

Form 51-102F3
Material Change Report

Item 1 Name and Address of Company

InterRent Real Estate Investment Trust (“**InterRent**” or the “**REIT**”)
485 Bank Street, Suite 207
Ottawa, Ontario
K2P 1Z2

Item 2 Date of Material Change

May 27, 2025

Item 3 News Release

A news release was issued by the REIT on May 27, 2025 through the facilities of Cision and filed on SEDAR+ at www.sedarplus.ca.

Item 4 Summary of Material Change

On May 27, 2025, the REIT announced that it had entered into an arrangement agreement (the “**Arrangement Agreement**”) with Carriage Hill Properties Acquisition Corp. (the “**Purchaser**”), a newly formed entity owned by CLV Group Inc. (“**CLV Group**”) and GIC Real Estate, Inc. (“**GIC**”), pursuant to which the Purchaser will acquire all of the units of the REIT (each a “**REIT Unit**”) (other than certain REIT Units held by certain unitholders, including, as of the date of the Arrangement Agreement, CLV Group and its affiliated entities (the “**Retained REIT Units**”)) in an all-cash transaction, including the assumption of net debt (the “**Transaction**”). Under the terms of the Arrangement Agreement, InterRent unitholders (each a “**REIT Unitholder**”) will receive \$13.55 per REIT Unit in cash, which represents a 35% premium to InterRent’s unaffected closing REIT Unit price on the Toronto Stock Exchange (the “**TSX**”) as of March 7, 2025 (the last trading day prior to media speculation regarding the REIT) and a 29% premium to InterRent’s 90-day volume-weighted average price on the TSX as of May 26, 2025. The Transaction is to be completed by way of statutory plan of arrangement (the “**Plan of Arrangement**”) under the *Business Corporations Act* (Ontario) (the “**OBCA**”) (such Plan of Arrangement to include a transfer of all or substantially all of the assets of the REIT and/or its subsidiaries, on the terms and conditions set out in such Plan of Arrangement) and in accordance with Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”).

Item 5 Full Description of Material Change

5.1 Full Description of Material Change

Arrangement Agreement

On May 27, 2025, InterRent entered into the Arrangement Agreement setting out, among other matters, the terms pursuant to which the Purchaser agreed to acquire all of the REIT Units in cash (other than the Retained REIT Units) by way of a plan of arrangement under the provisions of the OBCA.

Consideration

REIT Unitholders (other than the holders of Retained REIT Units) will receive \$13.55 per REIT Unit. The total equity value of the Transaction is approximately \$2 billion on a fully diluted basis, and the total transaction value is approximately \$4 billion including the assumption of net debt.

Other Terms of the Arrangement Agreement

Pursuant to the Arrangement Agreement, InterRent has an initial 40-day go-shop period, beginning on May 28, 2025 and ending on July 6, 2025 (the “**Go-Shop Period**”), during which InterRent, with the assistance of its advisors, may actively solicit and consider superior proposals from third parties that express an interest in acquiring InterRent. InterRent has the option to extend the Go-Shop Period by up to 5 days (to July 11, 2025) in certain circumstances. The Purchaser will have the right to match any superior proposals received either during or after the Go-Shop Period, on the terms and conditions set forth in the Arrangement Agreement.

The Arrangement Agreement also includes customary provisions, including non-solicitation by the REIT of alternative transactions following the conclusion of the Go-Shop Period, which is subject to customary “fiduciary out” provisions that enable InterRent to terminate the Arrangement Agreement and accept a superior proposal in certain circumstances.

A termination fee of approximately \$49 million or \$79 million would be payable to the Purchaser under certain customary circumstances if the Arrangement Agreement is terminated during or after the Go-Shop Period, respectively. A reverse termination fee of approximately \$89 million would be payable to the REIT if the Arrangement Agreement is terminated in certain circumstances.

There can be no assurance that the go-shop process will result in a superior proposal. InterRent does not intend to disclose developments with respect to the go-shop process unless and until the board of trustees of InterRent (the “**Board**”) makes a determination requiring further disclosure.

Completion of the Transaction requires approval of at least 66 2/3% of the votes cast by REIT Unitholders, as well as the approval by a simple majority of votes cast by REIT Unitholders, excluding CLV Group, its affiliates and any other REIT Unitholders required to be excluded under MI 61-101. The Transaction is also subject to court approval, regulatory approvals, consents and approvals from Canada Mortgage and Housing Corporation (“**CMHC**”) and certain existing lenders (including in respect of the Purchaser’s debt financing in connection with the Transaction and the security granted thereunder) and satisfaction of other customary closing conditions.

A special meeting of REIT Unitholders to consider the Transaction is expected to be held in Q3 2025 (the “**Meeting**”). The TSX has approved the deferral of the REIT’s annual general meeting, which will now be held concurrently with the Meeting to be called to consider the Transaction.

Assuming the timely receipt of all required key regulatory approvals and consents and approvals from CMHC and certain existing lenders, the Transaction is expected to close in late 2025 or early 2026.

In addition to CLV Group and its affiliates, InterRent’s trustees and certain of its officers have entered into customary voting and support agreements (the “**Voting and Support Agreements**”) pursuant to which they have agreed, subject to the terms thereof, to support and vote their REIT Units in favour of the Transaction. Consequently, holders of approximately 6.3% of the issued and outstanding REIT Units have agreed to vote their REIT Units in favour of the Transaction.

Following closing, InterRent will be de-listed from the TSX and it is anticipated that InterRent will apply to cease to be a reporting issuer.

