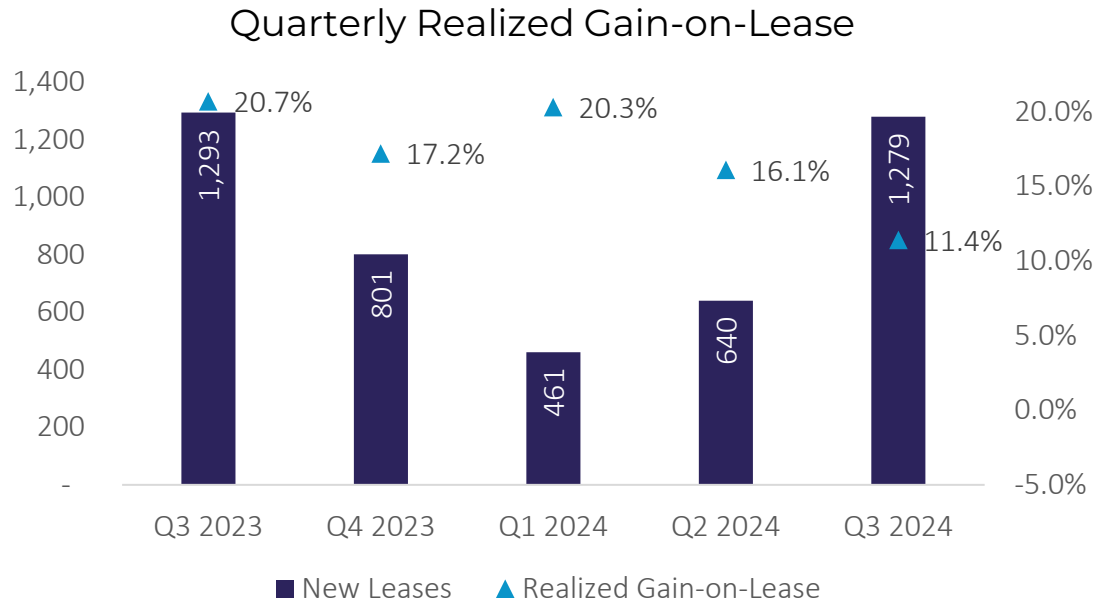


# OPERATING HIGHLIGHTS





# Operating Highlights: Strength in Organic Growth

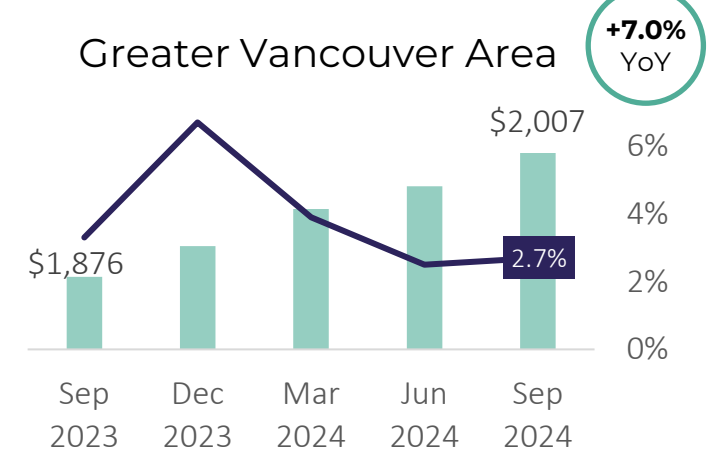
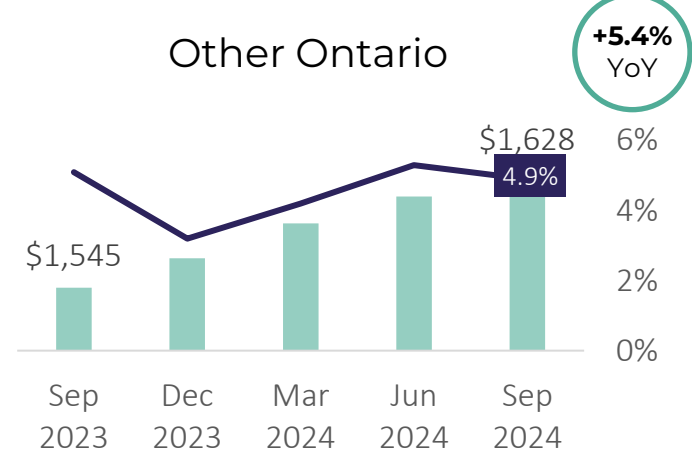
