NEWS RELEASE

INTERRENT REIT DELIVERS SOLID FINANCIAL AND OPERATING RESULTS IN Q1 2025

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Ottawa, Ontario (May 15, 2025) – InterRent Real Estate Investment Trust (TSX-IIP.UN) (“**InterRent**” or the “**REIT**”) today reported financial results for the first quarter ended March 31, 2025.

Q1 2025 Highlights:

- Same-property portfolio occupancy increased by 10 basis points year-over-year (“YoY”) to 96.9%, with total portfolio occupancy rate remaining unchanged at 96.8%.
- Achieved 5.0% YoY growth in average monthly rent (“AMR”) to $1,722 for the same-property portfolio and 6.2% to $1,723 for the total portfolio for March 2025.
- Same-property proportionate Net Operating Income (“NOI”) of $39.7 million, an increase of $1.2 million, or 3.1% compared to the same period of 2024. Total portfolio proportionate NOI of $40.5 million, with a moderated growth rate of 0.2% reflecting the effect of completed dispositions over the past 12 months.
- On a per weighted average suite basis, total portfolio proportionate NOI improved by 4.4% YoY to $3,334 in Q1.
- Same-property proportionate NOI margin was 64.1%, a decrease of 110 basis points from Q1 2024. Total portfolio proportionate NOI margin decreased by 90 basis points YoY to 64.1%. The 16.6% YoY increase in same-property utilities expenses that was driven by an 18.0% increase in heating degree days contributed to the decrease in NOI margins.
- Funds from Operations (“FFO”) increased by 3.3% YoY to reach $21.8 million, with FFO per unit (diluted) growing by 4.2% to $0.150.
- Adjusted Funds from Operations (“AFFO”) of $18.5 million, reflecting a slight decrease of 0.1% from the same period last year. AFFO per unit (diluted) of $0.127, up 0.8% YoY.
- Continued to advance the capital recycling program with the disposition of one community of 28 suites in Ottawa for a sale price of $9.5 million, or approximately $339,300 per suite, achieving a $0.4 million, or 4% premium to its fair market value.
- Subsequent to the quarter, completed the dispositions of three communities: one community of 104 suites in Montreal for a sale price of $26.5 million or $255,100 per suite; and two communities totalling 118 total suites in Hamilton, Ontario for a sale price of $29.4 million or $249,400 per suite. Both transactions were completed at prices above their respective IFRS values.

- During the quarter, the REIT repurchased 4,840,652 units under the Normal Course Issuer Bid ("NCIB") for $49.5 million, at a weighted average price of $10.23 per unit, representing a significant discount to IFRS NAV/unit at quarter end. All units were purchased for cancellation, with some cancellations completed following the end of the quarter.
- In April 2025, purchased 1,880,384 units under the Automatic Unit Purchase Plan ("AUPP") for an average price of $10.67 per unit. Repurchases continued in May and through the date of this press release.
- The Trust's current NCIB is in effect until May 22, 2025. The Trust intends to renew the NCIB subject to TSX approval.
- As at March 31, 2025, the REIT's total variable rate exposure remained unchanged at 4%, with Debt-to-GBV at 40.9%.

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

"We delivered another quarter of solid performance, supported by our proven operating platform and the strength of our high-quality, well-located portfolio. Consistent growth in AMR and stable occupancy demonstrate the resilience of InterRent's business despite near-term market fluctuations. Our assets with a healthy mark-to-market gap provide embedded value and a strong runway for long-term organic growth.

The successful execution of our disposition program continued to substantiate the intrinsic value of our portfolio, and we are proud to have resurfaced that value for our Unitholders through accretive unit repurchases, with 4.4% of our public float bought back from the beginning of 2025 through the end of April. We remain focused on disciplined execution of our previously announced disposition pipeline to support value-enhancing unit repurchases, preserve balance sheet integrity and flexibility, while positioning the business for long-term growth."