Special Committee and Board of Trustees Recommendations

As Mr. Mike McGahan is the President and Chief Executive Officer and controlling shareholder of CLV Group, as well as the Executive Chair of the Board of InterRent, the Transaction, if consummated, will constitute a “business combination” for purposes of MI 61-101. Consistent with its fiduciary duties, the Board formed a special committee composed entirely of independent

trustees of InterRent (the “**Special Committee**”) to, among other things, review and evaluate the terms of the initial and subsequent proposals received from the Purchaser, make recommendations to the Board in respect of such proposals, negotiate the terms of any transaction and supervise the preparation of a formal valuation of the fair market value of the REIT Units of InterRent in accordance with MI 61-101 (the “**Formal Valuation**”).

The Board (with the interested trustee abstaining from voting), acting on the unanimous recommendation of the Special Committee, composed entirely of independent trustees and advised by independent financial and legal advisors, has unanimously approved the Transaction and recommends that REIT Unitholders vote in favour of the Transaction. The Special Committee, after receiving advice from its financial and legal advisors, determined that the Transaction is in the best interests of InterRent and is fair, from a financial point of view, to the REIT Unitholders (other than the holders of Retained REIT Units).

BMO Capital Markets and National Bank Financial (“**NBF**”) have each provided a fairness opinion to the Board and the Special Committee that, subject to the assumptions, limitations and qualifications set out in such opinions, the consideration to be received by REIT Unitholders pursuant to the Transaction is fair, from a financial point of view, to REIT Unitholders (other than the holders of Retained REIT Units).

In addition, NBF has delivered the Formal Valuation to the Special Committee, which determined that as of May 26, 2025, and based on the assumptions, limitations and qualifications set forth in such Formal Valuation, the fair market value of the REIT Units is in the range of \$12.75 to \$14.00 per REIT Unit.

Additional Information

The foregoing summary is qualified in its entirety by the provisions of the Arrangement Agreement and the Voting Support Agreements. A copy of the Arrangement Agreement and the form of Voting Support Agreement are available under InterRent’s profile on SEDAR+ at www.sedarplus.ca.

Additional details regarding the terms and conditions of the Transaction, the rationale for the recommendations made by the Special Committee and the Board, the fairness opinions and the Formal Valuation, and how REIT Unitholders can participate in and vote at the Meeting, will be set out in InterRent’s management information circular to be prepared and made available to REIT Unitholders in connection with the Meeting on SEDAR+ at www.sedarplus.ca and on the REIT’s website at www.irent.com.

5.2 Disclosure for Restructuring Transactions

Not Applicable.

Item 6 Reliance on subsection 7.1(2) of National Instrument 51-102

Not Applicable.

Item 7 Omitted Information

No information has been omitted on the basis that it is confidential information.

Item 8 Executive Officer

For further information, please contact Curt Millar, Chief Financial Officer of InterRent, who is knowledgeable about the details of the material change, at (613) 569-5699 ext. 233.

Item 9 Date of Report

June 4, 2025.

Cautionary Statement and Forward-Looking Statements

This material change report contains “forward-looking statements” within the meaning of applicable securities legislation. Forward-looking statements generally include, but are not limited to, statements with respect to management’s beliefs, plans, estimates and intentions, and similar statements concerning the Transaction, the ability to complete the Transaction and the other transactions contemplated by the Arrangement Agreement and the timing thereof, including the parties’ ability to satisfy the conditions to the consummation of the Transaction, the receipt of the required shareholder approvals, regulatory approvals, consents and approvals of CMHC and certain existing lenders and court approval and other customary closing conditions, the possibility of any termination of the Arrangement Agreement in accordance with its terms, and the expected benefits to InterRent and its unitholders and other stakeholders of the Transaction, and other statements that are not historical facts. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as “plans”, “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”.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements of InterRent to be materially different from those expressed or implied by such forward-looking statements, including, but not limited to: the possibility that the Transaction will not be completed on the terms and conditions, or on the timing, currently contemplated, and that it may not be completed at all, due to a failure to obtain or satisfy, in a timely manner or otherwise, required regulatory, CMHC and certain existing lenders consent, shareholder and court approvals and other conditions to the closing of the Transaction or for other reasons; the negative impact that the failure to complete the Transaction for any reason could have on the price of InterRent’s securities or on its business; the Purchaser’s failure to pay the consideration at closing of the Transaction; the failure to realize the expected benefits of the Transaction; the restrictions imposed on InterRent while the Transaction is pending; the business of InterRent may experience significant disruptions, including loss of clients or employees due to Transaction-related uncertainty, industry conditions or other factors; risks relating to employee retention; the risk of regulatory changes that may materially impact the business or the operations of InterRent; the risk that legal proceedings may be instituted against InterRent; significant Transaction costs or unknown liabilities; and risks related to the diversion of management’s attention from InterRent’s ongoing business operations while the Transaction is pending; and other risks and uncertainties affecting InterRent. For more information on the risks and uncertainties affecting InterRent, please refer to the “Forward-Looking Statements” section of InterRent’s Management’s Discussion and Analysis for the year ended December 31, 2024 and Annual Information Form for the financial year ended December 31, 2024 (the “AIF”), as well as the “Risk Factors” section of the AIF.

Although the forward-looking information contained herein is based upon what management believes are reasonable assumptions, there can be no assurance that actual results will be consistent with these forward-looking statements. InterRent has attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking statements, however, there may be other factors that cause results not to be as anticipated, estimated or intended. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. InterRent does not undertake to update any forward-looking statements, except in accordance with applicable securities laws.