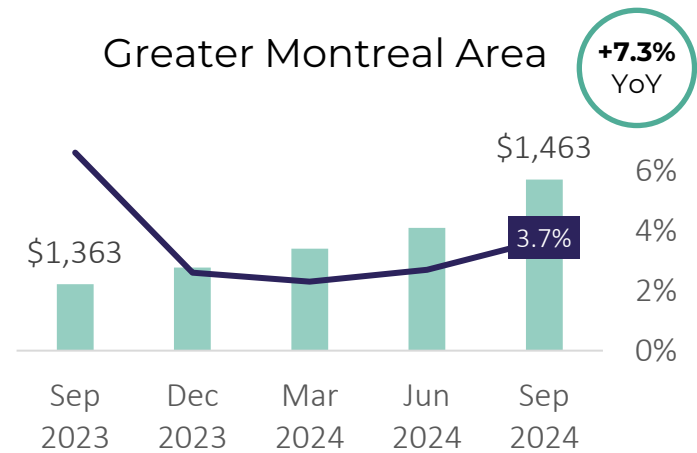
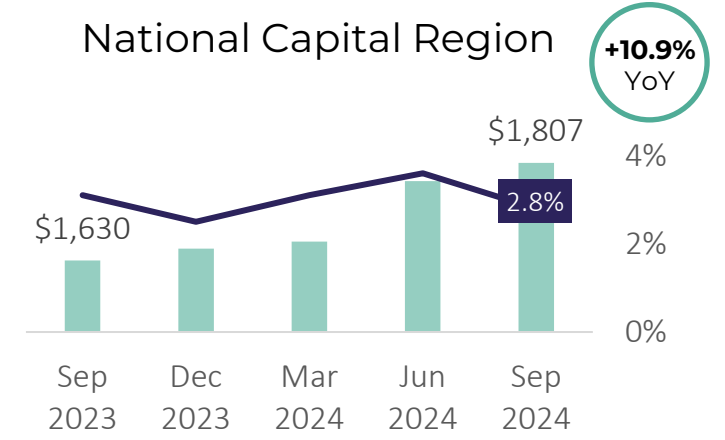
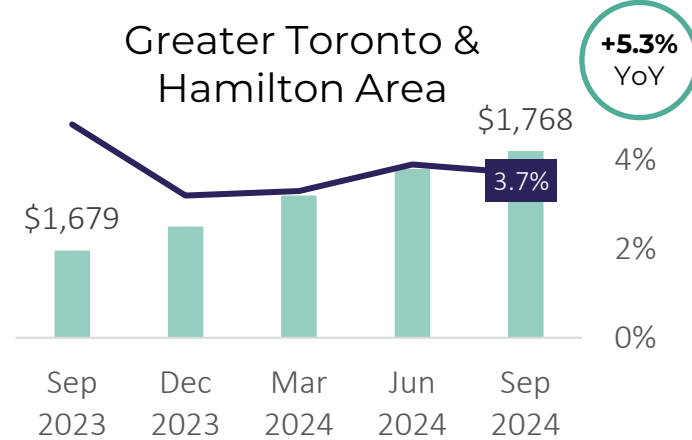
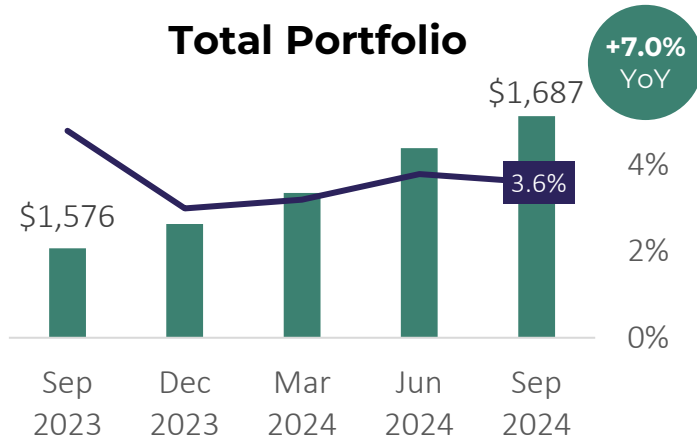