Financial Highlights:

Selected Consolidated Information In $000's, except per Unit amounts and other non-financial data		**3 Months Ended March 31, 2025**		**3 Months Ended March 31, 2024**	**Change**
Total suites		**12,133[1]**		12,544[1]	**-3.3%**
Average rent per suite (March)	**$**	**1,723**	$	1,622	**+6.2%**
Occupancy rate (March)		**96.8%**		96.8%	**no change**
Proportionate operating revenues	**$**	**63,130**	$	62,104	**+1.7%**
Proportionate net operating income (NOI)	**$**	**40,465**	$	40,396	**+0.2%**
NOI %		**64.1%**		65.0%	**-90 bps**
Same Property average rent per suite (March)	**$**	**1,722**	$	1,640	**+5.0%**
Same Property occupancy rate (March)		**96.9%**		96.8%	**+10 bps**
Same Property proportionate operating revenues	**$**	**61,886**	$	59,093	**+4.7%**
Same Property proportionate NOI	**$**	**39,695**	$	38,501	**+3.1%**
Same Property proportionate NOI %		**64.1%**		65.2%	**-110 bps**
Net Income	**$**	**9,814**	$	26,699	**-63.2%**
Funds from Operations (FFO)	**$**	**21,819**	$	21,128	**+3.3%**
FFO per weighted average unit - diluted	**$**	**0.150**	$	0.144	**+4.2%**
Adjusted Funds from Operations (AFFO)	**$**	**18,512**	$	18,534	**-0.1%**
AFFO per weighted average unit - diluted	**$**	**0.127**	$	0.126	**+0.8%**
Distributions per unit	**$**	**0.0992**	$	0.0945	**+5.0%**
Weighted average units outstanding – diluted		**145,575,696**		147,192,388	**-1.1%**
Adjusted Cash Flow from Operations (ACFO)	**$**	**19,346**	$	15,202	**+27.3%**
Debt-to-GBV		**40.9%**		37.5%	**+340 bps**
Interest coverage (rolling 12 months)		**2.59x**		2.35x	**+0.24x**
Debt service coverage (rolling 12 months)		**1.69x**		1.58x	**+0.11x**

[1] Represents 11,341 (2024 - 11,876) suites fully owned by the REIT, 1,462 (2024 - 1,214) suites owned 50% by the REIT, and 605 (2024 - 605) suites owned 10% by the REIT.

Delivered strong operational results

As of March 31, 2025, InterRent had proportionate ownership of 12,133 suites, a decrease of 3.3% from March 31, 2024. This change reflects the disposition of 10 properties, or 552 suites since Q1 2024, which had no or only partial contribution to Q1 2025 results and impacted year-over-year comparisons at the total portfolio level.

Same-property AMR increased 5.0% from the same period in 2024, to reach $1,722 in March. Rent growth was consistent across all regional markets, with Greater Montreal Area and Greater Vancouver Area leading at above 6% in same-property AMR year-over-year growth.

Same-property occupancy rate remained healthy in March, improving by 10 basis points year-over-year. Other Ontario led the year-over-year same-property occupancy improvement with a 90 basis point increase. In Greater Vancouver Area, same-property occupancy declined by 110 basis points year-over-year due to increased supply from short-term rentals and conventional new deliveries, but improved quarter-over-quarter by 10 basis points to reach 95.0%.

The REIT executed 475 new leases during Q1 for the total portfolio, representing a 3% increase in leasing volume compared to the same period last year. Expiring rents in Q1 2025 were 13.8% higher than those in same period last year. Building on this, the REIT achieved an average gain-on-lease of 8.5%, with positive gains in all its markets. Annualized incremental revenue gain on lease was approximately $0.8 million during the first quarter. With market rent growth moderating across the country and steady in-place AMR growth continuing, the average market rental gap on the total portfolio has narrowed to approximately 23%, while turnover, excluding disposed properties, held steady at 24.1%. InterRent is closely monitoring market conditions in each region and strategically adjusts target occupancy levels as needed to optimize portfolio performance.