11.4% Gain-on-Lease Q3 2024

23.8% Turnover Trailing 12 months

27% Estimated Mark to Market

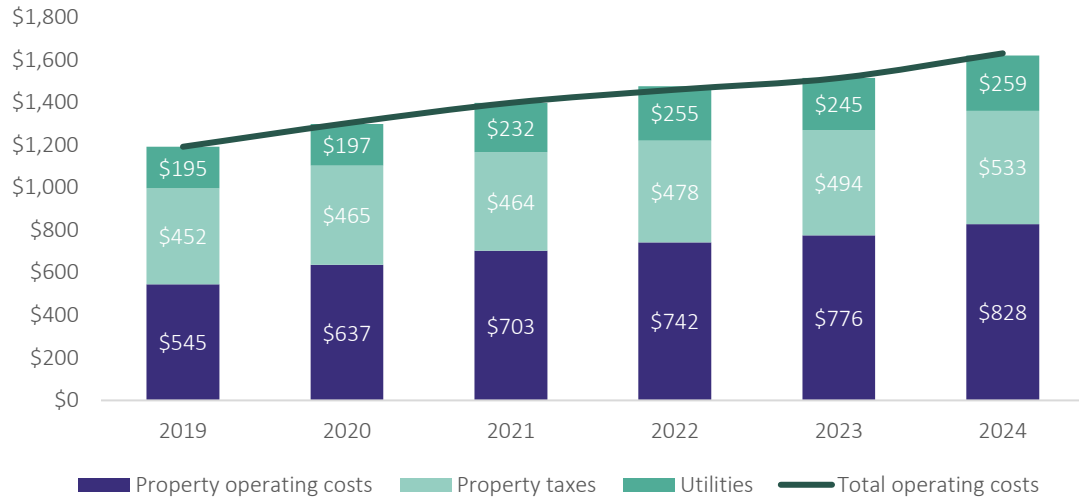
# Operating Highlights: Growing AMR Across All Regions



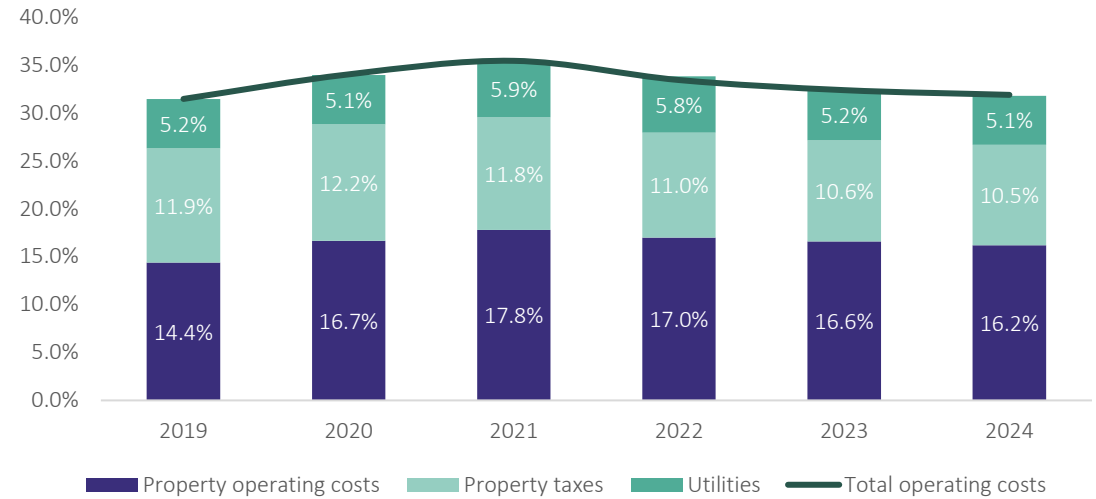
AMR Vacancy Rate

# Operating Expenses

Q3 Operating Expenses *per Suite*



Q3 Operating Expenses as a % of Revenue



- Managing property operating expenses through **technology, training & energy efficiency programs**
- Meaningful reductions in our utilities expense primarily driven by both usage and rate reductions in natural gas

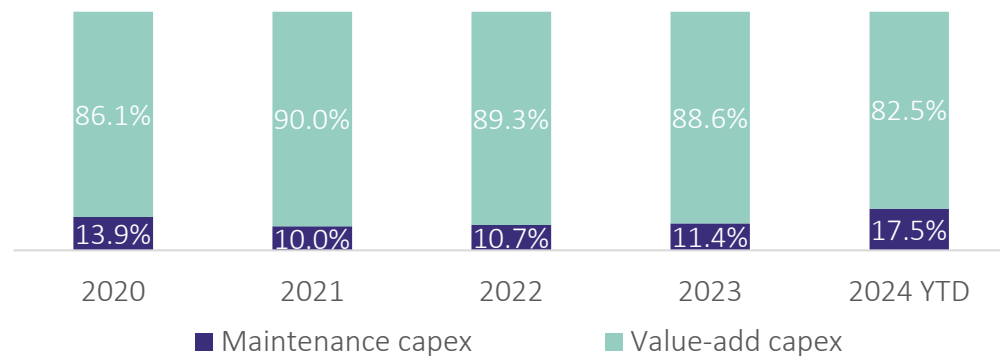
-60  
bps
 Decrease in operating expenses as a percentage of revenue for the quarter to **31.8%** from 32.4% in Q3 2023

# Creating Value Through Strategic Expenditures

## A Well-Maintained Portfolio

Year	Maintenance Capex	Per Repositioned Suite
2020	\$7.3M	\$946
2021	\$7.9M	\$950
2022	\$9.6M	\$1,069
2023	\$10.2M	\$1,005
2024 YTD	\$7.8M	\$993 <sup>1</sup>

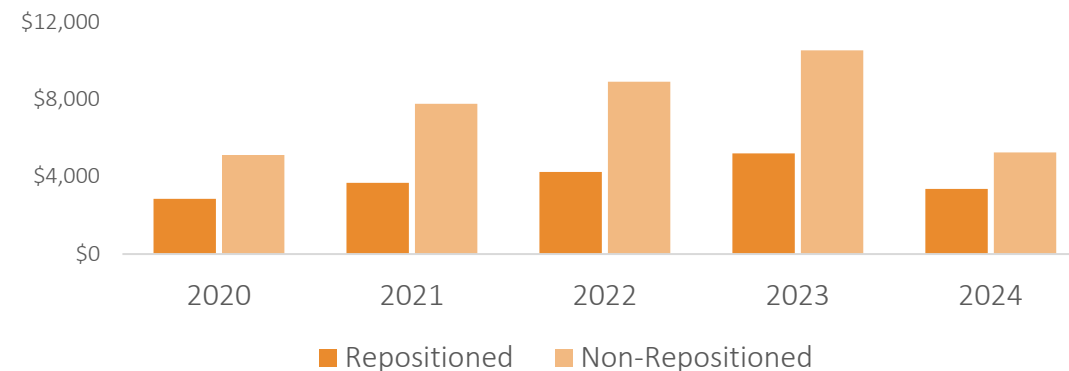
## With a Focus on Value-Add Investments<sup>2</sup>



## Investing in Our Properties

As of September 30, 2024, the REIT has **1,753<sup>3</sup>** suites, or **15%** of our portfolio, at various stages in its repositioning program and invested **\$9.2M** or **\$5,248 per suite** in the first nine months of 2024.

Capex per Suite  
9 months ended September 30



Investing in our properties delivers **higher occupancy and greater NOI margins** through efficiency upgrades and enhancements to community services and accommodations.

<sup>1</sup> Annualized

<sup>2</sup> Excluding capital expenditures related to properties under development