Consistent growth in revenue and NOI

InterRent's total portfolio proportionate operating revenues increased by 1.7% in Q1 as growth was partially offset by lost revenue from dispositions completed in 2024. Same-property proportionate operating revenues increased by 4.7% to reach $61.9 million.

Same-property operating expenses increased by 7.8% year-over-year and are up 110 basis points as a percentage of operating revenues, primarily due to higher utility costs related to heating during a winter season that has been colder than what has been experienced over the past few years. Utilities costs on a same property basis rose by $0.9 million, or 16.6%, compared to the same period last year. As heating degree days were up 18.0%, this led to a $0.5 million increase in utility expenses. Higher average utility rates resulted in a $0.4 million increase, with $0.2 million from regular rate increases and $0.2 million from the increase in the Carbon Tax on natural gas.

The REIT delivered a 3.1% year-over-year increase in same-property proportionate NOI during the quarter. Proportionate NOI margin for the same property portfolio decreased by 110 basis points year-over-year to 64.1%.

Robust FFO performance despite disposition effects

For the three months ended March 31, 2025, InterRent achieved a 3.3% increase in FFO and 4.2% increase in FFO per unit, reflecting year-over-year reduction in financing and administrative costs of 3.8% and 2.6%, respectively. Results also reflect the impact of dispositions over the past 12 months, which did not contribute or only partially contributed to Q1 2025 performance.

Buyback momentum continued, supported by successful dispositions

Based on the results of the portfolio review, and in line with the previously communicated strategy to dispose non-core assets, InterRent completed one disposition during Q1. The 28-suite community in Ottawa, Ontario met the REIT's disposition criteria and was sold for $9.5 million, or approximately $339,300 per suite, representing a $0.4 million, or 4% premium to its fair market value.

In April 2025, the REIT completed two dispositions, including one community of 104 suites in Montreal, Quebec, for a sale price of $26.5 million or $255,100 per suite, and two communities with a total of 118 suites in Hamilton, Ontario, for a sale price of $29.4 million, or $249,400 per suite. Both dispositions were completed at sale prices above their respective IFRS values.

The REIT continued to utilize the disposition proceeds to increase Unit buyback activity to address the disconnect between the intrinsic value of its Units and their trading price. During the three months ended March 31, 2025, the REIT purchased 4,840,652 Units for $49.5 million that were cancelled during Q1 or following the end of the quarter. Average price per Unit for purchases during the quarter was $10.23. In April 2025, the REIT continued to purchase and cancel 1,880,384 Units for $20.1 million, for an average price of $10.67 through its Automatic Unit Repurchase Plan.

Maintaining resilient financial position

As at March 31, 2025, InterRent had total mortgage debt outstanding of $1.7 billion, with weighted average effective rate of 3.31% and an average term to maturity of 4.6 years. Approximately 91% of the REIT's mortgage debt was backed by CMHC insurance, a historical high. Throughout the quarter, the REIT kept its variable rate exposure, including credit facilities, to 4%.

Interest coverage and debt service coverage both strengthened year-over-year, reaching 2.59x and 1.69x, an improvement of 0.24x and 0.11x, respectively.

With a debt-to-GBV ratio of 40.9% and $236 million of available liquidity, the REIT remains in a solid financial position to executive on its value-enhancing initiatives.

Conference Call & Webcast

Management will host a webcast and conference call to discuss these results and current business initiatives on Friday, May 16, 2025 at 10:00 am EDT. The webcast will be accessible at: https://www.irent.com/2025-q1-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, FFO, AFFO, ACFO and EBITDA. These non-GAAP measures are further defined and discussed in the MD&A dated May 15, 2025, which should be read in conjunction with this press release. Since Gross Rental Revenue, NOI, Same 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.ca.

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.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 release to reflect actual events or new circumstances.

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The Toronto Stock Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.