<sup>3</sup> At proportionate interest

# BALANCE SHEET



# IFRS Valuation

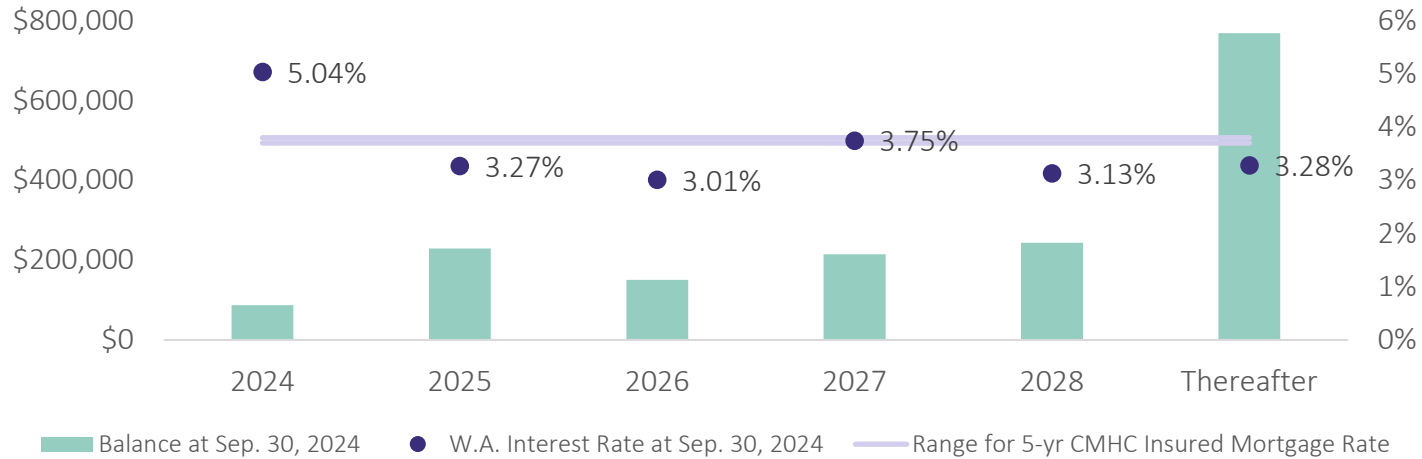
Region	Q3 '24 Cap Rate	Q2 '24 Cap Rate	Q-o-Q Change
Greater Toronto & Hamilton Area	4.26%	4.19%	+7 bps
National Capital Region	4.42%	4.29%	+13 bps
Greater Montreal Area	4.28%	4.16%	+12 bps
Greater Vancouver Area	3.44%	3.44%	-
Other Ontario	4.85%	4.76%	+9 bps
<b>Total Investment Properties</b>	<b>4.34%</b>	<b>4.25%</b>	<b>+9 bps</b>

\$93.5 million proportionate fair value loss recorded in Q3 2024, resulting from an increase in cap rates driven by a more active transaction market

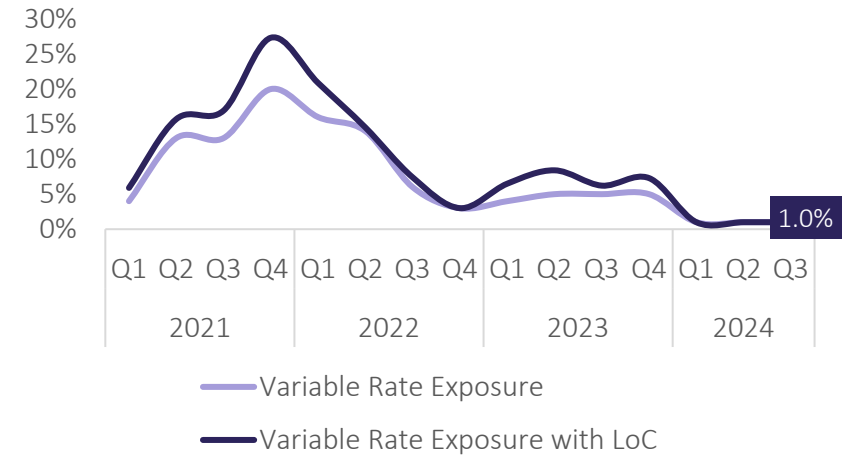


# Remaining Diligent in Managing Debt Profile

Mortgage Maturity Schedule  
In \$000s



Maintaining Low Variable Rate Exposure



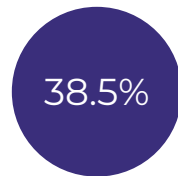
Average Term to Maturity



Weighted Average Interest Cost



CMHC Insured Mortgages



Debt-to-GBV



Debt-to-EBITDA<sup>1</sup>



Repositioned portfolio

# SUSTAINABILITY



# Q3 2024 Sustainability Highlights

## 2024 Mike McCann Charity Golf Tournament

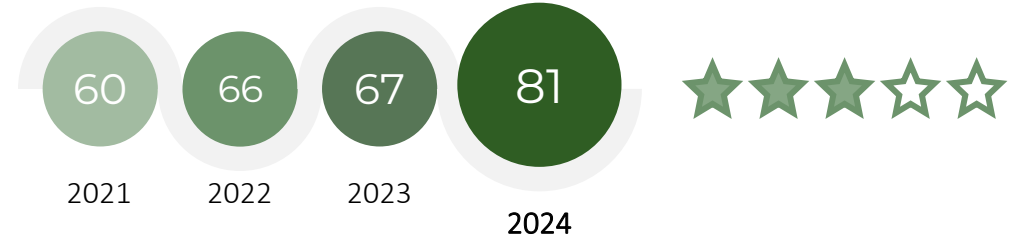
\$1.8M

Raised a record \$1,802,000 for charities in our communities at our annual charity golf tournament



Bringing the grand total close to **\$10M** since the tournament's inception

## GRESB Real Estate Assessment



Achieved a **21%** year-over-year improvement in GRESB score

## Building Certifications

Achieved 100% building certification across the multi-family portfolio as of October 2024

100%



# CAPITAL ALLOCATION





# Strategic Acquisition in the GMA

## GREATER MONTREAL AREA

**248 suites, 6,899 sq. ft. commercial<sup>1</sup>**

*Completed in 2023*

City: Montréal

Purchase Price: \$107M<sup>1</sup>

Closing Date: October 15, 2024

### *Investment Highlights*

- Strategically located in an urban, transit-rich location in downtown Montreal
- Long-term financing planned through CMHC's MLI Select program by meeting energy efficiency and accessibility thresholds



# Development Pipeline



**360 Laurier**  
*Ottawa, ON*

Suite Count	<b>139</b>
Commercial Sq. Ft.	<b>1,736</b>
Ownership	<b>25%</b>
Target Completion	<b>Q3 2025</b>



**Richmond & Churchill**  
*Ottawa, ON*

Suite Count	<b>177</b>
Commercial Sq. Ft.	<b>11,591</b>
Ownership	<b>100%</b>
Target Completion	<b>H2 2027</b>



**Burlington GO Lands**  
*Burlington, ON*

Suite Count	<b>P1-2: 1,526</b> <b>P3-4: 989</b>
Commercial Sq. Ft.	<b>P1-2: 20,081</b> <b>P3-4: 19,779</b>
Ownership	<b>25%</b>
Target Completion	<b>2032 (P1-2)</b>



**900 Albert Street**  
*Ottawa, ON*

Suite Count	<b>1,241</b>
Commercial Sq. Ft.	<b>597,368</b>
Ownership	<b>50%</b>
Target Completion	<b>TBD</b>



# Q3 2024

## Key Takeaways

- Healthy visibility for stable long-term growth
- Declining interest rate environment and operating efficiency drive bottom-line gains
- Prudent approach to value-enhancing growth opportunities

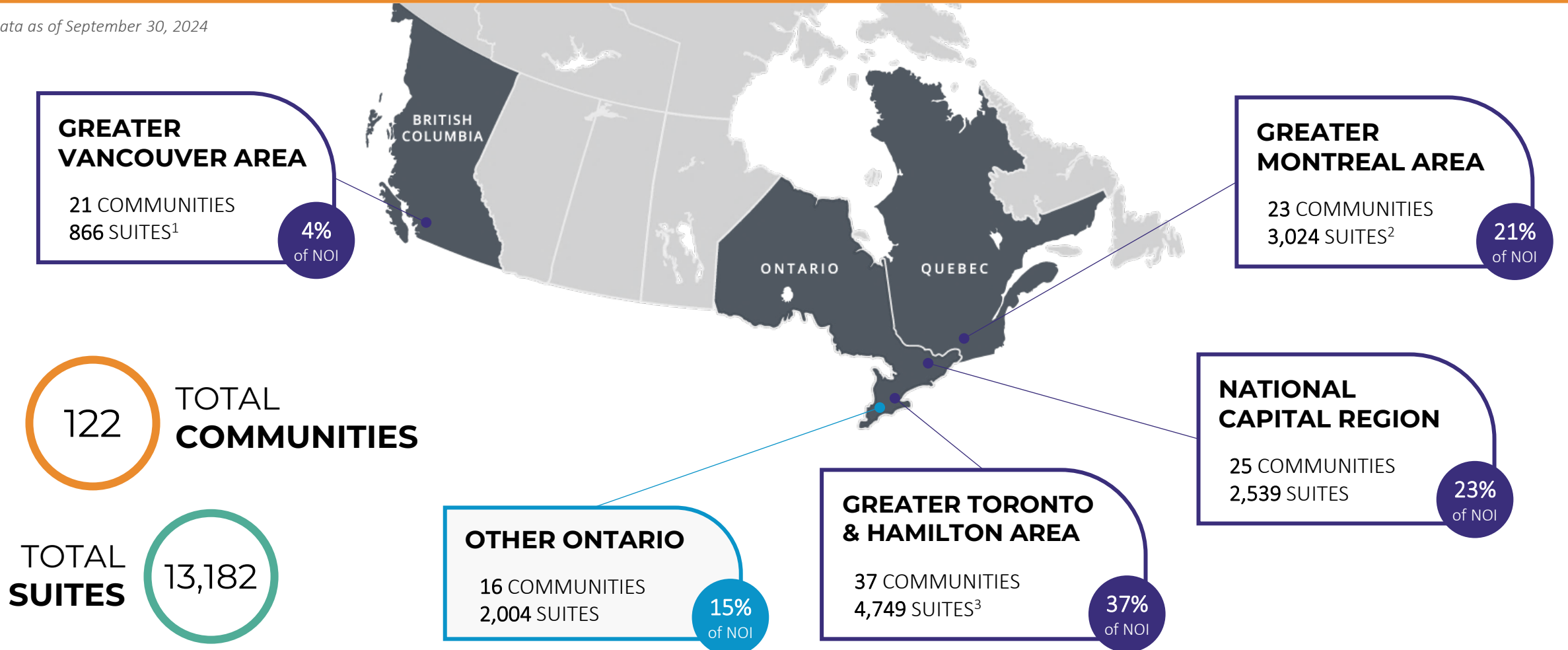


# APPENDIX



# Portfolio Map: A Provider of Homes in Urban, High-Growth Markets

Data as of September 30, 2024



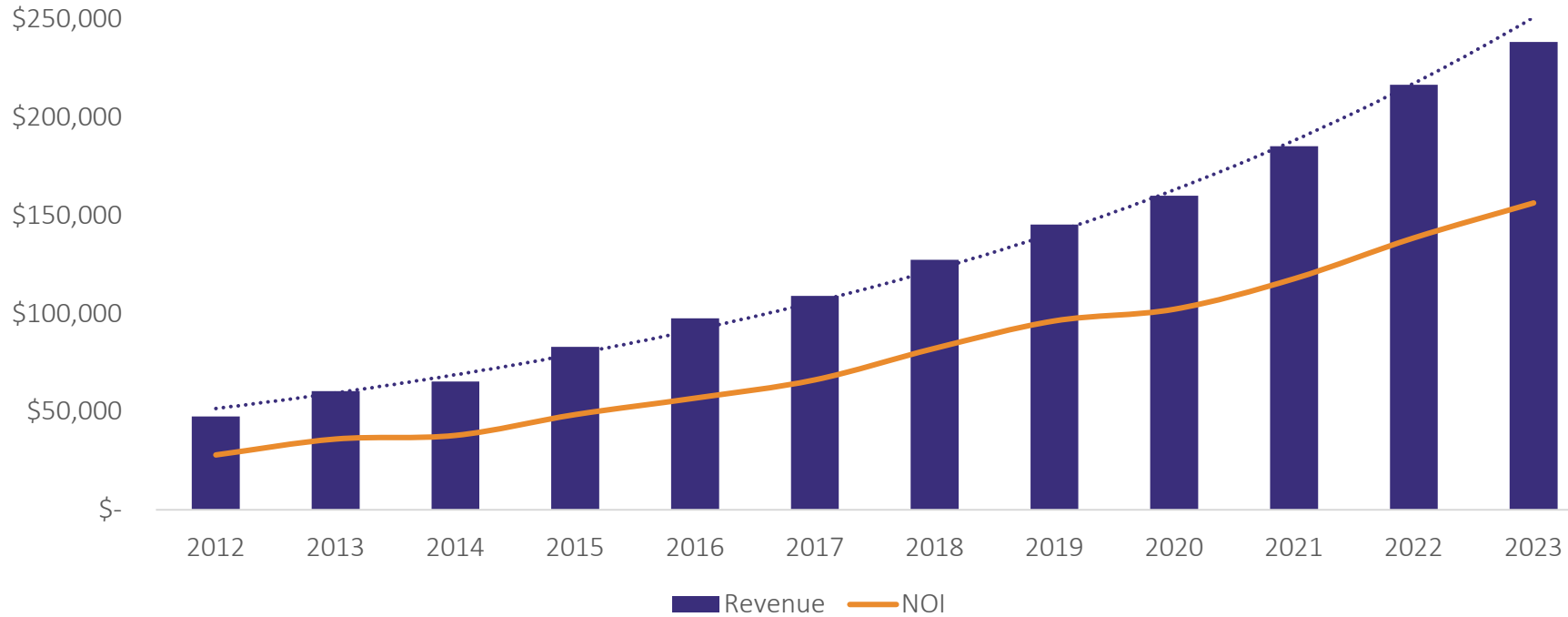
<sup>1</sup> Includes 100% of Vancouver portfolio of which InterRent's ownership interest is 50%.

<sup>2</sup> Includes 100% of a 254-suite community in Brossard of which InterRent's ownership interest is 50%.

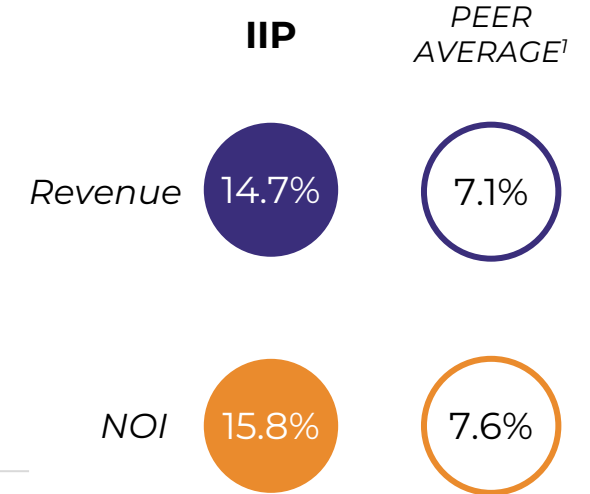
<sup>3</sup> Includes 100% of a 94-suite community in Mississauga and a 605-suite community in Brampton of which InterRent's ownership interest is 50% and 10%, respectively.

# Industry Leading Track Record

Annual Revenue & Net Operating Income



10Y CAGR (2013-2023)



<sup>1</sup> Peer group includes BEI.UN, CAR.UN, KMP.UN, MRG.UN.

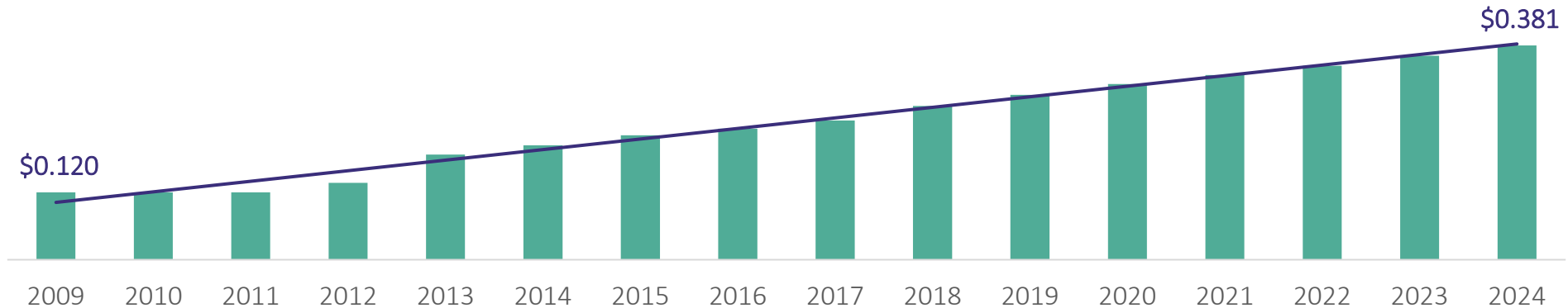
# 13<sup>th</sup> Consecutive Year of >5% Distribution Growth

Our strategic focus on organic growth, property repositioning, and external expansion through acquisitions and development has yielded strong and sustainable results.

Monthly Distribution Increases	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
	+33%	+26%	+10%	+5%	+5%	+11%	+7%	+7%	+5%	+5%	+5%	+5%	+5%

Our November 2024 distribution increase marked our 13<sup>th</sup> consecutive year of growing distribution by 5% or more.

Our annual distribution has grown at a CAGR of **8%** since 2009





# CONTACT US

***Renee Wei***

Director of Investor Relations & Sustainability

[renee.wei@irent.com](mailto:renee.wei@irent.com)

***InterRent REIT***

207-485 Bank Street, Ottawa, ON K2P 1Z2

833-AT-IRENT (833-284-7368)

[irent.com](http://irent.com)

